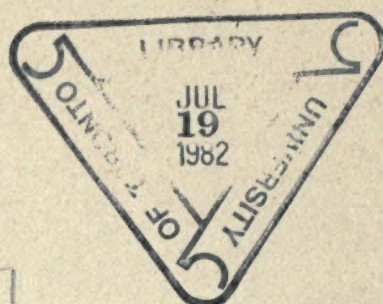








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# The Investors' Review

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# The Investors' Review.

Vol. XLI.—No. 1,044.  
New Series.

SATURDAY, JAN. 5, 1918.

(Registered as a  
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## Passing Events.

We have nine days' revenue in the last Treasury statement, because it was no use issuing the figures up to Saturday, when two more days finished the quarter. In these nine days the taxation and monopoly income amounted to £10,360,000, but the total expenditure of the nine days was £280,992,000. What does this huge figure mean? For the most part, it means a renewal of current debts. The temporary loans alone paid off amounted to £135,291,000, whereas the supply services took only £39,969,000. The expenditure, in short, was a whirlwind of banking exchanges, of expired promises to pay satisfied by the issue of new ones. Interest on the floating war debt itself took £6,168,000, while the permanent war debt charge was £2,074,000; but beyond all this the Government had to pay off £85,048,000 of due Treasury bills, besides £11,972,000 of "Other" war debt, so that the renewals were enormous, although only £1,081,000 more of the Treasury bills were sold than the amount of due bills repaid. That raised the total outstanding of this form of debt to £1,058,175,000, and the Treasury had to raise on temporary loan no less than £143,417,000, or £8,125,000 more than was paid off. It also received £21,714,000 from the sale of National War Bonds and £16,133,000 from other borrowings, the character and sources of which are concealed. But in spite of all the Exchequer balances had to be drawn upon to the extent of £2,739,000, bringing them down to £15,594,000. The most impressive fact about this exhibit is the growing unwieldiness of the floating debts and the correspondingly increasing weight of the charges they impose upon the Treasury.

One would think that Treasury officials, no matter how much the slaves of routine, would begin to scent danger when they find themselves at frequent intervals confronted by such stupendous amounts of debt demanding renewal. Apparently they, to some extent, do feel that the position is ticklish, for look at the strenuous efforts made to conjure money out of the pockets of the public by "tank" and touting sales of National War Bonds and War Savings Certificates. They begin, too, we can imagine, to find that, with all their efforts, enough is not being done, for on Monday next a new

type of bond is to be on sale, purchasable anywhere over the counter, or put into the hands of War Savings Associations, or confided to firms, shopkeepers, everybody who will undertake the work of placing them, for retail in factories, shops, everywhere. These bonds are for £5 each, and they are to be repayable just as the larger bonds will be in 1927; and in order to induce the happy mob to buy them, the holders will, when 1927 comes round, get a dazzling bonus of 1s. a £1, or 5s. in all, over and above the capital repayable. This seems to be a new effort to avoid that sinful thing, the premium bond. It affords no chance for a lottery gamble, you see, and resembles more than anything else the tip to the waiter after the feast. Is this really the best our official financial statesmanship can attain to? What are the Chancellor of the Exchequer and his officials thinking about? They are spending money at the rate of £50,000,000 to £60,000,000 a week. Do they expect to get five of that fifty millions a week by this new essay in popularising their wares? Why could they not have come down as low as a £1 bond and "jewelled" it with prizes? By bustling around in this futile way they are not only borrowing peddlingly, but borrowing dear. Why do they still resist the only fertile and sure method of catching the nimble notes of the multitude as they flutter by? They acquiesce with the utmost smugness in the perpetration of all manner of advertising dodges—we hesitate to say "outrages"—and show no trace of shame at bringing the National Exchequer and its necessities down to the level of the compiler of flaring quack advertisements, and continue to dismiss with an air of super-sanctified horror a straightforward expedient because it involves some inequality in the chances of those who are induced by it to contribute their money to the help of the State during the time of its utmost need. You can see the prim official elevating his eyes to the ceiling in devout repulsion, so that he has no vision left for the danger which threatens the country. Every week that the war goes on increases the peril that our fumblingly guided finance may cause us defeat in the end no matter how valiant our soldiers and sailors may be. Why could not our officials beg the loan of an expert from the Credit Foncier of France to teach them how to issue premium bonds if they do not know themselves?

Officially the applications for the Bank of England issue of National War bonds made during the week ended on Saturday last, December 29, numbered 11,749, and represented £9,515,575 in money. This raises the total number of applications to 205,998, and the money received to £196,839,309. Last week's total was a small one, but that is not surprising because it was a week broken by the Christmas holidays. The total amount, however, is still much short of our necessities, and the bonds issued by the Post Office have not done much to reinforce the Bank of England issue. In the week ended December 22 the Post Office had 117,000 applications for its separate issue, representing £2,227,000 in money, and this brought up the total applications there to date to 481,009, and the money total to £11,097,000. For the same week, that is up to a fortnight ago, the number of War Savings certificates sold was 1,835,849, making the aggregate number to date 136,398,133. Why cannot the Treasury put down the money received for these certificates? There is no object in concealment. Everybody knows that the certificates are sold at a discount representing the five years' compound interest at 5 per cent., to be added to the amount five years hence, when the certificates come to be paid off or converted into another form of debt. The money received is £105,708,553. So five years hence the Exchequer will have to hand back nearly £31,000,000 more than it has encashed. This looks like very expensive borrowing, does it not?

The article on another page on Russian affairs may be said to be already partly out of date, although written only four days ago. Thus do Russian affairs change, one may say, from hour to hour. Perhaps we should have left the article out, but that it indicates what we consider to be the only proper and wise method of dealing with the Russian crisis. As we anticipated, the Germans have overreached themselves, and their insane cupidity gives us our chance. Happily the man appointed by the Lenin-Trotsky Government to be Ambassador for Russia in London is a man of principle and character, whom our Foreign Secretary can enter into communication with in perfect confidence that he will not be called upon to assume any attitude injurious to his dignity and hurtful to the Government prestige. We hope it is true, as rumoured, that if the Bolshevik-based Government in Petrograd shows sufficient basis of support in the country, it will be provisionally recognised and entered into direct communication with. There must be no aristocratic hauteur in dealing with the new situation created for us by the bungling interference of that vulgar trickster, von Kühlmann, and his associations, Prussian and Austrian.

The following is a translation of a finely-worded message of comradeship and fraternity that has been sent to the President of the French Republic by the Anglo-French Society:—

To the President of the French Republic.

The Anglo-French Society, which has been formed as a mark of British admiration for France, sends to the French nation through you a message of fraternal greeting. That the year 1918 may see the victory of our allied armies, the restoration to France of her lost provinces, the liberation of her invaded territory, and the complete overthrow and punishment of the military power which has sought to place Europe in bondage, is the prayer of all its members. Confident that those hopes will be realised, we will spare no effort to make known in this country the debt which all civilisation owes to France for the sacrifices she has made in withstanding the savage onrush of our common enemy. The society has set before itself the aim of making known to British people the ideals and aspirations of the French nation, and we venture to suggest that similar efforts should be made as soon as possible in France to acquaint the French people with the British outlook on life. We are convinced that by such means the ties of friendship which unite the two nations will be greatly strengthened, that the two peoples will learn to appreciate each other's good qualities better, and that there will be less risk of the baneful German influence again making itself felt in our two countries. (Signed)

BURNHAM, President.

HENRY D. DAVRAY, } Joint Honorary

W. G. HISLOP, } Secretaries.

8, St. Martin's Place, London, W.C.

At last tangible proof is forthcoming of the improvement in Mexican conditions which has occurred within recent months. It is announced that the Guanajuato Power and Electric Co., the Michoacan Power Co., and the Central Mexico Light and Power Co. have resumed the payment of interest on their 6 per cent. first mortgage bonds, which fell into default in 1915. Coupons on the Guanajuato bonds, due October 1, 1915, and those on the Michoacan bonds and Central Mexico bonds, due July 1, 1915, were declared payable on January 1, together with interest at 6 per cent. for the period of delay, which makes the payment per \$1,000 Guanajuato bond \$34.05, and per \$1,000 Michoacan and Central Mexico bond \$34.50. It is stated that these three companies, in which Messrs. W. P. Bonbright and Co. are interested, were the last of the Mexican companies to default and the first to resume payments. The fact that the companies are able to resume payments is due to the resumption of payments of the company's bills in Mexican silver instead of in depreciated paper currency. It is hoped that additional coupons will be paid in the near future. The general managers of the companies state that the somewhat improved conditions in Mexico are particularly noticeable as regards financial conditions due to the resumption of specie payments. One swallow does not make a summer, but holders of Mexican securities are entitled to derive some satisfaction from this, the first, indication of the trend of events in Mexico, though it is too soon yet to hope that the Government will be able to settle with its creditors.

As we mentioned in dealing with the report of Peek Bros. and Winch, Ltd., the preference dividend has fallen into arrears to the extent of 27½ per cent., and a circular has now been issued setting forth a scheme of readjustment to deal with this unfortunate position. It is proposed that two years' dividend shall be paid in cash and three years' dividend in 3½ per cent. debenture stock at par. Thus a holder of 20 preference shares would receive £11 in cash and £16 10s. nominal in debenture stock. Of course, the latter is not worth anything like par, but the preference holders will probably be disposed to accept the offer gratefully. More criticism is likely to arise over the second portion of the scheme. The existing £5 shares are to be divided into shares of £1 each, and the preference will receive three cumulative 5½ per cent. "A" shares and two non-cumulative 6½ per cent. "B" shares, while the ordinary will receive four new ordinary shares and one "B" share. It is certainly a novelty to give ordinary shareholders even a small proportion of preferential rights, and as the present preference holders are asked to make substantial sacrifices they are likely to demur at this part of the proposals. However, there are decided advantages in making some such rearrangement of the capital, and it would be a pity if the scheme were shipwrecked for a comparatively small flaw.

At the meeting of the company held this week the scheme was not formally submitted, but there was a friendly discussion of the terms, which on the whole appeared to have a favourable reception. Perhaps that was partly due to the breezy remarks of the chairman, Mr. Edmund Burke, about the Food Ministry. "I am not," Mr. Burke declared, "going to utter one word against Lord Rhondda personally. He is a well-intentioned peer, who is trying to feed the people on printed forms. But he is struggling with an impossible task and working with impossible tools—officials picked up heaven knows where, and placed in control of great trades requiring technical knowledge and experience of which they are utterly destitute. This Food Control is partly a folly, partly a sham, but it is altogether a crime against the public, and especially the poor. It has raised prices, it has hoarded stocks, it has created artificial as well as real scarcity, it has been a blundering, ineffective and costly administration. You know something about the sugar card fiasco, and you have felt the pinch of the sugar famine. But you may not know that during recent months this precious Govern-

ment Department has been hoarding up sugar by thousands of tons and gorging the warehouses with twice the stocks they contained a year ago. I say nothing about tea, except that want of shipping is not accountable for the shortage, and that the Government are compelling us to pay prices which are 25 per cent. to 50 per cent. too high, and giving us insufficient quantity at that. All the queues are preventable, and most of the scarcity is preventable. The whole of the red tape, the whole of the army of officials, might be scrapped to-morrow with advantage to the State." That there is a good deal of truth in Mr. Burke's caustic comments will be generally admitted, but we have gone too far easily to retrace our steps, and we must try to make the best of a bad business. The statement, however, with regard to the stocks of sugar is decidedly significant, in view of the fact that the figures were omitted from last month's Board of Trade returns. Is it really necessary to attempt to fool the public in this way?

Molson's Bank, with its head office in Montreal, is not much known here, but it has a fine business in the Dominion, and the report for the year to September 30 shows further progress. Nett profits amounted to \$615,500, an increase of \$33,000, and after paying the usual dividend of 11 per cent., and setting aside \$75,000 for depreciation of investments, the balance forward is raised \$24,000 to \$151,800. Notes in circulation have expanded \$1,800,000 to \$6,650,000, and deposit, &c., accounts have increased \$2,600,000 to \$48,400,000. Cash notes and securities are \$4,300,000 higher at \$28,508,000, and discounts, &c., have advanced \$1,300,000 to \$37,272,000. The balance-sheet totals at the handsome amount of \$65,780,000, an increase of \$5,600,000. Mr. William Molson Macpherson, the president, in his annual address, emphasised the fact that the present business prosperity depends to such a large extent on war conditions that there is bound to be a change when peace comes, so that it is the duty of all classes to prepare for such a change by conserving the profits they are now enjoying. He also pointed out that while the banks had come to the assistance of the Government in raising War Loans, it is much better for the country that the money as far as possible should be subscribed by the general public instead of by the banks, as this avoids inflation, and allows the banks to use their resources in forwarding the business interests of the country. Altogether a very useful speech, timely and to the point.

In spite of the many difficulties attending the conduct of trust and financial business, the London Scottish American Trust continues to render a good account of itself. For the financial year ended October 31 last revenue from all sources amounts to £99,500, an increase of £10,000 on that of the previous year. This is particularly satisfactory when it is borne in mind that the balance of profit on realisation of securities was more or less negligible, while profit on exchange was smaller than in the previous year. After deducting income-tax, expenses, debenture interest, &c., there remains £10,200 more available at £52,250, a sum exceeding the amount required to repeat the dividend of 7 per cent. on the deferred stock by £9,140. The payment of the dividend leaves £8,500 more at £14,300 to go forward. Several movements have taken place in the balance-sheet items, but they call for no comment. The investments are taken at book cost, as usual. From the abstract of investments, we see that bonds of railways and other undertakings in the United States have been reduced by £121,000 to £504,000, while investments in British Government issues exhibit an increase of £155,000 at £498,000.

The directors of the Trust and Loan Co. of Canada decided in March last to issue the report and accounts in the future only for the whole year, but at the general meeting it was agreed to issue an interim report for

the period to September 30, and this has now made its appearance. Revenue is some £9,000 lower at £134,600, but as the charge in respect of interest on amount of special reserve uninvested does not recur, the balance of nett profit only exhibits a shrinkage of £6,000 at £60,200. The payment of the interim dividend at the rate of 10 per cent. leaves a balance, including £6,030 brought in, of £36,260, but this is, of course, subject to the statutory reserve fund moiety of profits allocation to be deducted when the accounts for the full financial year are made up. Investments in Canada and sundry debtors have been reduced £204,000, cash and temporary investments in London exhibit increases of £38,000 and £66,000 respectively, £81,000 more is invested in War stock, and debentures have been reduced £64,000.

Although the profit of the Blaenavon Company for the financial year ended September 30 last exhibits a severe shrinkage on the record figure of the previous year, it is well above the average of the past decade and compares very favourably with the slump years 1911 and 1914, when the company only succeeded in netting £700 and £600 respectively. Gross income at £75,000 is £65,000 down, but reserve and depreciation allocations are £41,000 smaller at £52,000, so that the amount available is £24,300 less at £12,520. Fortunately £28,500 more was brought in from the previous year, so that the board are able to repeat the  $7\frac{1}{2}$  per cent. dividend and to leave the carry forward only £5,880 down at £26,255. Considerable sums have been expended during the year on capital account, the item land, buildings, plant, machinery, &c., being £93,000 up at £730,000. This development has naturally rendered necessary recourse to credit, and there is now £85,000 more outstanding in respect of loans and bills payable. The capital has been mostly expended on steel works and blast furnace extensions, the completion of the new coal washery and water softening plants and improved railway sidings. Owing to war conditions the progress of new work in all directions has been retarded, and the expected benefit in increased output and reduced cost of production has been delayed in consequence. Part of the steel works extension has been completed since September, and the whole of this section should be in commission in a few months' time.

The Mount Elliott Company has had an unhappy experience during the year ended June 30. A year ago it was expected that the new works would have been completed so as to enable smelting to be resumed in March last, but the coal strike at the end of 1916 caused a delay until early in June. Satisfactory results were not obtained, and smelting operations ceased on October 21, up to which date there had been produced 682 tons of blister copper and 100 tons of copper matte and chippings, as compared with 2,017 tons of blister copper in the year ended June 30, 1916. Alterations to the plant are now being effected, and financial arrangements have been made with a view to providing sufficient funds to carry on until smelting operations are resumed. After allowing £9,097 for depreciation there was a nett profit of £1,149 on the year's operations as compared with £29,938. Including the sum brought in the amount carried forward is £32,349. Mining work has developed a considerable tonnage of ore, and the consulting engineer's estimate of ore reserves is as follows:—Ore at grass and in bins, including matte, 21,600 tons, assaying 6.4 per cent. copper; in the mines connected by railway, 180,000 tons, assaying 5.7 per cent. copper; Mount Oxide mines, 60,000 and 50,000 tons, assaying 7 per cent. copper.

The dividend declarations of the Rand mining companies are now practically complete. As was to be expected, in view of the decrease in production and increased working costs, comparison with 1916 shows a further shrinkage in the amount distributed. The

Consolidated Main Reef will not declare a dividend for the past half-year until the fusion with the Main Reef West has been completed, and, assuming that the rate is again 5 per cent., and that the Robinson Deep "A" dividend is only deferred, the amount distributed in dividends will be £6,750,000, a decrease of about £380,000 on 1916, which in turn showed a reduction of £400,000 on 1915. The most interesting declaration of the first half-year is that of the Government Areas of Modderfontein, which is making a maiden distribution of 12½ per cent. In the subjoined table a comparison is made of the distributions of the companies for the past three half-years:—

	Second Half 1917.	First Half 1917.	Second Half 1916.
	%	%	%
Apex .....	7½	5	5
Brakpan .....	25	22½	22½
Central Mining .....	2½†	2½†	5†*
City and Suburban .....	3½	6½	6½
City Deep .....	22½	22½	22½
Consolidated Langlaagte .....	7½	10	10
Crown Mines .....	20	20	25
Durban Roodepoort .....	10	5	10
Durban Roodepoort Deep .....	2½	2½	nil
East Rand Prop. ....	nil	nil	nil
Ferreira Deep .....	11½	17½	16½
Geduld .....	5	5	5
Geldenhuis Deep.....	7½	12½	12½
Ginsberg .....	5	5	7½
Government Areas (Modder) .....	12½	nil	nil
Jupiter .....	3½	3½	3½
Knights (Wit.).....	15	20	25
Knights Deep .....	nil	5	10
Langlaagte Est .....	5	5	nil
Meyer and Charlton .....	60†	50	55
Modderfontein B. ....	45	40	40
Modderfontein Deep .....	45	40	37½
New Goch .....	2½	5	5
New Heriot .....	25	30	40
New Kleinfontein .....	5	nil	nil
New Modderfontein .....	18½	16½	16½
New Primrose .....	5	nil	5
New Unified.....	7½	7½	10
Nourse .....	6½	6½	6½
Rand Mines .....	70	75	75
Rand Selection Corporation.....	17½	12½	15
Randfontein Central .....	nil	nil	nil
Robinson .....	4	3½	4
Robinson Deep "A" Deferred .....	—	400	400
Rose Deep .....	17½	12½	11½
Simmer and Jack.....	2½	3½	3½
Sub-Nigel .....	7½	7½	5
Van Ryn .....	12½	17½	17½
Van Ryn Deep .....	22½	20	20
Village Deep .....	8½	7½	10
Village Main Reef .....	10†	10†	15†
Wit. Deep .....	nil	5	10
Wolhuter .....	5	6½	7½

† Free of tax. \* For year. † Including bonus of 2s.

Nine Far Eastern Rand mines have among them distributed no less than 41½ per cent. of the total dividends, as against 35 per cent. in 1916.

The principal copper producers of Australia have formed a concern called the Australian Copper Producers' Proprietary, Ltd., to handle their production and deal with other matters of mutual interest. The concerns participating in this joint concern, which has been formed to protect the interests of the industry as a whole, include the Mount Lyell, Hampden-Cloncurry, Mount Morgan, Mount Elliott, the Electrolytic Copper Co., and a number of others. The lead and zinc producers have already formed joint concerns of a similar character.

The Standard Bank of South Africa, Ltd., announces that a branch has been opened at Muanza on Lake Victoria Nyanza.

Messrs. Brown, Shipley and Co. announce that, owing to difficulties created by war taxation both in this country and in the United States of America, it has been found necessary to dissolve, as from the 31st ultimo, the partnership which has for so many years subsisted between them, so far as Messrs. Brown Brothers and Co. are concerned. The two firms, however, will continue to work in close and intimate relationship as each other's correspondents and agents, and the English partners will continue to carry on business in co-partnership as heretofore under the name of "Brown, Shipley and Co.," at Founders' Court, E.C. 2, and 123, Pall Mall, S.W. 1.

## Nine Months' Revenue.

There is every reason to be gratified with the way revenue has flowed into the Treasury during the past nine months; it is only when we look at the other side of the account that we feel any misgivings. With the exception of Excise practically every heading of income shows an increase. It is rather remarkable that, in spite of the submarine outrages, and the restrictions on imports of such things as tea and tobacco, Customs show the substantial advance of £2,167,000, and if receipts continue at the same rate during the current quarter the estimate of £70,750,000 for the whole year will be comfortably realised. Excise has dropped £13,286,000, of which £5,956,000 fell within the past three months, but that is entirely due to the drastic regulations with regard to spirits, wine, and beer. This, however, was budgeted for, the estimate for the whole year being £34,950,000, and that figure ought to be easily reached if it is so desired. Estate duties have already brought in £23,193,000 out of a total of 29 millions expected, and this is an improvement of £1,329,000 on the corresponding period. Stamps also have done fairly well, and income-tax has produced an increase of £15,514,000. For the financial year the yield is put at £224,000,000, which means that £156,000,000 must be collected between now and March 31. As that represents more than three-fourths of the total pre-war taxation it is a terrible sum to draw out of the pockets of the public in such a short time, but the country is prospering in a wind-generated kind of way, and can probably stand a good deal more than it has yet been asked to do. We judge that from the experience with regard to excess profits duty. In the past nine months this impost has produced almost 149 millions, or over 69 millions more than in the corresponding period, while the estimate for the 12 months was 200 millions. As the final quarter is certain to be exceptionally productive, we shall be greatly surprised if this total is not much exceeded. Nothing else in the return calls for mention except the large increase of nearly 35 millions in miscellaneous receipts which already surpassed the estimate by nearly £20,000,000. No doubt the bulk of this is due to interest charged against the loans we have made to the Allies and Dominions. We cannot imagine any other explanation, although there may have been unusually large profits on silver operations. But we should like to know whether the interest has actually been paid or whether it is merely added to the capital of the debts. For the time being it may be necessary to make a bookkeeping entry of this kind, but it does not seem right to treat the amount as actual revenue, and an explanation by the Chancellor would be welcome. Altogether revenue shows an increase of £107,500,000 over last year, and if it had not been for the self-denying ordinance with regard to Excise the advance would have been well over 120 millions.

All so far is very comforting, but when we look at the expenditure the totals are formidable to a point that is really staggering. In the nine months the issues chargeable against revenue amounted to 2,029 millions, or fully 1,600 millions more than the revenue. Interest on war debt required 46½ millions more, and supply services 420 millions more than last year. Are we getting any sort of value for this huge increase? Well, a great deal of it is perhaps inevitable, as we are maintaining larger forces both in the fighting line and as reserves, and in the essential business of transport and supply. But there is an accumulating mass of evidence that the wastage not only in the fighting forces (much of which is inevitable under any circumstances), but in Government offices, has reached a point that is positively scandalous. There is the story of the gentleman appointed to a very responsible position whom the Treasury insisted should be assisted by a staff of 30 or 40 clerks. It was understood that he could not properly support his dignity with less, and besides he was entitled to them according to Treasury rule-of-thumb methods. But the official in

question only required one clerk and a typist, and after threatening to "chuck the job" he got his way! There are thousands of cases of that kind all over the place, and thousands of girl clerks whose main duty is to make tea for each other. The latest outrage is that they are going to swarm over the British Museum, although the Admiralty has a whole rabbit warren of offices absolutely unoccupied. Surely the Office of Works, or whichever department is responsible, ought to be able to manage better than that. These things may appear to be trifles, but the cumulative effect is appalling, and the Munitions Ministry is earning for itself a reputation for lavish incompetence which has never been equalled in this or any other country. War and waste go hand in hand, but when the bill for nine months foots over 2,000 millions, it is high time that Mr. Godfrey Collins' Committee got down to real business, and obtained powers to put a stop to the numerous scandals that are crying aloud for redress. During the nine months 2,031 millions Treasury bills were issued, but 1,437 millions were repaid, and of 838 millions of ways and means advances, 777 millions were repaid. Just over 1,030 millions of other war debt came into existence, and it is noteworthy that the depreciation fund for the support of the 5 per cent. War Loan has absorbed 26½ millions. That seems a very much larger sum than ought to have been necessary, and we wonder if any of the big subscribers have been "ratting"? Anyhow, the account balances at the huge total of 4,333 millions, or 1,120 millions more than last year, and Exchequer balances have been reduced by almost £10,000,000 to the low level of £15,600,000. Would it not be worth while to have a real inquiry into this vast expenditure? It would not surprise us if it could be reduced 20 or 25 per cent. with a corresponding increase in efficiency.

### Revenue Returns.

I.—AN ACCOUNT OF THE TOTAL REVENUE OF THE UNITED KINGDOM in the undermentioned periods of the year ending March 31, 1918, as compared with the corresponding periods of the preceding year.

	Quarter from Oct. 1 to Dec. 31, 1917, compared with the corresponding quarter of the preceding year.			
	Quarter ending Dec. 31, 1917.	Quarter ending Dec. 31, 1916.	Increase.	Decrease.
Customs .. .. .	£ 8,458,000	£ 8,830,000	—	372,000
Excise .. .. .	6,614,000	16,570,000	—	5,956,000
Estate, &c., Duties .. .. .	8,142,000	6,688,000	1,456,000	—
Stamps .. .. .	2,243,000	1,945,000	298,000	—
Land Tax .. .. .	—	10,000	—	10,000
House Duty .. .. .	100,000	80,000	20,000	—
Property and Income Tax (including Super-Tax) .. .. .	17,390,000	17,588,000	—	198,000
Excess Profits Duties, &c. .. .. .	61,111,000	49,443,000	13,168,000	—
Land Value Duties .. .. .	82,000	40,000	42,000	—
Postal Service .. .. .	5,450,000	5,210,000	250,000	—
Telegraph Service .. .. .	550,000	90,000	51,000	—
Telephone Service .. .. .	1,600,000	1,500,000	100,000	—
Crown Lands .. .. .	240,000	230,000	10,000	—
Receipts from Sundry Loans, &c. .. .. .	339,000	2,444,134	—	2,102,035
Miscellaneous .. .. .	18,209,164	8,754,578	9,454,586	—
	145,428,673	129,217,712	24,848,586	8,633,035
				£16,210,551 Nett Increase.

	Period from April 1 to Dec. 31, 1917, compared with the corresponding Period of the preceding Year.			
	Period ending Dec. 31, 1917.	Period ending Dec. 31, 1916.	Increase.	Decrease.
Customs .. .. .	£ 51,110,000	£ 50,943,000	2,167,000	—
Excise .. .. .	26,204,000	41,490,000	—	13,286,000
Estate, &c., Duties .. .. .	23,193,000	21,814,000	1,379,000	—
Stamps .. .. .	5,634,000	5,421,000	214,000	—
Land Tax .. .. .	—	50,000	—	50,000
House Duty .. .. .	370,000	360,000	10,000	—
Property and Income Tax (including Super-Tax) .. .. .	67,907,000	52,393,000	15,514,000	—
Excess Profits Duties, &c. .. .. .	148,945,000	79,827,000	69,117,000	—
Land Value Duties .. .. .	309,000	151,000	158,000	—
Postal Service .. .. .	16,800,000	16,500,000	300,000	—
Telegraph Service .. .. .	2,600,000	2,500,000	100,000	—
Telephone Service .. .. .	4,700,000	4,600,000	100,000	—
Crown Lands .. .. .	470,000	470,000	—	10,000
Receipts from Sundry Loans, &c. .. .. .	1,719,013	4,822,145	—	3,103,132
Miscellaneous .. .. .	16,639,290	11,749,466	34,889,824	—
	400,650,303	293,146,611	123,908,824	16,209,152
				£107,509,692 Nett Increase.

II.—AN ACCOUNT showing the RECEIPTS into and ISSUES out of the EXCHEQUER in the period ending Dec. 31, 1917, as compared with the corresponding period of the preceding year

RECEIPTS.	Period ending Dec. 31, 1917.		Period ending Dec. 31, 1916.	
	£	£	£	£
BALANCES IN EXCHEQUER ON APRIL 1:—				
Bank of England .. .. .	25,209,947	25,111,065		
Bank of Ireland .. .. .	1,225,912	463,941		
	26,435,859	25,575,006		
REVENUE, as shown in Account I. .. .. .	400,650,303	293,146,611		
ADVANCES REPAID—				
Bullion .. .. .	1,670,000	2,650,000		
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .. .. .	169,818	—		
MONEY RAISED BY CREATION OF DEBT—				
Under the Telegraph (Money) Act, 1913 .. .. .	100,000	210,000		
Under the Post Office (London) Railway Act, 1913 .. .. .	68,000	160,000		
Under the Military Works Acts, 1897 to 1903 .. .. .	—	8,824		
Under the Public Buildings Expenses Act, 1903 .. .. .	—	8,000		
Under the Housing Act, 1914 .. .. .	394,500	74,000		
By Treasury Bills for Supply .. .. .	2,031,271,000	1,708,380,000		
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .. .. .	—	3,087,600		
By Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .. .. .	1,300,000	—		
By 4½ per Cent. War Loan, 1925-1945 .. .. .	—	424		
By 5 per Cent. Exchequer Bonds, 1919 .. .. .	—	34,222,000		
By 5 per Cent. Exchequer Bonds, 1920 .. .. .	—	84,140,469		
By 5 per Cent. Exchequer Bonds, 1921 .. .. .	—	62,464,000		
By 5 per Cent. Exchequer Bonds, 1922 .. .. .	82,209,400	—		
By 6 per Cent. Exchequer Bonds, 1920 .. .. .	—	150,24,000		
By War Expenditure Certificates .. .. .	—	29,856,900		
By War Savings Certificates .. .. .	30,600,000	40,250,000		
By other Debt created under the War Loan Acts, 1914 to 1917 .. .. .	556,870,296	194,117,751		
By 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1923-1947 .. .. .	166,913,580	—		
By National War Bonds .. .. .	195,864,000*	—		
CUNARD LOAN—				
Repayment on account of Principal .. .. .	130,000	130,000		
AMOUNTS TEMPORARILY BORROWED—				
ON THE CREDIT OF WAYS AND MEANS—				
By Treasury Bills .. .. .	—	345,000,000		
By other Advances .. .. .	838,103,500	228,053,000		
* Excluding sales through Joint Stock and Private Banks not yet brought to account.				
	£ 4,332,750,256	3,210,933,185		

ISSUES.	Period ending Dec. 31, 1917.		Period ending Dec. 31, 1916.	
	£	£	£	£
EXPENDITURE—				
Permanent Charge of Debt .. .. .	14,664,057	15,644,226		
Interest, &c., on War Debt .. .. .	144,578,657	98,058,636		
Payments to Local Taxation Accounts, &c. .. .. .	6,517,664	6,438,012		
Other Consolidated Fund Services .. .. .	1,270,259	1,465,669		
Supply Services .. .. .	1,862,404,425	1,444,312,702		
Total Expenditure chargeable against Revenue	2,029,435,062	1,565,919,245		
ADVANCES—				
Bullion .. .. .	1,920,000	2,880,000		
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .. .. .	169,818	91,370		
ISSUES TO MEET CAPITAL EXPENDITURE—				
Under the Telegraph (Money) Act, 1913 .. .. .	100,000	210,000		
Under the Post Office (London) Railway Act, 1913 .. .. .	68,000	160,000		
Under the Military Works Acts, 1897 to 1903 .. .. .	—	8,008		
Under the Public Buildings Expenses Act, 1903 .. .. .	—	8,000		
Under the Housing Act, 1914 .. .. .	394,500	73,900		
REDEMPTION OF UNFUNDED DEBT—				
Treasury Bills for Supply .. .. .	1,437,270,000	1,189,052,000		
Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .. .. .	—	3,087,600		
Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .. .. .	1,300,000	—		
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917 .. .. .	6,832,597	355,445		
Other Debt under the War Loan Acts, 1914 to 1917 .. .. .	35,218,056	9,651,957		
DEPRECIATION FUND—				
Under the Finance Act, 1917 .. .. .	26,490,200	—		
OLD SINKING FUND, 1907-8 .. .. .	—	69,000		
Issued under Section 9 of the Finance Act, 1908 .. .. .	10,000	—		
OLD SINKING FUND, 1910-11 .. .. .	—	23,160		
Issued under the Finance Act, 1911:—				
Section 16 (1) (b) .. .. .	20,000	—		
OLD SINKING FUNDS, 1911-12 and 1913-14—				
Issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914 .. .. .	949,000	250,000		
Cunard Loan Repayments—				
Issued to reduce Debt under the Cunard Agreement (Money) Act, 1904 .. .. .	130,000	130,000		
TEMPORARY ADVANCES REPAID—				
ADVANCES ON THE CREDIT OF WAYS AND MEANS—				
Treasury Bills .. .. .	—	315,253,000		
Other Advances .. .. .	776,849,000	106,793,000		
	4,317,156,233	3,194,045,685		
BALANCES IN EXCHEQUER—				
Dec. 31, 1917.	£ 15,005,002	£ 16,142,735		
Dec. 31, 1916.	589,021	544,765		
	15,594,023	16,887,500		
	£ 4,332,750,256	3,210,933,185		

Treasury, Dec. 31, 1917.

### We Must Not Forsake Russia.

In one of the Prime Minister's recent speeches he seemed to indicate that the Government is disposed to abandon Russia to her fate. She has deserted us, and therefore must be left to perish. These were not Mr. Lloyd George's exact words, but that was the meaning they seemed to us to bear, and we hope we are wrong in the inference, for we cannot abandon Russia. To do so would be ungrateful and mean, to begin with, and,

secondly, it would be short-sighted to an extraordinary degree. How much did the operations of Russia in 1914 contribute to the triumph of France in the battles of the Marne? Did not Russia continue during 1915 and the first half of 1916 to draw off all the Austro-Hungarian and a considerable proportion of the German forces, to our considerable relief in the West? There ought to be some gratitude for these services, and it was not the fault of the Russian people that the armies of the Tsar failed us when they did.

But, even supposing Russia had not given so much help to destroy the Prussian monster in the early days of the war, it would be in a high degree impolitic to turn our backs upon the Russian people now. Probably there are no leaders in Russia at the moment visible whom we dare unreservedly support, and it may be seemingly impossible to help the robbed and misled people towards better government, but, at least, we can hold our tongues and watch the opportunity, ready to render prompt assistance to those who must one of these days emerge out of the welter of confusion and prove strong enough to stop the rot. We should stand ready to afford quiet but effective support to whatever centre of real Government may become visible. The disposition is to believe here that the whole of this Bolshevik activity is German inspired, and therefore something to be scorned and put away out of sight, but we do not share that view very confidently. It bears a "made in Germany" look. Doubtless German influences were all-powerful at the Court of the Tsar up to the time of his deposition, and probably German emissaries, acting in conjunction with the dispossessed swarm of Prussianised Russian bureaucrats, to-day among the unemployed, are doing their utmost to prevent the formation of a strong constitutional Government, partly for purposes of revenge and plunder, and partly to avert punishment for themselves. But, supposing this true, it affords the more reason why we should act with circumspection and maintain our friendliness with the Russian peoples, refusing to be beguiled.

It cannot, moreover, be to the interests of Prussian military autocracy that ideas subversive of all order, inimical to every form of property, should be allowed to filter through "the fatherland," illustrated by acts of robbery and violence. It is the distress of Germany, we may be sure, which has led to the hobnobbing of Berlin experts in working the political confidence trick with visionaries like Lenin and Trotsky, and that is surely for us an encouraging fact. The "peace negotiations" are a clumsily devised farce, played by beings so ecstatically convinced of their own superior qualities as to easily be fooled. To a certain extent they can mislead the Russians who are too unsophisticated to perceive the snare. When it begins to dawn on the Slavs that Germany means to lop off some of Russia's provinces, to retain the mastery over Poland and Galicia, to stretch forth the claw over Bessarabia, and to claim the Black Sea as a Teutonic lake, Russia is likely to begin to come to herself. Already in Ukraina there are symptoms of a rallying towards the *Entente*, and it is not at all improbable that Central and Southern Russia may again be our Allies at no distant day. Therefore, although it may be quite right that military supplies should be stopped—enormous quantities of them, British and American, but particularly British, have been landed in Archangel and never forwarded to the armies—but in other ways prompt help should be given whenever possible.

For what would be the consequence if the alarmists here about German diplomacy and intrigue were really to prove true prophets, and were Russia finally to pass into the hands of the intriguing Semito-Prussian trader and bully? One result would be sure: the trade of Britain and France with Russia would probably be blocked, if not destroyed. The Baltic would become a Prussian lake, and were the Black Sea opened by the dislodgment of the incapable Turk, we may be sure that trouble over the "freedom of the seas" in the navigation of the Bosphorus and the Dardanelles would arise continually between the Mediterranean and Western Powers and the all-demanding and all-coveting

Prussian. That is doubtless one danger that our alarmists at German proceedings think they see ahead, the more intelligent among them at least, and we do not know that they are very far wrong.

But in that case we must vigilantly see to it that no such position of vantage is opened to the defeated Boche. Shut in upon himself, as all savage beasts must be, he will have no capital when this war ends to help Russia with any more than to enable him to overrun Asia Minor. But given time he may be able to create capital, and even as a bankrupt it will always be open to him to make himself a nuisance and a danger. Their true safeguard is for the Allies to hold fast by the ideal peace settlement which has been present in the minds of enlightened students of European politics from the first—to surround the Straits with free peoples and to put them under International protection. As for Constantinople, should Russia not be strong enough to be its custodian, it also must be placed in the keeping of the Great Powers, who would be able to guarantee perfect freedom of commerce to Russian, Rumanian, Bulgar, Serb, Armenian, Anatolian, Greek—aye, and even to the Turk. To fulfil this duty effectively means, first of all, that the Prussian enemy must be destroyed as a military Power, and we cannot effect his destruction without the help of Russia, active or passive. Is it not possible for us to reach the Ukrainian and Cossack leaders, to put ourselves in communication with the new Independent Republic started in Siberia, and also to keep in touch with the best and most unselfishly patriotic men amongst the Russians of the North, now harried, robbed, assassinated, and in all ways oppressed by the Bolshevik fury? We should at least be able to support Ukraina in its refusal to surrender Russian grain to the Prussians, who are now feverishly manœuvring to lay hold of food supplies.

As always, finance will play an ultimately determining part in bringing the Bolshevik tyranny to an end in Russia. One certain effect of any kind of tyranny is to prevent the creation of wealth. The people who cannot work, or whom nobody can pay for work done, are even now at starvation level for want of money. No taxes are paid, or collectable; the Bolshevik "conscription of wealth" has dried up the flow of them at the source. And as tyranny is always extravagant, those who have seized power must steal in order to maintain themselves. That is why the present revolutionary squad that has parts of Russia by the throat has annexed all the money in all the banks, and why they confiscate everything they can get at. But that will not help them long. Some interesting figures have been given in the *Times* by its late Petrograd correspondent illustrative of the position into which Russian finance has drifted in the hands of its present irresponsible despoilers. The pay roll of the Petrograd Soviet alone, he tells us, was costing £70,000 a month, or £840,000 per annum, and the extra pay, &c., given to the soldiers added £1,100,000,000 a year to the expenditure under the Kerensky administration. By August last Russia had spent altogether £4,900,000,000 on the war, and £3,500,000,000 of it had been raised by loans to which Great Britain contributed £500,000,000. The rest was paper money. In July last the Treasury contained unpaid bills to the amount of £1,400,000,000, and there was no cash. The issue of paper money during the war months of 1914 had averaged £21,900,000 per month. In 1915 it rose to £22,300,000, and in 1916 to £29,000,000 a month; but during the revolutionary months of March to August this year it swelled out to a monthly total of £83,200,000, so that the revolution has cost Russia in actual Treasury disbursement of paper currency no less than £378,000,000 during the first seven months of chaotic misrule. And this does not include the other and immeasurably greater losses resulting from the paralysis of industry and agriculture, and the destruction of public and private property. "If we reckon," says the correspondent, "only half the annual value of Russia's agricultural and industrial

production as having been sacrificed, the sum runs into something like £800,000,000." It is not the amount that is so much a matter of consequence as the fact that industrial and agricultural paralysis has overtaken the country as a consequence of the revolution, and that along with this the extravagance of the irresponsible men who have grabbed power is rapidly bringing the whole country to a standstill. In its extremity the Germans think they see their chance to enter the land and subdue it to serve their now dead industries, and help them to prevail over the world ostracism with which they begin to see themselves threatened. Are we going to leave Germany a clear field? If not, we must stand fast by Russia in her extremity, enduring much, helping frankly and unselfishly when and where we can.

### By-the-Way War Notes.

The able journalist responsible for "A Londoner's Diary" in the *Evening Standard* has been girding this week at the Foreign Office clerk for his pessimism. His descriptions would lead one to suppose that the sooner individuals of the type swarming in that office transferred their services to William Hohenzollern the better it would be for the country. We do not think it is quite so bad as that, but, unquestionably, the New Year has come in amid a most depressing feeling of gloom which manifests itself in many quarters besides the Foreign Office and other departments of the Civil Service. The "grousing" is as bad in Fleet Street as anywhere in the kingdom, and many journalists do not hesitate to lay the blame for it all upon the Prime Minister. "Look," they say, "at his bounce about our mastery over the submarines. Has not that coloured our feelings with regard to the destruction of our ships ever since with a deepening shade of hopelessness? The war looks like going on and on for years." There is truth, no doubt, behind the grumble, for Mr. Lloyd George is too much a man of swift impulses to be fully relied upon as a safe guide to follow at all times; but he is not responsible for the depression fashionable at the New Year nearly so much as the condition of Russia. The *rapprochement* between Russe and Teuton has had a quite terrifying effect on the minds of the unreflective amongst us. "Germany is going to arrange a separate peace, Germany means to lay hold of the channels of Russian commerce, Germany is trying to avenge her defeat in the West by enslaving Russia," and so on, and so on.

But why should we be dismayed over Germany's apparent success in carrying everything before her by diplomacy in dealing with Russia? Her efforts in that line have been so maladroit and pig-headedly offensive hitherto as to make us quite sceptical of her permanent success in Russia. Fevered visions of a world dominion built eastward, of a rejuvenated Turanian State for the miserable Turk, and so forth, are but the mad ravings of a foe baffled everywhere, beaten and rapidly nearing despair. Under Prussian guidance the German serf, whether trader, University lackey, or philosophical diplomat, is too greedy and too impregnably self-conceited to be successful in bargaining. Already accordingly the Lenin-Trotsky men temporarily on top in Petrograd, and holding in a sense the destiny of Russia in their hands, are said to be breaking away. German wily esurience has over-reached itself, and von Kühlmann would seem to be almost afraid of his own gulls. What may be the truth about the "break" in so-called peace negotiations we cannot say; but whether they are broken off now or resumed we feel pretty confident that they will not end in success for Berlin. The Russian peasant may be ignorant, but he has a faith and a soul and will not be easily ensnared. We have but to behave prudently, and to deal circumspectly with the Russian crisis, with the men it throws to the top, to be successful in conjuring the Prussian danger away there likewise. That does not mean that we should fold our hands, lift our eyes, and benignly smile.

But the existence of the Russian peace danger has given a new impulse to the shouting for "a statement of the war aims of the Allies." All kinds of publicists are demanding this, and surely they are behaving in-

discreetly in doing so. From the very first our war aims have been plain enough, and in principle have been often plainly stated: No annexations, no coercion, liberty for the oppressed nationalities, the abolition of the military tyranny of the Prussian, the cleansing of the seas from piracy, the extinction of despotic dominance everywhere. What more is wanted? All the nations engaged on the side of the Allies know these purposes and so do most Germans, or could do if they liked. What need, then, is there to belabour Allied Governments to restate and again restate in detail the objects for which they fight? It may be expedient, as circumstances arise and vary, occasionally to put forth declarations outlining our purpose in the war, but it is impossible at this stage to give more than outlines because the condition and aspirations of the suppressed populations in Russia, Austria, and Hungary, and even in Germany itself and in the Balkan Peninsula and Asia Minor cannot be arranged in detail until all the facts are known. These shouters of ours would apparently have us to fix right off the boundaries of Poland and Bohemia, the size of Rumania and Serbia, the overlordship of the Adriatic, and the nature of the new forms of self-government to be established in Asia Minor, with a multitude of other details involving the most complicated investigation and many months of time. Why cannot the public display a little more calmness and self-respect? We feel sure it would if it knew how.

Let us turn to the armies in the field and be comforted. We see there the sons of the wealthiest and greatest—a Rothschild and a Primrose—fighting and heroically dying side by side with the poorest private soldier, and to despair of the future of this British people and Empire, as we should be prone to do if we merely listened to the talk in drawing-rooms, clubs, newspaper offices, and the lobbies of Parliament, becomes impossible. Croak on, ye misery-wooing doubters; we hope and believe.

Have our armies done so very badly in 1917 that we should croak? Is that impudent boast of the chief assassin in his New Year's message to his army and navy true—that "the gigantic battles which raged from the spring to the autumn on Belgian and French soil have been decided in favour of your glorious arms"? No, it is a lie that betrays the creature's extremity. The facts tell quite another story; and when we bear in mind that it is a pullulent nation of slave-souled people which is being deliberately sacrificed to cover up the catastrophe of *Junker* baffled ambitions, it is impossible to avoid the conclusion that we are doing well. Long ago, near the beginning of the war, we wrote that "we had no choice but to go on killing and being killed, killing especially, until all power to go on committing crimes had been driven out of the Prussian and his dupes for ever." And it was added—towards the close of February, 1915—that the "task of rooting out Prussianism might involve the death of from seven to ten millions of German manhood through slaughter and disease" before it could be accomplished, and to-day we should double these numbers. Have we not been successful in carrying out this slaughter? It is a slower business than anybody originally estimated, but it is being done day and night on many fronts, while inside the empires famine and disease are carrying on the work. When we consider that we came up against an immense, perfectly organised murder machine in the Prussian armies—we a people unprepared to war on the all-devouring scale—and that we have held the mighty armies of this military organisation and beaten them back continually for nigh three and a-half years, surely the record should be enough to inspire us all with confidence and courage to go on to the end, until our task of destroying a people become a pestilence amongst civilised races has been thoroughly performed. M. Tardieu, the French Commissioner in the United States, has been telling the people there that the war will be over in six months. We make no guess as to the date, but remain as confident as ever that the goal is in sight, and that aim and purpose of the fighting is being surely attained. William the Mad and his generals are making that sure.

Look how the Austrian plunge into Italy last October

is working for the destruction of the Habsburg power. It was a successful razzia at the beginning because organised with the usual disciplined Teutonic skill and cunning. So a charge of wild boars or wolves often is. But the success was only the preliminary to a check, or hold up, leading to a defeat that may finish the Habsburg fraud for good. The Italian troops with their French and British Allies are now pounding the miserable wretches compelled to obey Charles VI.'s generals, and driving them towards utter discomfiture. Are we not encouraged to indulge the hope that by the time the winter ends there will be little fighting energy left in the tyrants' ill-hung together dual empire?

And is it any better with the Hohenzollern swarms, with their "shining swords" and William's "God"? Where and when has victory been found resting on their eagles? Not in Flanders or France, not in Palestine or Mesopotamia, not in the Balkans or against Rumania, not among the Venetian mountains or in far-away Central Africa. Only against the demoralised Russians have the Germans been victorious, because they have decoyed this ignorant, dream-impelled people into throwing their weapons away. A noble feat that, surely. Well may William Hohenzollern bawl to his army and navy, "forward with God to fresh deeds and fresh victories," for his God is openly and indubitably the father of lies. But we hope he will continue to delude his own subjects, and so lead them on towards extermination; and we wish him and them all enjoyment of the God they say they follow, for it is not a God of justice and righteousness, but something as exclusively German as their *kultur*. "We should cultivate hatred of all Germans," some of our romance writers and others have been counselling. That would be degrading, and is quite unnecessary. The Germans are no more worthy of active "hate" than a nest of vipers; they only excite the same kind of active effort to destroy them wherever found, and destroyed they will be.

### The Bankers' Clearing House Returns

Somewhat unusual interest attaches to the records of the Bankers' Clearing House overturn for 1917. We are unable to print the whole report, as we have been accustomed to do in past years, because of printers' and paper merchants' restrictions, but the report of Mr. Philip W. Matthews, the chief inspector, is so important that a summary of it must find a place. First of all, however, take the following table, introduced by Mr. R. Holland Martin, the hon. secretary to the Clearing House:—

	1917.	1916.	Increase.
	£	£	£
Grand total .....	19,121,196,000	15,275,046,000	3,846,150,000
Town clearing total..	15,699,528,000	12,328,568,000	3,370,960,000
Metropolitan clearing total .....	1,177,478,000	1,074,027,000	103,451,000
Country cheque clearing total.....	2,244,190,000	1,872,451,000	371,739,000

Here we see that the total clearings for 1917 aggregate £19,121,196,000, an increase of £3,846,150,000 upon 1916. There were modest increases in both the metropolitan section of the overturn and in the country clearing, so that from all parts of the country the testimony would seem to be that business has been good and expanding. It has not, however, been the ordinary commerce of the country which has produced these increases. They have chiefly come from the war necessities of the Government. Indirect proof that this is true is furnished by the fact that the first quarter of last year gave the largest increase, viz., £1,462,458,000. In the second quarter this increase fell to £1,009,496,000, and in the third quarter it was only £633,810,000. A slight improvement occurred in the fourth quarter, which was £740,413,000 larger than that of the same segment of 1916, but the issue of the great War Loan in January last swelled out the total of the first quarter of the year, and war finance throughout the remaining nine months has been the principal, though not the sole, cause of the various degrees of expansion shown in the later quarters of the year.

In other directions than mere borrowing the action

of the Government has also told upon the figures of the Bankers' Clearing House turnover, because the high prices prevailing for all commodities has inevitably swollen the credit instruments brought into existence in the course of their passage from producer to the ultimate consumer. But it is impossible to analyse and distinguish one class of influences from the other. All we desire to impress upon readers is to avoid drawing inferences of too sanguine a description from such magnificent totals as Mr. Matthews' luminous report brings together. Our aggregate trade remains wonderfully good, but it is not as great or as expanding as the Clearing House records might lead us to suppose.

At the same time, every part of the country shows up well, and although the metropolitan clearing has increased on the year by a mere £103,451,000, it shows that, quite apart from finance, an expanding use of banking credit has taken place. The country cheque clearing, too, went up last year by £371,739,000, and the expansion is continuous, thanks probably to the rise in prices. Mr. Philip W. Matthews has compiled the following little table to show by quinquennial figures the course of the expansion in the employment of banking credits since the Clearing House was instituted sixty years ago, and this table is also well worth reproducing:—

Both Years Included.	Total for Five Years.	Increase or Decrease.	Per Cent.
1868 to 1872 .....	21,700,207,000	—	—
1873 to 1877 .....	27,699,376,000	+ 5,991,039,000	+ 27.5
1878 to 1882 .....	28,250,838,000	+ 551,462,000	+ 1.9
1883 to 1887 .....	29,218,052,000	+ 967,214,000	+ 3.4
1888 to 1892 .....	35,691,054,000	+ 6,473,002,000	+ 22.1
1893 to 1897 .....	35,474,255,000	— 216,799,000	— 0.6
1898 to 1902 .....	45,797,641,000	+ 10,323,386,000	+ 29.1
1903 to 1907 .....	58,413,684,000	+ 12,616,043,000	+ 27.5
1908 to 1912 .....	70,880,311,000	+ 12,466,637,000	+ 20.8
1913 to 1917 .....	78,905,419,000	+ 8,025,098,000	+ 11.3

It will be seen that only once in all this period, viz., in the quinquennium 1893-1897 was there any recoil, and it was so small as not to be worth counting. In former years a considerable impulse was given to the utilisation of banking credit instruments by the joint-stocking of all kinds of enterprises. In the early days of the Clearing House operations the finance that developed the use of banking instruments originated in the large railway expansion and in foreign loans, but since the early years of the last decade of the nineteenth century, miscellaneous enterprises of all kinds have been joint stocked and put on the market, and their capitalisation has represented enormous aggregates of capital which came to be generated and dealt in by means of increasing masses of cheques and securities upon which loans were obtainable, all helping to swell the amount of business annually passed through the London Bankers' Clearing House, which has, moreover, long been the focus towards which all kinds of international money commitments have converged for final liquidation. It may be interesting to add here the combined totals of the six provincial clearings that furnish the London Clearing House with their weekly statements, viz., Birmingham, Bristol, Leicester, Liverpool, Manchester, and Newcastle-on-Tyne. All these added together show the substantial increase of £213,946,000, and the largest increase was in the fourth quarter of the year, £75,918,000. The first quarter showed an increase of £46,766,000, the second of £47,164,000, and the third of £44,098,000. Much of this was doubtless the product of the enormous industrial activity generated by the war necessities of the Government.

The effect of the banking consolidation which has been in progress during recent years is seen in the gradual reduction of the membership. In 1868 the total number of bankers in the Clearing House was 25, and 5 were subsequently added. At present the number is 17, and it will now be reduced to 15 by the fusion of, first, the London and South-Western and London and Provincial, and, secondly, by the still more massive absorption of the Union of London and Smiths by the National Provincial Bank of England. But the business carried through daily has grown con-

tinuously, and instead of a ground-floor accommodat-  
ing 115 clerks, the Clearing House now occupies a  
much larger space with floor accommodation for 448  
clerks, a number soon to be further increased.

### The Food Muddle and the Government.

No one wishes to criticise Lord Rhondda unneces-  
sarily; but surely Lord Rhondda, as a business man  
himself, should be able to check the vagaries of Govern-  
ment officials who appear to have no conception of  
how trade is conducted, whether at home or abroad.  
Some extraordinary revelations of this amazing official  
ignorance are contained in the Report lately issued by  
the special sub-committee on the Government Control  
of Trade appointed by the Commercial Committee of  
the House of Commons. Mr. T. Lough, M.P., acted  
as Chairman of the Sub-Committee, which included  
members of Parliament of both political persuasions.  
A striking light is thrown on many of those unfortu-  
nate shortages of different vital commodities from  
which the nation is suffering; and it is difficult to feel  
surprise that immediately a "controlling" regulation  
is issued, whatever be its object, the commodity in  
question, originally scarce, seems to disappear com-  
pletely from the market.

The Sub-Committee state that they view with mis-  
giving the appointment of controllers of various  
articles of consumption without adequate representation  
of those engaged in the trade to be controlled; nor can  
we be surprised at their anxiety when we find the Mer-  
chants' Committee of the London Chamber of Com-  
merce constrained to observe that "Government  
officials appeared to ignore the British merchants, and  
apparently did not understand what the business of a  
merchant is; they appeared to be unaware of the nature  
of the business carried on by British merchant houses  
in all parts of the world, being apparently under the im-  
pression that the business of these merchant houses is  
that of speculation and gambling." The Merchants'  
Committee went on to criticise strongly the practice of  
setting up departments to control trade, largely staffed  
by inexperienced volunteers, when merchant firms  
would gladly have placed their establishments at the dis-  
posal of the Government. Further, advisory com-  
mittees, reluctantly conceded by bureaucratic depart-  
ments, are frequently not at all representative.

Thus, from an interesting narrative of the "ups and  
downs" of the sugar market contained in an appendix,  
we find that, on the outbreak of the war, when stocks  
were small, a speculative syndicate did endeavour to  
buy them up; whereon the Government rushed to the  
rescue with a committee, no member of which it is  
believed had had any experience of the shipping of  
sugar or of finance, freight, or insurance, or other  
details of a merchant's business. Plunging headlong  
into the sugar business, the Committee in two months  
forced up the price of Java sugar from 12s. 6d. a cwt.  
to 20s. a cwt.; and then, when the alarmed refiners  
began seeking new sources of supply, prohibited the  
import of sugar by private firms altogether. In some  
cases, vessels actually loaded with sugar were forced  
to discharge before sailing.

Tea, as is well known, remained at reasonable prices  
in this country, being uncontrolled until the end of  
1916, bar the increased tax and the increased cost of  
freightage. Then the Government took over the con-  
trol of shipping and added a further tax of about 3d.  
in the lb. for the carriage of tea. Then came the prohi-  
bition of the import of Java tea, which, as all shipping  
was under Government control, seems superfluous,  
and the effect of which was to send about ten million  
pounds of tea to the United States and Canada which  
would ordinarily have come to London. After this the  
stock of tea in the country was apparently allowed to  
decline without any Government official discovering the  
fact until "tea queues" began to stand in the streets!  
While urging further imports, the Report also points  
out that, with the tea duty at 1s. a lb., to prohibit  
the sale of tea at a higher price than 4s. a lb. was

simply to destroy the market in choice teas altogether.

Every household where it was intended to have a  
Christmas pudding was made painfully aware of a  
terrible shortage of currants and raisins. This little  
memorandum by Mr. Harry M. Isaacs seems to throw  
some light on the position:

"The Government has taken over the control of all  
dealings in these articles; it has sent out a Commission  
to Greece and a Commission to Spain for currants and  
raisins respectively. These Commissioners have been  
gone some weeks, and from the latest information  
little or nothing of the new crops has been  
shipped to date. This time last year there  
were about 35,000 tons of Greek currants here and  
afloat and about 5,000 tons of Spanish raisins. If  
the Government action has been taken with a view of  
obtaining supplies for our markets of a useful food,  
the comparison is not a very good one; if, on the other  
hand, the object of all these steps has been to cut off  
supplies, they have made quite a complete success."

In a footnote it is stated that several months ago  
importing houses who were making contracts, and  
would have brought in supplies in proper time, were  
notified that they must not do so.

If the Food Controller's Department has failed  
lamentably when dealing with food commodities im-  
ported from abroad, it has failed quite as lamentably  
and with even less excuse in regard to food commodities  
produced at home. Every agriculturist of experience  
has been warning Lord Rhondda that on his system  
of controlling meat prices there will soon be very little  
meat to control. Presumably the same bureaucratic  
officials who fancy a British merchant lives by specula-  
tion are not aware that the breeding and feeding of  
cattle is a lengthy process occupying months, and that  
the wrong order once issued, the full measure of the  
calamity brought about will only become apparent after  
a certain lapse of time. Farmers cannot be expected  
to feed cattle at a loss. A very clear statement in the  
Appendix to the Report shows that at the present price  
of feeding cake, 67s. per cwt. for fat cattle must mean  
loss. And what possible excuse can be given for a  
price that does not allow for the grading of cattle, so  
that the farmer is actually invited to slaughter his ewes,  
and is admittedly doing so? And in what super-  
mundane world do Food Controllers and their officials  
live that one price is fixed for the whole kingdom with-  
out any allowance for cost of transit? Do they think  
that Smithfield is surrounded by green pastures, in  
which the herds required to feed the vast population of  
London graze at leisure? It is notorious that much  
of the shortage at Smithfield is due to breeders giving  
preference to their local markets, where they can get  
just as good a price as in London with no travelling  
expenses.

It is unnecessary to detail again the sad history of  
the potato; but if there be any enthusiastic Socialist left  
who imagines that Government Departments can suc-  
cessfully conduct the trade of a nation, let him duly  
weigh this story. In 1916 the Government purchased  
a large supply of Dutch potatoes, kept them until they  
became worthless, and then had not even the common  
sense to abandon them in Holland, but actually, in the  
present shortage of shipping and labour, transported  
this worthless cargo to England!

Though we have devoted most attention to the section  
of this valuable Report dealing with food products, it  
contains much information showing the blighting hand  
which Government Departments are laying on many  
other commodities. The timber, wool, leather, and  
metal trades are all alike suffering, and, needless to  
say, the whole nation as well. As to the enormous cost  
of this burdensome officialdom, which results in nothing  
but muddle, scarcity, and inefficiency, we shudder to  
think. The wonder is—and we believe it is most  
creditable to our British merchants and manufacturers  
who are apt to be unduly criticised—that they have been  
able to keep their industries alive at all under such a  
system of "control," with 200 Departments and 18  
different Ministries! Comment is superfluous!

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## The Investors' Review.

### Money and Credit Notes.

**BANK RATE 5 PER CENT.** (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

*Norfolk House, Friday Evening.*

If the decision to reduce the interest on Treasury bills was due to the initiative of the Treasury officials themselves, then it is to the credit of the officials. There was no reason why money should be kept as high as it has been for many months past, and as the whole power of determining what it should be lent at was in the hands of the Government owing to its credit-creating power, the step might have been taken some time ago. It should have a world-wide influence in lessening the strain on war finance and perhaps in easing the conduct of general business. "Why has the Bank rate not been also reduced?" people will soon be inquiring, but the market has not waited for that. As soon as they got to business again after the New Year holiday bankers met and decided to reduce their allowances on deposits by ½ per cent. to 3½ per cent., and naturally discount houses followed suit, giving 3½ per cent. for call and 3¾ per cent. for notice money, as duly notified by advertisement. And the open market rate for bills fell back in the same fashion, so that our quotations for bank paper ranged from 3½ per cent. on 60-day bills to 4 to 4½ per cent. on six months' bills. The general rate on three and four months' remitted paper is now 4 per cent., and 5 per cent. is the highest rate for fine internal bills of long usance. We need not be surprised if these rates go lower still, for the market is overloaded with credit.

For instance, the Bank return shows an increase of no less than £34,250,000 in the total of other deposits, raising them to £158,411,000, an unprecedented figure, if we mistake not, and £42,023,000 above that of a year ago. Where did this money come from to gorge the open market? £9,934,000 of it came off public deposits, or Government balances, £11,592,000 was product of borrowing on other securities, and £12,530,000 was furnished by an increase in the Government securities, which now stand at £70,833,770. Owing to the nett expansion of nearly £24,000,000 in the liabilities, the proportion of reserve to these liabilities has shrunk by 2½ per cent. to 16½ per cent., and that in spite of an increase of £215,000 in the reserve. That increase was due entirely to coin and bullion, the stock of which is £861,000 larger. But this was offset to the extent of £647,000 by

a larger note circulation. It is worth noting that the £59,199,000 of coin and bullion now held by the Bank is £4,241,000 larger than at this time last year.

The principal feature in the foreign exchanges this week has been a further advance in the Scandinavian rates due to buying on the part of Scandinavians, who are inclined to regard an early peace as quite possible. Stockholm has advanced 43 points to 13.95 kr., Copenhagen 16½ points to 15.30 kr., and Christiania 10 to 14.40 kr. Despite the better news from Italy, the lira has depreciated further in value to 39.80 lr. per pound sterling. Petrograd, however, has remained in the neighbourhood of 360. The Buenos Aires exchange has moved a point in our favour to 52½d. on the news that Argentina has granted to the Allies a credit of £40,000,000 at 5 per cent., as a part of the scheme mentioned below. This is the first occasion on which Argentina has ever acted the rôle of a lender, but the most noteworthy aspect of the transaction is its indication of South American faith in the cause of the Allies. The loan, which will run for two years, has been granted practically on a note hand. It will be liquidated gradually by the payment of interest on Argentine loans held in the Allied countries during the next two years, and also by the redemption of loans falling due here, including the £5,000,000 Argentine loan maturing in 1920.

In connection with the amalgamation of the London and Provincial and London and South-Western Banks, it has been arranged that the following directors of the South-Western shall become directors of the amalgamated institution:—Sir John H. Bethell, M.P., Mr. Arthur Bilbrough, Sir J. Fortescue Flannery, M.P., Sir H. Herbert Hambling, Lord Claud Hamilton, and Mr. H. T. Hodgson.

It is announced from Johannesburg that the total applications for the 5 per cent. stock issued by the Union Government of South Africa was £5,500,000. Of this the public subscribed £4,699,000 and the Public Debt Commissioners took the balance. We are glad that the outlying portions of the British Empire are showing such energy in making provision for their own wants.

A remarkably well-designed stroke of business appears to have been done between our Government and that of the Argentine Republic, in virtue of which the whole of this year's Argentine surplus wheat crop has become our property. The quantity bought is put at 2,500,000 tons, and the price appears to be between £43,000,000 and £44,000,000 sterling, according as the 500,000,000 paper pesos to be paid work out on the exchange. But we do not arrange to remit any of this money—and here is where the ingenuity is most conspicuous. Instead of remitting, the Argentine Government takes the burden of payment in Argentina on itself. It will advance the money to the British Government for two years, and we have undertaken to liquidate the debt, first by meeting as it falls due the interest due here on Argentine loans in Europe, not only held by us but by Continental countries. Also the principal of the loans negotiated by Messrs. Baring Bros., including £5,000,000 loan due in 1920, will be provided for by us. Thus the necessity for transmitting gold to the Argentine will be obviated, and a substantial step taken towards reducing the foreign obligations of the Republic. No rate of exchange has been fixed, but the present value of the paper peso or dollar is about 21d. in British currency, and it is not unlikely to improve somewhat as the result of this astute arrangement. Five per cent. is the rate we have agreed to pay the Argentine Government for the money it provides, and in the circumstances it is not dear borrowing. The legislatures in both countries will have to sanction the bargain, and we should think will show no hesitation in doing so.

In several ways the past year has been a very profitable one to discount houses, and this is reflected in the dividends now being announced. The National

Discount Co. raises its distribution from 5 per cent. to 6 per cent. for the half-year, making 11 per cent., against 10, for the 12 months. No change is made by the Union Discount Co., which again pays 13 per cent. per annum, less tax, with a bonus of 1s. per share, tax free, but it places £25,000 to reserve, and carries forward a larger balance of £116,500. Alexanders and Co., in addition to the usual dividend of 5 per cent., making 10 per cent. for the year, less tax, provide a bonus of 2s. per share, tax free, place £10,000 more at £30,000 to reserve, and carry forward an additional £5,000 at £23,000. No doubt these fine results are largely due to the big business done in Treasury bills, which paid 4½ per cent., while money could generally be borrowed at 4 per cent., and this more than compensated for the shrinkage in the amount of commercial paper which had to be handled.

At the meetings of the London and South-Western and London and Provincial, the scheme for the amalgamation of the two banks was unanimously approved by the shareholders. We dealt fully with the proposals when they were first put forward, and have nothing to add except to emphasise our belief that the combination will be to the advantage of both classes of shareholders.

## SILVER.

Silver has again begun to rise in price, and the figure last night was 44½d. per oz. A week ago it was 43½d. per oz. It is being bought for trade purposes, Messrs. Mocatta say, and not improbably that demand may continue for some little time. According to Messrs. Montagu's circular, the stock of silver in Bombay, on December 27, 1917, was unchanged at 3,700 bars. In Shanghai, on December 27, the stock was returned at 24,400,000 ozs. in sycee, and \$33,300,000, a decline of 400,000 ozs., the dollars remaining as before.

Applications for the Rs. 40,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,22,50,000. Of these Rs. 37,03,000 were allotted in deferred transfers, and Rs. 2,97,000 in immediate transfers. Tenders for bills and deferred transfers at 1s. 4 29-32d. and for immediate transfers at 1s. 5d. received about 17 per cent. Since April last Rs. 37,80,00,000 have been sold, realising £25,892,000. Next week 40 lakhs will again be offered.

## BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, January 2, 1918.

## ISSUE DEPARTMENT.

Notes Issued .. ..	£ 76,492,980	Government Debt .. ..	£ 11,015,100
		Other Securities .. ..	7,434,900
		Gold Coin and Bullion ..	58,042,980
		Silver Bullion .. ..	—
	£76,492,980		£76,492,980

## BANKING DEPARTMENT.

Proprietors' Capital ..	£ 14,553,000	Government Securities ..	£ 70,833,770
Reserve .. ..	3,321,425	Other Securities .. ..	106,480,723
Public Deposits (including		Notes .. ..	29,901,960
Exchequer, Savings		Gold and Silver Coin ..	1,155,860
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	32,074,902		
Other Deposits .. ..	158,411,326		
Seven Day and other Bills	11,660		
	£208,372,313		£208,372,313

Dated January 3, 1918

J. G. NAIRNE, Chief Cashier.

## BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. Jan. 3.	Dec. 26, 1917.	Jan. 2, 1918.	Increase.	Decrease.
£	£	£	£	£
3,328,419	3,301,135	3,321,425	20,290	—
53,147,091	42,009,347	32,074,902	—	9,934,445
116,388,305	124,161,435	158,411,326	34,249,896	—
22,525	10,335	11,660	1,325	—
			Decrease.	Increase.
62,137,545	Gov. Securities ..	58,303,010	70,833,770	12,530,750
91,789,493	Other do. .. ..	94,888,723	106,480,723	11,592,000
33,512,304	Total Reserve ..	30,843,504	31,057,820	214,316
			34,271,511	34,271,511
			Increase.	Decrease.
39,895,160	Note Circulation ..	45,943,965	46,591,020	647,055
54,957,464	Coin and Bullion ..	58,337,469	59,198,840	861,371
1918 p.c.	Proportion .. ..	18'6 p.c.	16'3 p.c.	2'3 p.c.
6 "	Bank Rate .. ..	5 "	5 "	—

PUBLIC INCOME AND EXPENDITURE.  
(For 7 days ended Dec. 29.)

REVENUE.	EXPENDITURE.
Customs .. .. . 1,153,000	National Debt Service .. 2,073,991
Excise .. .. . 238,000	Inter-st. &c., on War Debt 6,167,535
Estate, &c., Duties .. . 714,000	Development & Road Impvt —
Stamps .. .. . 160,000	Payments to Local Taxation —
Land Tax and House Duty 50,000	Other Consolidated Fund —
Property and Income Tax 2,804,000	Charges .. .. . 99,617
Excess Profits Tax .. . 4,531,000	Supply Services .. .. . 39,961,381
Land Values .. .. . 20,000	Bullion Advances .. .. . 40,000
Post Office .. .. . 1,250,000	For Advance for Interest
Crown Lands .. .. . 40,000	on Exchequer Bonds under
Sundry Loans .. .. . —	Capital Expenditure
Miscellaneous .. .. . 407,367	(Money) Act, 1904 .. . —
Bullion advances repaid ..	For Treasury Bills .. . 85,048,000
For Treasury Bills for Supply 86,029,030	War Loan and Exchequer
5% Exchequer Bonds, 1922..	Bonds .. .. . 330,915
6% Exchequer Bonds, 1920..	Other Debt under War Loan
National War Bonds .. .. 21,714,000	Acts, 1914-16 .. .. . 11,972,005
War Expenditure Certificates	For Exchequer Bonds under
War Savings Certificates.. 600,000	Section 61 of Finance Act,
4% War Loan, 1929-1942 }	1916, and Section 34, 1917
5% War Loan, 1929-1947 }	Under Telegraph (Money)
Other Debts created under	Act, 1913 .. .. . —
War Loan Act, 1915, and	Under Post Office (Lon-
Finance Act, 1916 .. .. . 16,133,264	don) Railway Act, 1913 .. —
Telegraph Money Act, 1913	Under Military Works Acts
Under Post Office Rly. Act,	Under Housing Act, 1914.. —
1913 .. .. . —	Public Buildings Expendi-
Under Military Works Act,	ture Act, 1903 .. .. . —
1897-1903 .. .. . —	Old Sinking Fund, 1907-8.. —
Under Public Buildings ..	Sinking Fund, 1914 .. .. —
Under Housing Act .. .. . —	China Indemnity .. .. . —
Repayment of Advance for	Cunard Agreement Act .. —
Interest on Exchequer	Depreciation Fund .. .. —
Bonds .. .. . —	Suez Canal Drawn Shares.. —
China Indemnity .. .. . —	Temporary Advances Repaid 135,291,000
Cunard Loan repayment ..	Increase in Exchequer
Suez Canal Drawn Snares..	balances .. .. . —
Ways and Means Advances 143,416,500	
Decrease in Exchequer	
balances .. .. . 2,739,313	
£280,992,444	£280,992,444

Excluding sales through banks which have not yet been brought to account

## CURRENCY NOTES.

Return of Currency Notes for the week ended January 2, 1918.

	Issued.	Cancelled.	Outstanding.
£1 notes .. ..	£ 3,700,783	£ 3,706,523	£ 154,804,868
10s. notes .. ..	1,188,662	1,034,267	37,596,682
Note certificates .. ..	1,900,000	—	—
Previous total .. ..	792,61,108	579,478,813	221,782,295
	799,050,554	586,599,603	212,450,950

Ratio of gold held against notes, this week, 14.97 p.c.; last week 15.46 p.c.

## LONDON BANK RS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
December .. ..	1,439,206,000	1,204,438,000	234,768,000	—
Total .. ..	19,121,196,000	15,275,040,000	3,846,156,000	—
	1917.	1917.		
January 2 .. ..	400,652,000	389,111,000	11,541,000	—

## FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Nov. 30, 1917	Nov. 23, 1917.	D ec. 1, 1916.
	£	£	£
Gold coin and certificates ..	99,977,400	105,009,000	52,383,400
Gold Settlement Fund ..	79,047,200	77,332,400	3,156,200
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks ..	189,524,600	193,841,400	57,539,600
Gold with F. deral Res. Agent	132,364,800	124,789,600	50,414,400
Gold Redemption Fund ..	2,455,600	2,399,000	295,200
Total gold reserves ..	324,345,000	320,930,000	138,249,200
Legal tender notes, silver, &c.	10,897,200	10,811,600	2,167,200
Total reserves .. ..	335,242,200	331,752,000	140,411,400
Bills discounted—Members' ..	151,241,400	131,200,400	4,301,000
Bills bought in open market ..	41,090,800	41,901,000	21,311,200
Total bills on hand .. ..	192,332,200	173,181,400	25,042,200
U.S. Gov. long-term sec. ..	9,460,800	10,794,400	8,043,400
U.S. Gov. short term sec. ..	8,358,800	11,570,000	2,233,400
Municipal warrants .. ..	285,800	284,400	4,250,800
Loans on gold coin and bullion	—	—	—
Total earning assets .. ..	210,487,200	195,828,200	40,149,400
Due fm other Fed Res bnk—n.	4,148,200	4,374,400	7,637,600
Uncollected items .. ..	74,390,000	60,505,000	—
Total deducts fm gross dep.	74,632,000	62,794,400	7,637,600
5% Red. Fund ag Fed. Res. bnks	107,400	107,400	84,000
All other resources .. ..	490,800	658,600	499,000
Total resources .. ..	620,968,600	591,226,000	188,783,400
Capital paid in .. ..	13,700,000	13,427,200	11,147,400
Government deposits .. ..	44,192,400	39,282,200	5,355,400
Due to members Res. account	297,885,800	285,329,600	—
Due to non-mbrs—clearing ac.	3,509,800	4,458,200	—
Members' bank deposits—nett	—	—	122,706,000
Collection items .. ..	46,355,200	43,033,800	—
Total gross deposits .. ..	391,614,400	372,103,800	128,061,400
F.R. notes in actual circulat'n	211,396,600	203,178,400	49,427,800
F.R. bk nts in circn nett liab.	1,600,000	1,600,000	20,000
All other liab. in for Gov c'dts	910,800	916,600	126,800
Total liabilities .. ..	620,968,600	591,226,000	188,783,400
Gold res. ag nett deposit liab	59.4%	62.6%	72.7%
Gold & lawful money reserve	62.8%	66.1%	74.5%
against nett deposit liabilities	63.8%	62.6%	102.6%
Gold res ag F.R. nts in act circ	—	—	—

a Amount due to other Federal Banks.

## NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Dec. 29, 1917.	Dec. 22, 1917.	Dec. 15, 1917.	Dec. 30, 1916.
Loans .. .. .	£ 825,716,000	£ 834,670,000	£ 927,708,000	£ 666,784,000
Reserve held in own Vaults ..	4,038,000	3,980,000	3,458,000	85,168,000
Reserve held in Fed. Res. Bk.	104,862,000	104,572,000	115,090,000	35,744,000
Cash in own Vaults .. .. .	21,846,000	21,714,000	22,198,000	—
Reserve held in Other Depos.	1,680,000	1,740,000	1,708,000	10,924,000
Nett Demand Deposits .. ..	702,458,000	702,038,000	715,688,000	659,868,000
Nett Time Deposits .. .. .	38,548,000	37,598,000	38,068,000	31,826,000
Circulation .. .. .	6,806,000	6,802,000	6,774,000	5,770,000
Excess Lawful Reserve .. ..	16,846,000	16,586,000	25,220,000	18,468,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

## NEW YORK STATE BANKS &amp; TRUST COMPANIES (dollar at 4s.)

	Dec. 29, 1917.	Dec. 22, 1917.	Dec. 15, 1917.	Dec. 30, 1916.
Loans .. .. .	£ 164,770,000	£ 167,568,000	£ 187,426,000	£ 150,674,000
Specie .. .. .	3,852,000	4,384,000	4,458,000	12,382,000
Deposits .. .. .	167,976,000	168,968,000	167,774,000	159,898,000
Legal Tenders .. .. .	15,292,000	14,868,000	14,956,000	2,212,000

## IMPERIAL BANK OF GERMANY (20 marks to the £.)

	Dec. 22, 1917.	Dec. 15, 1917.	Dec. 7, 1917.	Dec. 22, 1916.
Total Coin & Bullion .. ..	£ 128,468,650	£ 127,804,200	£ 127,230,150	£ 126,769,600
Treasury Notes .. .. .	57,840,350	54,653,200	53,517,400	8,663,250
Bills discounted .. .. .	630,977,000	614,123,450	677,281,550	412,833,700
Advances .. .. .	315,550	320,800	351,300	495,350
Note circulation .. .. .	551,301,850	538,666,400	534,552,000	376,745,650
Deposits .. .. .	331,751,500	304,802,700	301,843,300	19,611,800

Clearing House return during November £424,889,705, against £505,402,450 in October.

## BANK OF NORWAY.

	Dec. 15, 1917.	Dec. 7, 1917.	Nov. 30, 1917.	Dec. 15, 1916.
Gold .. .. .	£ 6,296,000	£ 6,332,000	£ 6,322,000	£ 6,838,000
Balance abroad and Foreign Bills ..	4,676,000	4,502,000	4,388,000	4,896,000
Gover'n't Securities .. ..	717,000	701,700	707,000	767,000
Discounts & Loans .. ..	80,686,000	80,437,000	20,235,000	6,754,000
Notes in Circulation .. ..	17,516,000	17,023,000	17,043,000	13,591,000
Deposits at notice .. .. .	11,311,000	11,454,000	11,093,000	3,553,000

## NETHERLANDS BANK (12 Florins to the £.)

	Dec. 29, 1917.	Dec. 22, 1917.	Dec. 8, 1917.	Dec. 30, 1916.
Gold and Silver .. .. .	£ 58,771,666	£ 58,805,332	£ 58,862,000	£ 49,518,916
Bi and Advances .. .. .	16,442,250	14,143,000	14,718,666	14,315,500
Note circulation .. .. .	74,486,700	72,452,834	72,554,083	65,501,833
Deposits .. .. .	4,469,333	4,189,750	4,236,916	4,548,083

## BANK OF SPAIN (25 pesetas to the £.)

	Dec. 22, 1917.	Dec. 15, 1917.	Dec. 7, 1917.	Dec. 23, 1916.
Gold .. .. .	£ 78,670,148	£ 78,657,315	£ 78,581,715	£ 40,249,359
Silver .. .. .	28,589,109	28,600,283	28,595,183	29,729,543
Foreign Bills .. .. .	3,588,075	3,591,457	3,575,522	3,804,089
Discounts and Short Bills ..	2,190,801	29,217,251	29,237,951	26,438,666
Treasury Account, &c. ..	25,088,171	25,063,786	24,983,08	28,560,553
Notes in Circulation .. ..	110,216,961	110,037,266	110,241,682	93,354,013
Current Accounts, Deposits	37,576,726	37,224,616	37,499,879	29,290,556
Dividends, Interests, &c. ..	956,048	1,314,816	1,524,85	1,123,797
Government Securities .. ..	1,384,157	3,880,506	3,877,201	3,652,097

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	Dec. 27, 1917.		Jan. 3, 1917.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam .. ..	Cable transfers .. .. .	10.90	11.00	10.93	10.98
Paris .. .. .	Three months' bills .. ..	11.05	11.15	11.10	11.15
.. .. .	Cable transfers .. .. .	27.19	27.24	27.20	27.25
.. .. .	Three months' bills .. ..	27.60	27.65	27.60	27.65
Switzerland .. ..	Cable transfers .. .. .	20.75	20.85	20.8	20.88
.. .. .	Three months' bills .. ..	21.10	21.20	21.05	21.15
Petrograd .. .. .	Cable transfers .. .. .	350	355	360	370
Genoa, &c. .. ..	Cable transfers .. .. .	39.65	39.85	39.90	39.98
Spain .. .. .	Cable transfers .. .. .	19.58	19.68	19.55	19.65
.. .. .	Three months' bills .. ..	572	582	57	58
Lisbon and Oporto ..	Cable transfers .. .. .	291	301	291	301
Copenhagen .. ..	Cable transfers .. .. .	15.15	15.30	15.33	15.43
Christiania .. ..	Cable transfers .. .. .	14.27	14.17	14.45	14.55
Stockholm .. ..	Cable transfers .. .. .	14.12	14.22	14.0	14.10

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques .. ..	Francs to £1 .. .. .	25.22½	27.20	27.22½
Amster. am. cheques ..	Florins to £1 .. .. .	12.107	10.96½	11.01½
Italy, sight .. .. .	Lire to £1 .. .. .	25.22½	39.77½	40.01
Madrid, sight .. .. .	Pesetas to £1 .. .. .	25.22½	19.60	19.60
Lisbon, sight .. .. .	Escudo to milreis ..	531d.	30½d.	30½d.
Swiss land, sight .. ..	Francs to £1 .. .. .	25.22½	20.1½	21.00
Christiania, sight .. ..	Kroner to £1 .. .. .	18.59	14.40	14.80
Stockholm, sight .. ..	Kroner to £1 .. .. .	18.59	14.22½	14.40
Copenhagen, sight .. ..	Kroner to £1 .. .. .	18.59	15.22½	15.62½
Petrograd, sight .. ..	Roubles to £1 .. .. .	94.57	362½	367½
Alexandria, sight .. ..	Piastres to £1 .. .. .	97½	97½	97½
Bombay, T.T. .. .. .	Sterling to rupee .. ..	1/4	1/4½	1/4½
Calcutta, T.T. .. .. .	Sterling to rupee .. ..	1/4	1/4½	1/4½
Hong Kong, T.T. .. ..	Sterling to tael .. .. .	—	3/1	3/1
Shanghai, T.T. .. ..	Sterling to tael .. .. .	—	4/4	4/5
Singapore, T.T. .. ..	Sterling to tael .. .. .	—	2/4½	2/4½
Yokohama, T.T. .. ..	Sterling to yen .. .. .	2.58d.	3/1½	3/1½
New York, cable .. ..	Dollars to £1 .. .. .	4.86½	4.76½	4.76½
Buenos Aires, T.T. ..	Pence to dollar .. .. .	47.53d.	51½d.	52½d.
Valparaiso, 90 days ..	Pence to peso .. .. .	—	14½d.	14½d.
Montevideo, T.T. .. ..	Pence to dollar .. .. .	51d.	6½d.	6½d.
Rio de Janeiro, 90 days	Pence to milreis .. ..	16d.	13½d.	13½d.

## OPEN MARKET DISCOUNT.

	Last week.	This week.
	Per cent.	Per cent.
Thirty and sixty day remitted ..	4½-5	3½-4
Three months .. .. .	4½-5	3½-4
Four months .. .. .	4½-5	3½-4
Six months .. .. .	4½-5	3½-4
Three months fine inland bills ..	4½-5	3½-4
Four months .. .. .	4½-5	4½-5
Six months .. .. .	4½-5	4½-5

## BANK AND DEPOSIT RATES.

	Last week.	This week.
	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
.. .. short loan rates .. .. .	—	—
Bankers' rate on deposits .. .. .	4	3½
Bill brokers' deposit rate (call) .. ..	4	3½
.. .. 7 and 14 days' notice .. ..	4½	3½
Current rates for 7 day loans .. .. .	4-4½	3½-3
.. .. for call loans .. .. .	3-4	2½-3½

## The Week's Stock Markets.

Looking back at the history of the past year on the Stock Exchange, we cannot say that the experience has been a very pleasant one, except in a few of the smaller sections, which only affect the great current of investment business to a comparatively trifling extent. Taking a general survey of the markets, there has been an all-round decline of nearly 6 per cent., but fortune's favours have been very irregularly distributed, and the shrewdest speculator might easily have found himself wrong in every operation he attempted. Take two cases as an illustration. On any sound reasoning it might have been expected that Argentine securities would improve in this world's welter through which we are passing. The country is far removed from the war area (except for such futilities as the Luxburg villainies), and we are badly in need of the very goods that it can supply. But there have been droughts and locusts and labour troubles, and the leading stocks show an enormous depreciation, which no one could have reasonably forecasted. On the other hand, Breweries, in face of all the licensing restrictions, might have been expected to drop rather heavily. On the contrary, they have not had such a prosperous time for many years, and a few of the most typical stocks have gained over 40 per cent. American Railroads, naturally, gave way when the States linked their fortunes in the war with the Allies, and the loss amounts to about 37 per cent.; but this is not so bad as it looks, because the bulk of the old holdings in this country are now in the hands of the Government on trust for the original beneficiaries. Miscellaneous securities have been extremely good in places, and dealings in such things as Iron and Steel shares, Armaments, Shipping, and Rubbers have been wonderfully good, relatively speaking; but we are afraid that the whole of the business, if it were averaged, would not pay office and staff expenses. With regard to the past week, the reduction in deposit rates has given a welcome impetus to gilt-edged securities, but the intensive culture of National War bond purchases has partly offset the effect. At one time there was a good deal of anxiety about the payment of interest on Russian securities, and it is quite possible that there may be considerable delay in meeting the coupons as they fall due; but everything points to the conclusion that the intriguing Hun has overreached himself in dealing with the Bolsheviks, and with patience we have every confidence that things will work out all right, both from the national and investment point of view.

On the whole the market opened the year with an extremely satisfactory and encouraging tone, mainly, perhaps, owing to the reduction in deposit and Treasury bill rates, which naturally must tend to put business into the already established securities in which the Stock Exchange is most interested. Apart from that the news has been on the whole very satisfactory. The Russian position seems to be clearing up, the Italian menace has been arrested, and the temporary stalemate on the Western front is more apparent than real. In the circumstances it is not surprising to find that gilt-edged securities have been advancing day by day, and Consols particularly have shown exceptional strength, with advances that amount to a full point. War Loans, India issues, and others in this section have all gained substantial fractions. Colonials opened well, but there was not so much support in this division, and the stocks which changed hands were comparatively few in number and less in bulk. In the Foreign section, the French War Loans were particularly good at one time, and Spanish also showed strength, but Greeks rather tended to give way. Peruvian Corporations were firm, and Argentine stocks generally either held their ground or improved to some slight extent.

	Last Week	This Week		Last Week	This Week
Consols. ....	54 1/2	55 1/2	N.S.W. 4 1/2 % 5 yr. bds. ....	97	98
War Loan 3 1/2 % .....	84	85 1/2	" 4 1/2 % 1922-7 .....	89	89 1/2
" 4 1/2 % .....	99 1/2	99 1/2	" 5 % 1921-3 .....	95	95
" 5 % 1929-47 .....	93 1/2	93 1/2	" 5 1/2 % 1920-2 .....	9 1/2	9 1/2
" 4 1/2 % 19 9-42 .....	100 1/2	100 1/2	New Zealand 4 1/2 % 1929 .....	85	85 1/2
India 3 % .....	54	54 1/2	Queensland 4 % .....	80 1/2	80 1/2
" 3 1/2 % .....	63	64 1/2	" 4 1/2 % 1920-5 .....	94	94
Australian 5 1/2 % 1920-22 .....	99 1/2	98 1/2	Union of S. Africa 4 1/2 % .....	91	91
Canada 4 % 1940-60 .....	81 1/2	81 1/2	1920-5 .....	92	92
" 4 1/2 % 1920-5 .....	92 1/2	92 1/2	Victoria 4 1/2 % 1920-5 .....	79	78 1/2
N.S.W. 4 % 1933 .....	81	81 1/2	Westn. Aus. 4 % .....	76 1/2	76 1/2
Argentina 4 1/2 % 1900 .....	65	67	French War Loan, 5 % .....	9 1/2	9 1/2
Belgian 3 % .....	61	61	Japan 4 1/2 % (1st), 1905 .....	90	91
Brazil, 1913 .....	69	70	" 5 % 1907 .....	57 1/2	57 1/2
" 5 % 1914 .....	79	80	Mexican 5 % 1899 .....	41 1/2	41 1/2
Chinese 1896 .....	92	92	Russia 4 % .....	45 1/2	45 1/2
" 1912 .....	83	83	" 4 1/2 % 1909 .....	52 1/2	52 1/2
Egypt Unified 4 % .....	84	84	" 5 % 1906 .....	90 1/2	93
Caledonian defd. ....	123	133	London and N.-W. ....	43 1/2	45
Gt. Central prd. ....	6 1/2	6 1/2	London and S.-W. defd. ....	94	94
" defd. ....	3 1/2	3 1/2	Do red. pf. 1914 .....	21 1/2	23 1/2
Gt. Eastern .....	16	16	Metropolitan .....	77	77
Gt. Northern defd. ....	83 1/2	86 1/2	Do. 5 % pf. ....	15 1/2	15 1/2
Gt. Western .....	61	65 1/2	Met. District .....	56 1/2	58 1/2
Lancs. and Yorks. ....	58	60	Midland defd. ....	13 1/2	13 1/2
London Brighton defd. ....	88	90	Nth. British defd. ....	9 1/2	9 1/2
London Chatham ord. ....	159 1/2	160	Nth.-Eastern .....	28 1/2	30 1/2
Canadian Pacific .....	84	84	Chesapeake .....	20 1/2	20 1/2
E. Indian Guar. 4 1/2 % debts. ....	98 1/2	100	Eric .....	24 1/2	25 1/2
Grand Trunk ord. ....	50	55	Southern .....	59	60
Do. 1st pf. ....	19 1/2	22 1/2	Leopoldina .....	37	37 1/2
Antioquia defd. ....	131	130	Mexican ord. ....	182	179
Brazil Common .....	39	40	San Paulo (Brazilian) .....	74	75
B. A. & Pacific .....	72 1/2	74	United of Havana .....	13 1/2	13 1/2
B. A. Gt. Southern .....	70 1/2	70 1/2	London & S.W. ....	77	77
B. A. Western .....	78	78	London City & Midland .....	15	15 1/2
Anglo-South American .....	114	114	London County & West. ....	24 1/2	24 1/2
Bank of Australasia .....	35 1/2	35 1/2	London Joint Stock .....	27	27
Bank of N.S. Wales .....	74	74	Nat. Prov. of Eng. (£100 pd) .....	31	31
Barclay & Co. "A" .....	114	112	Do. (£12 pd) .....	29	29
Do. "B" .....	22 1/2	22 1/2	Standard of S.A. ....	10 1/2	10 1/2
Capital & Counties .....	68	68 1/2	Union Discount .....	27 1/2	27 1/2
Chartered of India .....	84	84	Parr's .....	37 1/2	39 1/2
Hongkong & Shanghai .....	25	25	Mond Nickel ord. ....	38 1/2	38 1/2
Lloyds .....	17 1/2	17 1/2	South Durham Steel .....	40 1/2	40 1/2
London & Provincial .....	23	23	Thornycroft .....	4 1/2	4 1/2
London & Brazilian .....	41 1/2	41 1/2	Vickers .....	31 1/2	31 1/2
Armstrong, Whitworth .....	51 1/2	52 1/2	Royal Mail .....	121 1/2	121 1/2
Birmingham Small Arms .....	63	63	Underground Inc. Bds. ....	8 1/2	8 1/2
Cammell-Laird .....	23 1/2	23 1/2	North Caucasian .....	8 1/2	8 1/2
Carco Fleet .....	47 1/2	46 1/2	Roumanian Cons. ....	9 1/2	9 1/2
Dorman, Long .....	38	38	Royal Dutch (100 gulden) .....	5 1/2	5 1/2
Associated Cement .....	37 1/2	36 1/2	Shell .....	58 1/2	58 1/2
Borax defd. ....	20 1/2	20 1/2	Spies (10/-) .....	7 1/2	7 1/2
Bovril .....	45 1/2	45 1/2	Ural Caspian .....	7 1/2	7 1/2
Brazil Traction .....	18 1/2	18 1/2	Perak 2/- .....	3 1/2	3 1/2
British Amer. Tobacco pf. ....	32 1/2	31 1/2	Port Dickson 2/- .....	4 1/2	4 1/2
British Aluminium .....	31 1/2	31 1/2	Rub. Estates Johore £1 .....	4 1/2	4 1/2
British Oil & Coke .....	48 1/2	48 1/2	Rub. Estates Krian 2/- .....	29 1/2	29 1/2
Brunner, Mond .....	38 1/2	38 1/2	Rubber Trust £1 .....	2 1/2	2 1/2
Castner-Kellner .....	68 1/2	68 1/2	Sampang (Java) 2/- .....	2 1/2	2 1/2
Coat .....	4 1/2	4 1/2	Sapumakande £1 .....	23 1/2	23 1/2
Courtaulds .....	35 1/2	35 1/2	Seaport £1 .....	28 1/2	28 1/2
Cunard .....	10 1/2	10 1/2	Selangor .....	34 1/2	35 1/2
Dennis Bros. ....	15 1/2	15 1/2	Sengat 2/- .....	31 1/2	31 1/2
Eastern Telegraph .....	10 1/2	10 1/2	Seremb 2/- .....	44 1/2	44 1/2
Eastmans .....	56 1/2	56 1/2	Shelford £1 .....	40 1/2	40 1/2
English Sewing Cotton .....	27 1/2	27 1/2	Sialang £1 .....	70 1/2	70 1/2
Anglo-Egyptian "B" .....	1 1/2	1 1/2	Singapore Para 2/- .....	4 1/2	4 1/2
Baku (10s.) .....	7 1/2	7 1/2	Singapore United 2/- .....	3 1/2	3 1/2
Bumah .....	22 1/2	22 1/2	Soemba Ajo 2/- .....	3 1/2	3 1/2
Maikop Pipeline .....	65 1/2	64 1/2	Stagbrook £1 .....	33 1/2	33 1/2
Mexican Eagle pf. ....	3 1/2	3 1/2	Straits Bertam 2/- .....	6 1/2	6 1/2
Allagar 2/- .....	7 1/2	7 1/2	Sumatra Para 2/- .....	9 1/2	9 1/2
Anglo-Java Rub. 2/- .....	14 1/2	14 1/2	Sungei Bahr £1 .....	40 1/2	40 1/2
Anglo-Malay 2/- .....	50 1/2	50 1/2	Sungei K par 2/- .....	11 1/2	11 1/2
Ayer Kuning £1 .....	5 1/2	5 1/2	Sungei Kruit £1 .....	56 1/2	56 1/2
Batang Malaka 2/- .....	4 1/2	4 1/2	Taiping 2/- .....	4 1/2	4 1/2
Bekoh 2/- .....	10 1/2	10 1/2	Tali Ayer £1 .....	7 1/2	7 1/2
Brit. N. Borneo Trust £1 .....	5 1/2	5 1/2	Tanjong £1 .....	90 1/2	90 1/2
Bukit Clob 2/- .....	7 1/2	7 1/2	Tanjong Malim £1 .....	4 1/2	4 1/2
Bukit Kajang £1 .....	4 1/2	4 1/2	Tebrau £1 .....	60 1/2	60 1/2
Bukit Mertajam 2/- .....	3 1/2	3 1/2	Telogorejo £1 .....	48 1/2	47 1/2
Bukit Sembawang 2/- .....	4 1/2	4 1/2	Tempeh 2/- .....	2 1/2	2 1/2
Carey United £1 .....	10 1/2	10 1/2	United Serdang 2/- .....	1 1/2	1 1/2
Ceylon Para 2/- .....	3 1/2	3 1/2	United Sumatra 2/- .....	8 1/2	8 1/2
Chersonese .....	6 1/2	6 1/2	Val d'Or 2/- .....	4 1/2	4 1/2
Chewi 2/- .....	3 1/2	3 1/2	Vallambrosa 2/- .....	24 1/2	24 1/2
Dalkeith 2/- .....	3 1/2	3 1/2	Way Halim 1/8 pd. ....	16 1/2	16 1/2
Eastern Invest. Trust £1 .....	27 1/2	27 1/2	Gt. Boulder (2/-) .....	13 1/2	13 1/2
Grand Central £1 .....	27 1/2	27 1/2	Kysht .....	7 1/2	7 1/2
Gula Kalumpung £1 .....	35 1/2	35 1/2	Ma-homaland Agency .....	5 1/2	5 1/2
Highlands £1 .....	62 1/2	62 1/2	Meyer & Charlton .....	8 1/2	8 1/2
Java Investment £1 .....	29 1/2	29 1/2	Modder "B" .....	7 1/2	7 1/2
Java Para £1 .....	32 1/2	32 1/2	Do. Deep .....	23 1/2	23 1/2
Johore Rubber Lands £1 .....	34 1/2	34 1/2	Mysore .....	28 1/2	28 1/2
Kamunin 2/- .....	4 1/2	4 1/2	Rio Tinto (£5) .....	6 1/2	6 1/2
Kinta Kellas 2/- .....	4 1/2	4 1/2	Ru-so-A-i tic .....	3 1/2	3 1/2
Kuala K bu 2/- .....	3 1/2	3 1/2	Spring Mines .....	3 1/2	3 1/2
Labu 2/- .....	9 1/2	9 1/2	Taungmyika .....	3 1/2	3 1/2
Langon Java £1 .....	42 1/2	42 1/2	Tanayik .....	18 1/2	18 1/2
Lingsi 2/- .....	29 1/2	29 1/2	Van Kyn Deep .....	38 1/2	38 1/2
London Asiatic 2/- .....	9 1/2	9 1/2			
Malacca £1 .....	5 1/2	5 1/2			
Malayan £1 .....	40 1/2	40 1/2			
Merriman 2/- .....	5 1/2	5 1/2			
Padang Jawa 2/- .....	3 1/2	3 1/2			
Pataling 2/- .....	4 1/2	4 1/2			
Abbottakoon (10/-) .....	4 1/2	4 1/2			
Beechuanaland Exp. ....	7 1/2	7 1/2			
Brakpan .....	5 1/2	5 1/2			
Brook n Hill Prop. (8/-) .....	52 1/2	53 1/2			
Cam & Motor .....	11 1/2	10 1/2			
Central Mining (£12) .....	6 1/2	6 1/2			
Chartered .....	14 1/2	15 1/2			
City Deep .....	32 1/2	32 1/2			
Cons. Gold Fields .....	18 1/2	18 1/2			
Cons. Langlaagte .....	21 1/2	21 1/2			
Crown Mines (10/-) .....	2 1/2	2 1/2			
De Beers defd. (£2 10/-) .....	13 1/2	13 1/2			
East Rand .....	5 1/2	5 1/2			
G. duid .....	38 1/2	38 1/2			
Gov. Areas Mod .....	38 1/2	38 1/2			

Home Railways have shown exceptional strength, because there is a growing feeling that they have reached a level at which they must in any conceivable circumstances be a good purchase. Great Western, North-Western, South-Western, and Great Northern deferred all advanced 1 1/2 to 2, and most of the others, following on the same lines, improved anything from 1/2 to 1. There was a slight weakening towards the close, but it did not amount to much. American Railroads showed considerable strength on the announcement that the Government had taken over control, and Chesapeakes, New York, Ontario, and one or two others, rose several dollars, but after the first outburst of enthusiasm the market dropped back into its usual state of lassitude. International Mercantile Marine in this section also advanced smartly. Canadian Pacifics were weak, but closed above the lowest, while Grand Trunks were consistently strong in connection with the concession as regards increased freights, and the stocks all gained several points. Mexicans were firm at one time, but afterwards relapsed into dullness, and although the Argentine section showed a fairly bold front, nothing much was doing, and the changes were not of importance. San Paulos were distinctly weak.

Bank shares, after a quiet opening, were better supported on the dividends which have been announced by the discount houses, and which indicate that the past half-year has been an extremely profitable one. Most of the leading shares put on a fraction. In the Brewery section, Allsopps took the lead with gains that amounted to several points, and City of London also gained appreciably. Guinness's advanced 3 points, although, judging by the difficulty of marketing the goods, it seemed as if they ought to be suffering more than most businesses in this line. The Egyptian section was particularly strong, with Salt and Soda and National Bank of Egypt most prominent, but the whole list was quite good. Iron and Steel shares were irregular, but, on the whole, the tendency was firm, and in the Land group Hudson's Bays, Nigers, and Pahanes all showed strength. Shipping shares were in favour, with Indo-China and P. and O. most in evidence, but Prince Line, after the recent sharp advance, gave way a little. Textile shares were scarcely mentioned, and in the Miscellaneous Industrial department there was nothing of much interest, except that Peek Brothers had a sharp advance on the capital readjustment scheme, and Brunner, Mond's also were firm. Cements, on the other hand, eased off a fraction.

Oil shares were mostly irregular, and without much business in any direction. Burmahs, Mexican Eagles, and "Shells" received some support, but North Caucasian and other Russian issues generally had nothing to boast of. Rubber shares were exceptionally firm on renewed talk of output restrictions, and the advance in the price of the commodity, but the amount of business coming to the market is only a small fraction of what was experienced in the halcyon days of the recent boom.

#### BOOKS RECEIVED.

*Mining Highest and Lowest Prices, Dividends, &c., for Past Six Years.* Price 1s., by post 1s. 1d. Publishers: Fredk. C. Mathieson and Sons, 16, Copthall Avenue, London, E.C. 2.

*Northern Coal, Iron and Steel Companies, 1917.* Issued by Selby and Co., King's Chambers, Sheffield.

#### LONDON PRODUCE MARKETS.

The various markets largely remained without new feature while under holiday influence during the greater part of the week.

**SUGAR.**—This market continued with no change.

**COFFEE.**—A steady tone predominated, especially with respect to all suitable home-trade descriptions, and moderate inquiries were in force. The terminal market is firm, though quiet.

**COCOA.**—No auctions were held during the week. Private market quietly steady.

**TEA.**—For the fair quantities of Indian and Ceylon offered a fair demand prevailed, but prices on balance were subject to some irregularity.

**SPICE.**—Pepper slow, steady, and fair black Singapore, spot, quoted 1s. 2d.; Tellicherry, 1s. 4d.; Muntok, 1s. 6d. Fair Zanzibar cloves, spot, 1s. 8d. Tapioca dull. Fair flake, spot, 6 1/2d.; fair Penang seed pearl, 6s.; medium, 6s.

**RICE** continued in demand. Beans and peas unaltered.

**HEMP** firm for both East India and Chinese, with few sellers.

**SHELLAC.**—General trade proved quiet. T.N., March sold, 330s.

**GAMBIER** quiet but steady. Block, to arrive, quoted 60s., c.f. and i.

**RUBBER** met a good, steady inquiry, and rates steadily improved. Advices from the East and also America were of a stimulating nature. Plantation, spot, crepe, sold, 2s. 6 1/2d. to 2s. 6 3/4d.; 2s. 6d.; January-March 2s. 6 1/2d. to 2s. 7d., 2s. 6 1/2d.; February-March, 2s. 7d. to 2s. 7 1/2d.; April-June 2s. 7 1/2d. to 2s. 8d., 2s. 7 1/2d. Ribbed smoked sheet, spot, 2s. 5 1/2d. to 2s. 5 3/4d., 2s. 5 1/2d. Fine hard Para, spot, 2s. 10d.; soft fine, 2s. 4 1/2d.; and ball 1s. 9d. per lb.

**CORN** (Mark Lane).—The market opened the year with a good demand for all cereals; late rates were fully maintained. Quotations:—Wheat: English whites and reds 7s. 6d. per qr (50 1/2 lbs.). Of imported descriptions, No. 1 Northern Manitoba, 79s. 6d.; Indian, 81s. 6d. to 82s. 6d. as to grade; La Plata, 79s. 6d. to 80s.; and Australan, 81s. 6d. per 496 lbs., all landed terms. Flour: English country straight runs (G.R.), 44s. 3d. per cask, ex mill; Australian, 82s. to 82s. 6d.; Japanese, 76s. to 76s. 6d. per 280 lbs. Barley sparingly offered. English quoted 62s. 9d.; Californian, 87s. to 88s. per 448 lbs., landed. Oats firm. English quoted

45s. 3d. per 336 lbs.; American (London controlled), 60s. 6d., landed, per 320 lbs. Maize still nominal in the absence of offers.

**COTTON** (from our Manchester correspondent).—The market during the past week has presented a quiet appearance. Bullish sentiment has prevailed in raw cotton circles, and prices in yarn and cloth have again advanced, record rates being paid in many quarters. The general outlook does not show much alteration. There seems to be little probability of lower values in the near future. The inquiry in piece goods for abroad has been on a limited scale, and local merchants have not been at all disposed to anticipate future wants of customers abroad. Offers for India have been decidedly scarce, especially with regard to standard makes. The China market remains disappointing, and recent

turers are rather larger than a few weeks ago. Export bundles have moved off slowly. Prices in Egyptian spinnings have gone against buyers, a steady demand being experienced from day to day.

### CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING JANUARY 4, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt.	£ s. d.	£ s. d.	<b>Wool</b> —per lb.	£ s. d.	£ s. d.
duty 14/1, 98%			Australian	nom.	nom.
polarisation			Scoured Merino	nom.	nom.
Tate's Cubes ..	2 13 9	2 13 9	Scoured Cr'sabr's	nom.	nom.
Crushed ..	2 13 9	2 13 9	Greasy Merino ..	nom.	nom.
Granulated ..	2 6 9	2 6 9	Greasy Crossbred	nom.	nom.
Lytle's granulated	2 6 9	2 6 9	New Zealand	nom.	nom.
Foreign ..	nom.	nom.	(scoured) Merino	nom.	nom.
granulated, first marks	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	Cape snow white	nom.	nom.
German Cubes, f.o.b.	nom.	nom.	<b>Indiarubber</b> p. lb.		
French Cube	nom.	nom.	Plantation, Spot	0 2 6	0 2 5½
Crystallised, West	nom.	nom.	Crepe ..		
India ..	2 6 9	2 6 9	<b>Coal</b> —per ton		
Beet, 88% f.o.b.	nom.	nom.	Durham, best ..	nom.	nom.
<b>Tea</b> —per lb., duty	s. d. s. d.	s. d. s. d.	Seconds ..	nom.	nom.
1/- lb.			East Hartlepool ..	nom.	nom.
Indian Pekoe ..	1 0-1 6	1 1-1 6	Seconds ..	nom.	nom.
Broken ..	1 0-2 2	1 0-2 0½	Steam, best ..	32 6	32 6
Orange ..	1 0-2 2	1 0-2 2½	Seconds ..	29 6	29 6
Broken ..	1 3-2 2½	1 3-2 2	<b>Lead</b> —per ton	£ s. d.	£ s. d.
Pekoe Souehong	1 1-1 6	1 1-1 6	English Pig ..	nom.	nom.
Ceylon Pekoe ..	1 0-1 6	1 1-1 3	Foreign soft ..	£ 30½-£ 29½	£ 29½-£ 28½
Broken ..	1 0-1 3	1 0-1 3	<b>Quicksilver</b> —per		
Orange ..	1 1-2 4½	1 1-2 2½	bottle firsthand	nom.	nom.
Broken ..	1 1-2 4½	1 1-2 2½	<b>Tin</b> —per ton		
Pekoe Souehong	1 1-2 4½	1 1-2 2½	English Ingots ..	£ 296-£ 300	£ 282-283
<b>Cocoa</b> —per cwt.	d. s. d.	d. s. d.	Do, bars ..	£ 297-£ 301	£ 283-284
duty 6d. per lb.			Standard cash ..	£ 74	£ 280
Trinidad—per cwt.	87 0-99 0	87 0-99 0	Tin Plates, per box	nom.	nom.
Grenada ..	85 0-98 0	85 0-98 0	<b>Copper</b> —per ton		
West Africa ..	68 0-77 0	68 0-77 0	English, Tough	nom.	nom.
Ceylon Plantation	77 0-94 0	77 0-94 0	Best Selected	£ 119-£ 123	£ 119-£ 123
Guayaquil Arica ..	105/- 109/-	105/- 109/-	Sheets ..	£ 147	£ 147
<b>Coffee</b> —per cwt.			Standard ..	£ 110-110½	£ 110-110½
duty 42/- per cwt.			<b>Jute</b> —per ton		
East India ..	97 0-116 0	97 0-116 0	Native firsts for	nom.	nom.
Jamaica ..	77 0-120 0	77 0-120 0	shipment		
Costa Rica ..	97 0-116 0	97 0-116 0	<b>Oil</b> —		
<b>Provisions</b> —			Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Butter, per cwt.			Rape, refined ..	£ 71	£ 71
Australian finest	252/-	252/-	" crude ..	£ 66	£ 66
Argentine ..	252/-	252/-	Cott'n Seed, crude	£ 60	£ 60
Irish Creameries	252/-	252/-	Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
Dutch ditto ..	252/-	252/-	Petroleum Oil, per		
Russian finest ..	nom.	nom.	8 lbs.	1/7½	1/7½
Paris baskets ..	nom.	nom.	Water White	1/8½	1/8½
Danish finest ..	nom.	nom.	Oil Seeds, Linseed		
Brittany rolls ..	nom.	nom.	Calcutta—per ton	29 15 0	29 15 0
doz. lb. ..	nom.	nom.	Rape ..	£ 29-10/6 30	£ 29-10/6 30
<b>Bacon</b> —per cwt.			<b>Iron</b> —per ton		
Irish ..	172/-	172/-	Cleveland Cash ..	nom.	nom.
Continental ..	172/-	172/-	<b>Tobacco</b> —duty		
Canadian ..	172/-	172/-	unmanufactured		
American ..	172/-180	172/-180	7/4 to 5/0 per lb.		
<b>Hams</b> —per cwt.			Maryland & O ..	nom.	nom.
Irish ..	203/-	203/-	per lb. bond	0 8 2 1	0 8-2 1
Canadian ..	162/-165/-	162/-165/-	Virginalea ..	0 7-0 11	0 7-0 11
American ..	125/-165/-	125/-165/-	Kentucky leaf ..	2 1-0 11	2 0-0 11
<b>Cheese</b> —per cwt.			Latakia ..	1 6 6 6	1 6 6 6
Dutch ..	nom.	nom.	Havana ..	nom.	nom.
Canadian ..	142/-	142/-	Manilla ..	nom.	nom.
English Cheddar	nom.	nom.	Cigars, duty 10/-	2/ upds.	2/ upds.
Wilt's loaf ..	nom.	nom.	per lb. ..		
New Zealand ..	nom.	nom.	<b>Timber</b> —Wood		
<b>Rice</b> —per cwt.			Pitch pine ..	300/- 400/-	300/- 400/-
Japan ..	nom.	nom.	Indian ..	380/- 700/-	380/- 700/-
Rangoon 2 stars ..	26 3	26 3	<b>Turpentine</b> —		
<b>Eggs</b> —per 120.			American Spot ..	128/-	126/-
English ..	39 0-43 0	40 0-43 0	<b>Copra</b> —per ton		
Irish ..	38 0-40 0	38 0-40 0	Malabar ..	46 0 0	46 0 0
Danish ..	39 0-41 0	39 0-41 0	Ceylon ..	46 0 0	46 0 0
<b>Spelter</b> —			F.M.S. Singapore	45 10 0	45 10 0
G.O.B. as to position	£ 54-£ 50	£ 54-£ 50	F.M. Straits	45 10 0	45 10 0
<b>Flour</b> —per sack.					
Country Straight	44/3	44/3			
Runs ex Mill ..					

letters from Shanghai refer to the unsettled trade conditions which prevail in the Far East generally. Fewer orders have again been booked for Egypt, and shipping facilities to that outlet remain very irregular. There has not been much activity for South America. Makers of heavy materials continue to derive support from Government contracts. Finishing and printing cloths remain deeply sold. American yarns for home use are distinctly dearer on the week, but the higher rates have been resisted by buyers, the turnover being comparatively small. Users have again pressed spinners for fuller deliveries against old contracts. It is said that stocks of twist and weft in the hands of manufac-

### INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Assam Bengal ..	Nov. 3	Rs. 1,23,535	+ 28,726	1	Rs. 5,94,789	+ 1,07,494
Barsi ..	" 10	18,700	+ 49,300	1	5,11,201	+ 152,200
Bengal & N.W. ..	" 3	3,28,680	+ 46,046	1	15,01,666	+ 1,64,616
Bengal Nagpur ..	" 10	8,52,000	+ 1,76,000	1	3,26,43,351	+ 29,56,507
Bombay, Baroda ..	Dec. 22	14,28,000	+ 1,91,000	1	1,58,02,000	+ 7,67,000
Burma ..	Nov. 3	3,68,031	+ 14,681	1	19,18,384	+ 2,20,078
Delhi Umballa ..	Dec. 15	87,800	+ 1,385	1	10,49,186	+ 1,71,315
East Indian ..	" 22	22,89,000	+ 23,000	1	2,76,34,000	+ 14,93,000
Gt. Indian Penin. ..	" 15	24,76,600	+ 93,000	1	2,28,10,200	+ 11,24,015
Luoknow-Bareilly ..	Nov. 3	35,738	+ 850	1	2,01,168	+ 23,801
Madras and S. ..						
Mahratta ..	" 10	9,50,000	+ 1,65,424	1	52,75,000	+ 3,62,400
Nizam's Gd. (Broad)	Oct. 27	1,14,390	+ 15,874	1	5,57,519	+ 5,541
" (Metre)	Sept. 30	51,953	+ 5,072	1	2,28,359	+ 4,968
Rohilkund and ..						
Kumaon ..	Nov. 3	38,799	+ 4,247	1	1,99,454	+ 15,200
South Indian ..	" 10	6,75,575	+ 73,277	1	37,31,214	+ 2,90,200

† April 1. † October 1.

### TRAMWAY AND OMNIBUS.—HOME.

	£		£		£
Bristol ..	13,126	+	1,206	†	575,653
Dublin United ..	7,009	+	457	†	34,395
Hastings and Dist. ..	990	+	61	†	62,702
Isle of Thanet ..	195	—	141	†	350
Lancashire United ..	2,474	+	550	†	122,565
Provincial ..	2,335	+	201	†	9,134
Yorks. (Wst. Rang.)	2,527	+	504	†	111,584

\* From Oct. 1.

† From Jan. 1.

### TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

		£		£	Ms.	£		£	
Alabama Power ..	Oct. 8	113,018	+	22,072	11	1,253,083	+	361,340	
Anglo-Argentine ..	Dec. 31	63,998	+	5,895	2	2,720,625	+	48,221	
Auckland Electric ..	Oct. 26	22,308	+	880	2	92,118	+	7,832	
Brazilian Traction ..	Nov.	M7,695,000	+	M535,000	11	M8,131,000	+	M658,000	
Brisbane Elec. Inv. ..	Oct.	33,580	+	820	10	328,420	+	2,000	
British Columbia ..	Nov.	114,369	+	31,772	4	432,464	+	89,124	
B.A. Lacroze ..	"	39,670	+	546	5	189,575	+	1,214	
Burmah Electric ..	"	Rs. 27,761	+	Rs. 937	1	82,884	+	Rs. 4,844	
Calcutta ..	Dec. 22	Rs. 70,728	+	Rs. 2,440	4	Rs. 333,834	+	Rs. 4,421	
Carthagen and Herrerias ..	"	b	4,424	+	2,025	2	49,566	+	19,776
Corinto Light P. & T. ..	Oct.	12,481	+	7,952	7	95,376	+	2,640	
Hongkong ..	Nov.	12,591	+	1,159	2	597,598	+	39,377	
La Plata ..	Dec. 8	4,605	+	169	12	48,962	+	1,873	
Lima ..	Nov.	16,965	+	1,998	11	159,413	+	4,850	
Madras Electric ..	Dec. 15c	Ra. 35,112	+	Rs. 3,174	11	Ra. 800,674	+	Rs. 73,566	
Manila Electric....	Aug. 8	65,467	+	4,667	8	547,492	+	70,625	
Mexico ..	Nov. 8	215,256	+	108,666	2	3,193,106	+	197,227	
Rangoon ..	"	5,358	+	325	3	49,313	+	1,975	
Singapore Electric ..	Oct. 27	112,357	+	8,661	1	529,661	+	12,549	
Toronto ..	Nov. 5	427,556	+	8,751	11	5,034,775	+	239,133	
United of Monte V.	"	31,060	+	2,656	1	31,060	+	2,656	
Vera Cruz ..	Sept. 1	56,400	+	1,744	8	464,400	+	14,744	
Winnipeg ..	Nov.	86,888	+	14,744	11	748,976	+	327,782	

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

### FOREIGN RAILWAYS.

Alcoyand Gandia ..	Dec. 27	Ps. £	7,000	—	Ps. £	6,000	1	Ps. £	552,170	—	Ps. £	101,130
Antofagasta (Chili) ..	" 23		49,540	+		4,655			2,192,430	+		391,110
Arauco ..	Nov. 3		15,000	+		3,500			117,500	+		21,200
Argentine N.E. ..	Dec. 29		10,200	+		4,300			203,600	+		31,300
Bilbao R. and Canta ..	Oct. 2		3,911	—		1,426	10		35,861	—		10,946
Bolivar ..	Nov. 6		12,000	+		4,820	5		55,005	+		18,500
Brazil ..	Aug. 6	M	4,432,000	+	M	532,287	1	M	3,194,800	+	M	37,680
Brazil Gt. Southern ..	Nov. 3	M	18,38,300	+	M	2,080	1	M	35,937	+	M	43,467
B. Ayres & Pacific ..	Dec. 22		108,000	+		18,000			1,728,000	+		384,000
Do. Central ..	Sept. 10		18,317	—		7,787	3		70,915	+		4,287
Do. Gt. South'n ..	Dec. 30		126,000	+		11,000			2,423,705	+		332,540
Do. Western ..	" 30		58,000	+		12,000			1,42,000	+		312,000
Central Argentine ..	" 29		126,900	+		28,200			2,252,300	+		625,000
C. Ur'g'ay of Mre V. ..	" 29		16,091	+		1,610			460,205	+		134,561
Do. East'n Ex. ..	" 29		6,024	+		695			121,671	+		9,227
Do. North'n Ex. ..	" 29		3,131	—		83			78,071	+		24,056
Do. West'n Ex. ..	" 29		2,252	—		82			52,346	+		2,702
Cordoba Central ..	" 29		35,500	+		9,500			76,680	+		19,405
Costa Rica ..	Nov. 3		3,558	+		1,190			55,255	+		36,980
Cuban Central ..	Dec. 29		14,243	+		3,385			311,192	+		21,787
Dorada Extension ..	Nov. 3		8,000	+		300			98,700	+		7,500
Egyptian Delta ..	" 20		10,177	+		1,693			162,393	+		28,492
Entre Rios ..	Dec. 29		19,600	+		9,100			330,400	+		39,500
French Santa Fé ..	Aug. 25		132,000	+		29,099	8		900,316	+		173,129
Gt. South. of Spain ..	Dec. 15	Ps	25,357	—	Ps	25,057	1	Ps	144,976	+	Ps	18,103
Gt. West. of Brazil ..	" 29		17,800	+		4,600			76,140	+		156,350
Havana Central ..	Nov. 17		8,115	+		1,493			149,563	+		20,988
Inter. of C. Amer. ..	" 6		11,712	+		5,238			240,451	—		34,242
La Guaira and Car. ..	Dec. 29		6,500	—		500			80,500	—		4,500
Leopoldina ..	" 29		36,183	+		6,305			1,568,511	+		256,811
Midland Uruguay ..	Nov. 3		15,745	+		1,407	4		67,445	+		7,537
Mogiana ..	Aug. 6	M	3,248,000	+	M	526,674	1	M	14,591,200	+	M	40,707
N.W. of Uruguay ..	Nov. 3		630,500	+		24,554	5		1,26,674	+		24,469
Nitrate ..	Dec. 29		30,191	+		1,356			737,809	+		88,443
Paraguay Central ..	" 22		2,550	+		470	1		72,200	+		7,200
Paulista ..	Aug. 6	M	4,904,000	+	M	112,742	7	M	10,990,000	+	M	172,000
Peruvian Corps ..	Nov. 3	S	1,034,790	+	S	108,970	5	S	4,987,180	+	S	47,500
Salvador ..	Dec. 29		18,800	—		12,500			450,826	—		80,750
State of Bahia S. W. ..	Nov. 6		M85,000	—		M45,000	11	M	1,021,000	—		M86,000
S. Paulo (Brazilian) ..	Dec. 30		41,422	+		12,145	1		1,606,824	+		122,000
Sorocabana ..	" 29	M	2,107,000	+	M	224,206	7	M	16,186	+	M	173,550
Taitai ..	Nov. 6		29,820	+		12,142	5		121,328	+		25,500
United of Havana ..	Dec. 29		54,965	+		14,080	1		1,028,615	+		197,400
West'n of Havana ..	" 29		8,311	+		1,958			183,707	+		36,800
Zafra and Huelva ..	Nov. 3		10,538	—		401	12		123,820	—		12,800

## COLONIAL RAILWAYS.

		£	£	£	£
Beira ..	Aug. *c	54,914	—	12,287	10
Canadian Northern	Dec. 21	873,300	—	867,400	10
Canadian Pacific ..	" 21	3,051,000	—	2,72,000	10
Gr. Trk. Main Line ..	" 28	332,934	—	21,543	10
Gr. Trk. Western ..	" 28	64,911	—	30,132	10
Detroit G. H. & M. ..	" 28	21,532	—	6,036	10
Gr Trk Pac Prairie Sc	" 21	23,318	—	3,096	10
Mashonaland ..	Sep. *	47,670	—	9,630	10
Mid. of Westn. Aus.	Oct. *	7,810	—	931	4
New Cape Central ..	Nov. 17	2,071	—	572	10
Rhodesia ..	Sept. *c	78,617	—	11,622	12
				1,011,761	10

\* Months. † July 1. ‡ Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME.	Month.	NETT EARNINGS FOR MONTH.			No. of Mths.	NETT EARNINGS TO DATE.		
		Amount.	In. or Dec. on last year	Dols.		Amount.	In. or Dec. on last year	Dols.
Atchafson T. & S. Fé	Sep.	3,933,000	—	850,000	9	37,525,000	—	4,302,000
Atlantic Coast Line	"	757,000	—	132,000	9	8,200,000	—	337,000
Baltimore & Ohio ..	"	728,000	—	581,000	9	24,820,000	—	1,210,000
Canadian Northern	Nov.	754,700	—	495,300	5	3,209,800	—	2,212,500
Canadian Pacific ..	"	5,258,000	—	306,000	11	42,635,000	—	2,820,000
Chesapeake & Ohio	Oct.	1,164,000	—	218,000	9	10,329,000	—	1,172,000
Chicago & N.W. ..	"	2,634,000	—	444,000	9	19,485,000	—	2,493,000
Chicago Burl. & Q.	Sep.	3,563,000	—	809,000	10	31,552,000	—	794,000
Chicago G.W. ..	Oct.	188,000	—	174,000	9	4,273,000	—	740,000
Chicago Mil. & S.P.	"	1,599,000	—	1,525,000	10	17,198,000	—	4,550,000
Chicago, Rock I. & P.	Sep.	1,664,000	—	359,000	9	15,157,000	—	1,977,000
Colorado & Southern	"	476,000	—	47,000	9	9,339,000	—	719,000
Cuba ..	Oct.	89,455	—	56,433	11	671,275	—	180,123
Delaware & Hud. ..	Sep.	673,000	—	2,000	9	5,002,000	—	893,000
Denver & Rio Gran.	"	742,000	—	182,000	9	5,741,000	—	878,000
Erie ..	"	832,000	—	725,000	9	8,094,000	—	5,877,000
Gr. Tr. Main Line ..	Nov.	1,862,200	—	1,128,500	11	11,907,300	—	1,627,900
Grand Trunk Westn	"	615,050	—	1,195,000	11	1,354,450	—	1,364,400
Detroit G. H. & M. ..	"	616,170	—	1,100,000	11	1,657,700	—	1,999,900
Gr. Northern ..	Sep.	2,626,000	—	859,000	9	17,196,000	—	2,282,000
Illinois Central ..	Oct.	1,852,000	—	135,000	10	16,073,000	—	2,999,000
Kansas City Southn.	"	351,000	—	77,000	9	3,405,000	—	657,000
Lehigh Valley ..	Sep.	851,000	—	231,000	9	7,875,000	—	1,560,000
Louisville & Nashv.	"	1,472,000	—	114,000	9	14,070,000	—	250,000
Minn. S.P. (Soo) ..	"	911,000	—	316,000	9	7,054,000	—	2,763,000
Miss. K. & Texas ..	"	76,000	—	2,000	9	5,503,000	—	2,344,000
Missouri Pacific ..	"	1,630,000	—	9,000	11	15,523,000	—	1,111,000
New York Cent. & H.	"	4,955,000	—	1,221,000	9	36,447,000	—	11,579,000
N.Y. N. Haven & H.	Aug.	2,061,000	—	305,000	11	13,906,000	—	970,000
New York Ont. & W.	Oct.	150,000	—	69,000	10	2,019,000	—	45,000
Norfolk & Western	Sep.	1,861,000	—	125,000	9	16,005,000	—	1,520,000
Northern Pacific ..	"	2,388,000	—	957,000	9	21,435,000	—	31,000
Pennsylvania East	"	8,433,000	—	1,600,000	10	81,107,000	—	1,321,000
and West Lines ..	Oct.	1,939,000	—	404,000	11	3,576,000	—	1,154,000
St. Louis & San F.	Aug.	487,000	—	34,000	8	4,806,000	—	176,000
Seaboard Air Line ..	"	3,104,000	—	671,000	4	9,324,000	—	1,748,000
Southern ..	Oct.	7,077,000	—	1,673,000	10	51,111,000	—	8,744,000
Southern Pacific ..	"	5,408,000	—	389,000	10	35,733,000	—	1,644,000
Union Pacific ..	"	1,204,000	—	134,000	10	10,269,000	—	160,000
Wabash ..	Nov.	1,204,000	—	134,000	10	10,269,000	—	160,000

§ Includes Wisconsin Central. \* Gross earnings † Surplus. ‡ Deficit.

## Insurance News.

Preliminary figures have been issued by several companies with regard to the new business transacted during the past year. The London Life Association is able to announce a further large increase in its nett new business, assurances having been granted for £905,428, as compared with £791,030 in 1916, and £502,910 in 1915. In the case of the Equitable Life Assurance Society, however, there was a considerable falling off in the volume of new business, the total being £219,000—or a decrease of £109,000. For 1915 the total was £276,000. This society's claims by death for the year—including war claims—were smaller to the extent of about £70,000, at £300,000, including bonus additions. For 1915 the claims came to £364,000, and for 1914 to £300,000.

The fact that with one exception the dividends declared by the leading insurance companies during the year now ended were all maintained at the previous year's level is sufficient to account for the stability that

has characterised the market in insurance shares. Lately their attractiveness as investments has resulted in an improvement in market values, and, according to the *Bankers' Magazine's* useful compilation, their list of representative insurance shares exhibited an appreciation of over 14 per cent. as compared with values at the close of 1916. Some branches of the business have greatly benefited by war conditions, although the life offices have had to contend with many disadvantages. The City Equitable had an especially favourable experience, but, on the other hand, the Sun Life had to reduce its distribution, as there was no bonus forthcoming out of the quinquennial valuation last year.

## What Balance Sheets Tell.

R. AND J. DICK, LTD.

A very substantial improvement took place in the position of this Glasgow firm of manufacturers of machinery belts and boots and shoes during the financial year ended August 31 last. Gross profit, after providing for excess duty, has gone up £56,000 to £174,600, and, after providing for income-tax, depreciation, and directors' fees, there is £44,300 more at £137,900 available. The distribution on the ordinary shares is raised from 12 per cent. to 14½ per cent., £30,000 more at £40,000 is allocated to reserve, and £50,000, as against £35,000, is written off goodwill, extinguishing that item from the balance-sheet. There then remains £12,400 to go forward. The increased business, and reserve and depreciation accretions, are, needless to say, reflected in balance-sheet item movements. Stocks are £260,000 up at £784,400, cash is £45,800 down at £3,400, and sundry debts due by the company and reserves appear at £294,350, an increase of £129,830. One could get a better idea of the position if these two latter items were given separately, but the company's liquid resources seem to be ample enough. The report states that over 90 per cent. of the company's output is now used for purposes of munitions.

ARNISTON COAL CO., LTD.

Want of shipping facilities materially restricted the output of this colliery, and costs through advances in wages and increase in prices of furnishings and timber were materially higher. After allowing for war taxation profit comes out at £22,840, as compared with £55,750. A year ago, however, £8,000 was written off for plant depreciation, and £20,000 for postponed repairs, and as the only earmarking this time is £10,000 for plant depreciation the decrease in the amount available is reduced to £15,000 at £11,160. The payment of the ordinary dividend of 25 per cent., free of tax, compels encroachment upon the amount brought in to the extent of £2,960, but the carry forward still amounts to the substantial sum of £22,640. Total trading assets amount to £93,570, and current liabilities and dividend disbursements to £38,340. The loans on debenture amount to £12,500, and the company will at the earliest possible moment have to expend considerable sums on postponed repairs, but the liquid resources seem to be ample enough for immediate requirements.

COMMERCIAL BANK OF LONDON, LTD.

Modest progress is recorded by this small bank in the fifteen months to June 30 last, and the position begins to look decidedly healthier. Gross profits amounted to £33,140, against £6,740 in the year to March 31, 1916, and the nett profit comes out at £19,000, against £1,830. This allows of the payment of two dividends on the preference shares, and leaves £15,740 to be carried forward. Current and deposit accounts amount to £37,700, against £5,450, loans against bills receivable and investments have increased £17,000 to £154,000, while sundry creditors and other adjustments are now £358,650, against less than £2,000 in the previous accounts. Cash in hand and at call amounts to £50,240, an increase of £31,000, investments have risen from £220,000 to £531,000, and advances are up £100,000, £132,640, but bills receivable are £25,000 lower at £30,520. There is no reason why the bank should not serve a useful purpose in a modest way.

## STANDARD BANK OF SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa and to the Administration of Rhodesia.

Subscribed Capital ... £6,194,100  
Paid-up Capital ... £1,548,525

Reserve Fund ... £2,000,000  
Uncalled Capital ... £4,645,575

WM. REIERSON ARBUTHNOT, Fsq.  
SIR DAVID M. BARBOUR, K.C.S.I., K.C.M.G.  
ROBERT E. DICKINSON, Esq.

Board of Directors.  
JAMES FAIRBAIRN FINLAY, Esq., C.S.I.  
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WILLIAM SMART, Esq.

Rt. Hon. LORD SYDENHAM, G.C.S.I.,  
G.C.M.G., G.C.I.E., G.B.E.  
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Head Office: 10 CLEMENTS LANE, LOMBARD STREET, LONDON, E.C. 4.

New York Agency:—68, WALL STREET, Over 250 Branches and Agencies in South and East Africa.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, South-West Africa Protectorate, and the Belgian Congo, and with the Bank's Agencies in New York and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.  
DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED AND COLLECTED.

The officers of the Bank are bound not to disclose the transactions of any of its customers.

MAIL AND TELEGRAPHIC REMITTANCES made.  
LETTERS OF CREDIT AND DRAFTS granted on the branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF CREDIT available in all parts of the world.

COMMERCIAL LETTERS OF CREDIT ISSUED.

PURCHASE AND SALE OF STOCKS AND SHARES effected.

DIVIDENDS, ANNUITIES, &c. received.

EXECUTOR AND TRUSTEE Business undertaken.

FRANCIS SHIPTON, London Manager.

## DIVIDENDS ANNOUNCED.

Alexanders and Co.—Directors recommend dividend for final half-year at rate of 10 per cent. per annum on ordinary shares, less tax, and a bonus of 2s. per share, free of tax, carrying forward about £23,000.

Banco de Chile.—At 8 per cent. for half-year (or 16 per cent. per annum).

Bukit Rajah Rubber.—Interim of 20 per cent., less tax, making 30 per cent. to date, on account of year ending March 31, 1918, the same as a year ago.

Central Bahia Railway Trust.—On the "A" certificates at £4 per cent. per annum, and on the "B" certificates at £1 10s. per cent. per annum, less tax.

General Life Assurance.—Half-yearly at rate of 10 per cent. per annum is now payable.

Giant Mines of Rhodesia.—Interim of 9d. per share, less tax. Warrants will be posted on Jan. 15.

Hunters, the Teamen, have declared an ordinary interim dividend of 5 per cent. (actual), tax free.

S. Hoffnung and Co., Ltd.—Interim at rate of 5½ per cent. per annum on the participating preference shares, payable Feb. 1.

Imperial Tobacco Co. of Canada.—Final of 1 per cent. for year ended Sept. 30, and an interim of 1½ per cent. for current year on ordinary shares.

John Barran and Sons.—8 per cent., free of tax, on the ordinary shares for the year ended Oct. 31, after deduction of the interim already paid, the same; forward, £6,137, against £6,340.

Royal Dutch Petroleum.—Interim of 15 per cent. for the year 1917, payable Jan. 15. Coupon No. 37 will be paid by Messrs. N. M. Rothschild and Sons at the exchange of the day on Amsterdam, the same as year ago.

Manchester Dry Docks.—18½ per cent., free of tax, for past year; the 1916 dividend was at same rate, but only the interim of 5 per cent. was paid free of tax.

New Transvaal Chemical.—Final for year ended June 30, 1917, of 3 per cent., less income-tax, on cumulative first preference shares, and of 4 per cent., less tax, on cumulative "A" preference shares.

Rio de Janeiro Flour Mills and Granaries.—Final of 1s. 9d. per share, and a bonus of 1s. per share, both free of tax. A year ago the final was the same, but no bonus was paid.

Robinson Deep.—Declaration of dividend of 4s. per share on "A" shares due for six months ending Dec. 31 is postponed.

Toronto Railway.—On ordinary shares of 2 per cent. for quarter ended Dec. 31 last.

Trustees Corporation.—Interim on ordinary stock at rate of 4 per cent. per annum, less tax, for the half-year to Nov. 30, payable on Jan. 14; a year ago the same.

Union Discount Co. of London.—The directors recommend for half-year ended Dec. 31 at rate of 13 per cent. per annum, less tax, with a bonus of 1s. per share, free of tax, carrying forward £116,549.

Weigedacht Exploration Co.—9d. per share; forward £3,622.

## OILFIELDS PRODUCTION.

Baku Russian Petroleum.—Week ended Dec. 8, 67,645 poods.

Black Sea Amalgamated.—Week ended Dec. 22, 300 tons.

International Russian.—From well on plot 107 for 14 weeks ended Dec. 1, 302 tons.

Maikop Combine.—Week ended Dec. 22, 382 tons.

Maikop Orient.—Plot 435a, Well 3, week ended Dec. 22, 14,500 poods.

Maikop Pipeline and Transport.—Received for pumping, week ended Dec. 22, 300 tons.

United British of Trinidad.—Week ended Dec. 26, 430 tons.

A PRACTICAL PENSION POLICY  
FOR WOMEN WORKERS.

"After the heat and turmoil of the day,  
The sheltered haven of the peaceful years."

A leaflet entitled

## "AFTER"

giving full particulars of a new and attractive  
scheme will be sent post free on application to the

NATIONAL PROVIDENT INSTITUTION,  
48 GRACECHURCH STREET, LONDON, E.C. 3.

## American Business Notes.

As was stated in this column some weeks ago, President Wilson was about to take control of the railways, and at the end of the year accordingly, he assumed, as head of the United States Executive, the complete power over the whole railway system of the United States, some 250,000 miles long. The present several executives are not to be displaced, but a Government Committee will supervise them, and so arrange the working of the lines that the utmost war efficiency will be given to them. It is impossible to say what the ultimate fate of the lines will be, but we may be quite sure that railway working will never again pass back to the irresponsible monopoly position, and occasionally antagonistic working, which prevailed before the war. At the head of the official committee is Mr. McAdoo, the able Secretary to the Treasury, or Chancellor of the Exchequer for the Republic, who is an engineer by profession as well as a financier through his political experience. These railways belong to nearly 1,500,000 of investors, and their average nett income for the past three years has been £189,453,000.

Apparently the owners are to be guaranteed a fixed dividend on their unsecured share capital of not less than the average permitted by their nett revenue for the past three years; but even if they had been asked to forego some portion of the revenue, it was imperatively necessary that the management should be synchronised and consolidated. Already the congestion has become intolerable. As the *New York Times* has pointed out, 100 steamers, with an aggregate capacity of 1,000,000 tons, are being held up in New York harbour through lack of coal. This number, the same paper alleges, is increasing daily. Every pier in the East and North Rivers is occupied. Twenty-two of the detained ships are French owned, and have been waiting for coal since November 24. Mr. Garfield, the Fuel Dictator, in interviewing the President, is reported to have explained to him that the shortage of available coal between August 8 and November 24 amounted to more than 20,000,000 tons, and was entirely caused by car shortage. That car shortage was no doubt in great measure, if not wholly, the product of the sectionalised working of the railways. The cars went at haphazard from one system to another, and were not promptly returned, or they were diverted into sidings waiting for local traffic, or they accumulated at termini, just as they did in England, when they could have been fully employed had they been under the control of a central management perfectly acquainted with the work waiting to be performed at every part of the system.

## Answers to Correspondents.

D. Y. O.—Prospects are better, rates have been increased, so we think you should hold on. (1) This is the stronger concern. (2) Will be a longer wait, but the stock will improve with the general market.

J. H. G.—Yes, but we do not think there is any great rise in them.

Perplexed.—Impossible to answer fully in this column. As to No. 1, the reduction proposed may do no harm owing to the operation of the excess profits tax, so do not sell except where you have a substantial profit. As to No. 2, the prospect is obscure, but competition is increasing all over the East, and it might be wise to sell when you see opportunities. (3) As a temporary investment these shares might do, but they are fully high-priced now. This leaves you in our debt.

C. B. W.—They look high enough for the present. If they slip back appreciably they might be worth attention as the company must be doing well.

M. R.—Either the Prudential or the Phoenix.

Dora.—(1) Not unless you can do better with the money. (2) Quite speculative, and for the present probably high enough. If they fell back ½ or so a purchase might be considered.

Hills.—They are dear, in our opinion. They did for one year, but are not bound to do so.

J. G. H.—We have heard nothing recently, but the last reports were rather more cheerful. It may not be possible to resume dividends just yet, but we should not recommend selling now as there seems a chance of a partial recovery.

S. F. G.—(1) We have not a very high opinion of this, and think it is one you should sell. (2) Is quite good, but price is high, maintained by purchases for sinking fund, so might be sold. (3) Quite a fair security; do not advise selling, although appreciable recovery not likely under existing conditions. (4) Also good, and same remarks apply. (5) First-class security, but high enough if you can sell over 50. (6) Ten-year issue. All carry right of conversion into 5 per cent. Loan.

### Tea, Oil and Rubber.

At this time last year the price of rubber was over 3s. per lb.; it is now 2s. 6d. But there is scarcely a share in which there is anything approaching a free market which does not stand much higher than it did a year ago, and in many cases the advance amounts to between 25 and 50 per cent. Yet, even so, there are people who are not satisfied, who are clamouring for a restriction of output, merely in order to "boost" prices still higher. The rumour went round this week that the principal estates had agreed to reduce their output by 20 per cent., in order to raise the price to at least 3s. per lb. Frankly, we cannot believe that the leaders of the industry will be such fools as to put themselves in a horribly false position for the sake of a temporary—very temporary—advantage. What is their grievance? Well-managed and favourably situated plantations can produce rubber at 9d. to 1s. per lb.—it is most exceptional (apart from very young estates) to find costs exceeding 1s. to 1s. 2d. And the average selling price during the past year has been rather over than under 2s. 6d. That means to say that the gross profit has generally ranged from 250 per cent. to 300 per cent. and upwards. Is not that enough to satisfy anyone except the most unmitigated profiteer? Of course, it is not the producer who is dissatisfied. It is the share-pusher and manipulator who is either inordinately greedy or has burnt his fingers by taking a far too optimistic view of the outlook. But if the solid, sound industry is to be dragged at the tail of these people, we feel very sorry for it, and hope that the really responsible people will think more than once before succumbing to the temptation. It will do neither them nor their companies any good in the long run. We have often said, and again repeat, that rubber shares will be a much sounder investment than they are now when gross profits are reduced to a purely commercial basis, which cannot be said to be the case at present. Take tea, for instance. Most of the good companies are quite content to work on a gross profit of 50 to 80 per cent., and they do exceedingly well on that basis. Why should a rubber company require 300 per cent. or more?

It is very remarkable when we know the state of chaos that has been prevalent in Mexico during the past few years that the Mexican Eagle Oil Co., Ltd., should have gone on and prospered to the extent that it has done. Of course, there has been a tremendous demand for oil owing to the war, and that no doubt is mainly responsible for the fine record shown, but, all the same, the business of the company could not have been interfered with to any appreciable extent. Just look at the figures for the past four years ended June 30. To 1914 the trading profit was \$9,690,000, next year it was \$11,215,000, to June, 1916, it was \$17,064,000, and for the past twelve months it rose to \$19,870,000. Dividends in the first year absorbed \$4,000,000; last year they amounted to \$10,000,000, both the ordinary and preference shares receiving 20 per cent., or 4 per cent. more than last time, while various reserve funds got \$2,072,000, and \$6,500,000, or about \$900,000 more, is carried forward. Reserves now amount to \$40,000,000, and assets have increased by \$8,000,000 to \$110,000,000. Evidently the company has secured an extremely strong position in the oil trade, and there is no reason why it should not go on and prosper.

### The Week in Mines.

The passing of the old year and the beginning of the new has been marked by a display of cheerfulness in the mining markets, which is characteristic of Stock Exchange psychology. Business has been on a very small scale, and the only reason for this bullishness is the hope that the coming year will bring an end to this murderous war. Far-Eastern Rand shares have been a feature of strength, and Rezendes have broken another record. But tin shares have weakened on the heavy decline in the metal.

#### SOUTH AND WEST AFRICANS.

Helped by advices from Johannesburg, Far-Eastern Rand shares have had a burst of strength, but the low-grade mines have been dull on the prospect of a suspension of operations if

the war does not soon come to an end. New Modders have risen  $\frac{7}{8}$  to 23 $\frac{1}{2}$ , Modder Deep  $\frac{7}{8}$  to 7 $\frac{7}{8}$ , Meyer and Charlton, on the increased distribution,  $\frac{1}{8}$  to 5 $\frac{1}{2}$ , and Modder B and Modder Leases  $\frac{1}{8}$  to 8 $\frac{1}{2}$  and 3 25-32 respectively. Rand Mines were also supported and close  $\frac{1}{8}$  higher at 31 $\frac{1}{2}$ . African Farms improved to 8s. 9d. on the Leeuwpoot Tin's maiden dividend, and Transvaal Consolidated Lands are 1s. 6d. higher at 15s. 6d. Diamond shares have been strong, particularly De Beers, both the prefs. and deferreds being raised  $\frac{1}{2}$  to 13 $\frac{1}{2}$ . In the Rhodesian section Charteredds have advanced to 15s., Falcons 1s. 3d. to 18s. 9d., Lonely Reefs 2s. 6d. to 31s. 9d. on the final dividend and bonus of 3s., while Rezendes have spurted  $\frac{7}{8}$  to 4 $\frac{1}{2}$  on favourable development reports. Zambesias have recovered 2s. to 26s. Among West African shares, Fanti Consols have risen to 7s.

#### COPPER AND MISCELLANEOUS.

Copper shares have moved rather irregularly. Mount Elliotts have declined  $\frac{1}{4}$  to 3 $\frac{1}{4}$  on the report, and Capes at 2 $\frac{1}{2}$ , and Namaquas at 2 $\frac{1}{2}$ , are both  $\frac{1}{8}$  lower, but Hampdens have recovered 6d. to 31s. 6d. The boom in tin shares has been effectively checked by the Government at last treating the metal as a "war metal," and stopping speculation in it. As a result the price has fallen £33 to £269 $\frac{1}{4}$  per ton, and it is expected that eventually a maximum price will be fixed. Tin shares show a general decline, though of slight extent, because the price of the metal is still extraordinarily profitable. An exception is East Pools, which have risen 1s. to 16s. 9d. Broken Hill shares have been rather firmer. Lead is now dealt in on a nett instead of a gross basis, and the price has accordingly been lowered this week by £1 to £29 a ton. Russian shares are unaltered. Silver shares have met with support, and Burma Corporation has risen  $\frac{1}{8}$  to 4.

#### HALLEY'S INDUSTRIAL MOTORS, LTD.

After providing for excess duty, munitions levy, and depreciation the nett profit for the year to September 30 was £34,220, an increase of £6,500, but rather less was brought in, and the available balance of £36,440 is £5,000 up. Last year £35,000 of the reserve was capitalised, raising the issued capital to £140,000, and consequently to pay the same dividend of 10 per cent. and bonus of 5 per cent. absorbs just a little more than the increased profit, leaving £15,440 to be carried forward. Changes in the balance-sheet are unimportant, except for a decrease of £11,000 in stock and work in progress at £67,700. A decline of £12,000 in cash at £21,600 is offset by an increase of £10,000 at £39,400 in War Loan investments, and the position looks healthy.

## New Zealand.

A Wealthy Country, Splendid Climate, Fertile Soil, Plenty of Water.

An Ideal Country for the farmer, the percentage of grain and lambs being phenomenally high.

New Zealand, a country as large as the United Kingdom, with but a million population, has an annual export of raw products exceeding Twenty Million Pounds sterling.

New Zealand is rich in COAL, IRON, TIMBER, GUM, GOLD AND SILVER. Total yield of Minerals, over One Hundred and Twenty Million Pounds.

Over Eighteen Million Pounds have been advanced by Government to Farmers and Workers for Improvements and Buildings at a low rate of interest.

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Excellent Steamship Services are run direct to New Zealand by the Shaw Savill and Albion Company, Limited, New Zealand Shipping Company, Limited, and the Federal and Shire Lines.

Full information is supplied free by

**THE HIGH COMMISSIONER FOR NEW ZEALAND,**

413-416, STRAND, W.C. 2.

## BANK RATE NOTICES.

**THE UNION OF LONDON & SMITHS BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on Deposits at the Head Office and Metropolitan Branches repayable on seven days' notice will be THREE-AND-A-HALF per Cent. per annum from this date until further notice, which will be given by advertisement only.

H. H. HART, General Manager (Town and Foreign).  
L. E. THOMAS, General Manager (Country).

No. 2, Princes Street, E.C.,  
2nd January, 1918.

**PARR'S BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed by this Bank at the Head Office and Metropolitan Branches on Deposit at seven days' Call is THREE-AND-A-HALF per Cent. per annum until further notice.

JOHN STEWART, General Manager.

Bartholomew Lane, E.C.,  
2nd January, 1918.

**BANK OF SCOTLAND (LONDON OFFICE).**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on Deposit Accounts will be THREE-AND-A-HALF per Cent. until further notice by advertisement.

WILLIAM SMILES, Manager.

No. 30, Bishopsgate, E.C.,  
2nd January, 1918.

**BRITISH LINEN BANK (LONDON OFFICE).**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on Deposit Accounts at this Office will be THREE-AND-A-HALF per Cent. until further notice.

JAMES LITTLE, Manager.

Threadneedle Street, London, E.C.,  
2nd January, 1918.

**WILLIAMS DEACON'S BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed by this Bank on Deposits at seven days' notice at this Office and Metropolitan Branches will be THREE-AND-A-HALF per Cent. per annum from this date until further notice.

JOHN J. MEAGHER, Manager.

20, Birchin Lane, E.C.,  
2nd January, 1918.

**THE COMMERCIAL BANK OF SCOTLAND, LIMITED (LONDON OFFICE).**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on Deposits at this Office will be THREE-AND-A-HALF per Cent. until further notice by advertisement.

GEO. S. COUTTS, Manager.

No. 62, Lombard Street, London, E.C.,  
2nd January, 1918.

**MARTIN'S BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST on Deposits with the Head Office of this Bank, subject to seven days' notice, will be THREE-AND-A-HALF per Cent. per annum from this date until further notice.

G. BROMLEY MARTIN, Managing Director.

No. 68, Lombard Street, E.C.,  
2nd January, 1918.

**THE CLYDESDALE BANK, LIMITED (LONDON OFFICE).**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on Deposits at this Office will be THREE-AND-A-HALF per Cent. per annum until further notice.

DAVID YOUNG, Manager.

30, Lombard Street, E.C.,  
2nd January, 1918.

**LONDON & SOUTH WESTERN BANK, LIMITED.**

HEAD OFFICE: 170, Fenchurch Street, E.C.3.

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed at the Head Office and Metropolitan Branches of this Bank on DEPOSITS repayable at seven days' notice is THIS DAY REDUCED TO THREE AND A-HALF per Cent. per annum.

HERBERT HAMBLING, General Manager.

2nd January, 1918.

## BANK RATE NOTICES.

**THE LONDON CITY AND MIDLAND BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on Deposits up to seven days' Call at the Head Office and London Branches will be THREE-AND-A-HALF per Cent. until further notice.

J. M. MADDERS, }  
S. B. MURRAY, } Joint  
F. HYDE, } General  
E. W. WOOLLEY, } Managers.

5, Threadneedle Street, London, E.C.2,  
2nd January, 1918.

**NATIONAL BANK OF SCOTLAND, LIMITED.**

Incorporated by Royal Charter and Act of Parliament.

London Office: Nicholas Lane, Lombard Street.

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on Deposits at this Office will be THREE AND A-HALF per Cent. per annum for money at seven days' notice.

J. FERGUSON, Manager.

2nd January, 1918.

**NATIONAL PROVINCIAL BANK OF ENGLAND, LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed by this Bank at its Head Office, Bishopsgate, and London Branches is this day REDUCED to THREE AND A-HALF per Cent. for money placed on Deposit at seven days' notice.

D. J. H. CUNNICK, }  
E. ELEY, } Joint General  
A. G. HOPEWELL } Managers.

No. 15, Bishopsgate, London, E.C.,  
2nd January, 1918.

**LLOYDS BANK LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed by this Bank upon Deposits at its Metropolitan Branches is REDUCED to THREE AND A-HALF per Cent. for money at seven days' notice.

HENRY BELL, General Manager.

No. 71, Lombard Street,  
2nd January, 1918.

**THE LONDON JOINT STOCK BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed at the Head Office and London Branches of this Bank on Deposits subject to seven days' notice of withdrawal is this day REDUCED to THREE AND A-HALF per Cent. per annum.

J. F. DARLING, General Manager.

5, Princes Street, Mansion House, E.C.2.  
2nd January, 1918.

**THE UNION BANK OF SCOTLAND, LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on Deposits with the Union Bank of Scotland, Limited, at this Office will be THREE AND A-HALF per Cent. per annum from this day until further notice.

GEO. J. SCOTT, Manager.

London Office, 62, Cornhill, E.C.,  
2nd January, 1918.

**THE CAPITAL AND COUNTIES BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the RATE OF INTEREST allowed on Deposits repayable on seven days' notice is this day REDUCED to THREE AND A-HALF per Cent. per annum.

G. A. HARVEY, }  
E. D. VAISEY, } Joint  
General Managers.

No. 39, Threadneedle Street, E.C.,  
2nd January, 1918.

**LONDON COUNTY AND WESTMINSTER BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the INTEREST allowed to Depositors is this day reduced to the following rates, viz. :-

On Deposits subject to seven days' notice THREE AND A-HALF per Cent., and on Deposits at call THREE per Cent., until further notice.

F. J. BARTHORPE, Head Office Manager.

No. 41, Lothbury, E.C.  
2nd January, 1918.

## COMPANY MEETINGS. SAMUEL ALLSOPP AND SONS.

The annual general meeting of Samuel Allsopp and Sons, Limited, was held on December 28 at the Cannon Street Hotel, E.C., Sir William B. Peat (the chairman) presiding.

The Chairman said that the balance-sheet was one of those which required little to be said about it. It was so excellent; at any rate, in the opinion of the directors, it was like good wine and required no bush. The profits had naturally increased, the revenue from licensed properties had naturally increased, and the interest and dividends had also naturally increased, because they had more money invested. Their profits in 1914 were £13,048; in 1915, £31,825; in 1916, £60,791; and in 1917, £127,165. In each of those years the profits had been doubled. The position to-day justified the confidence which the shareholders, the debenture-holders, and the prior lien debenture-holders placed in this old concern, and in its capacity to revive and to leave behind it, he hoped for ever, that slough of despond which resulted in the chairmen of previous days coming before the shareholders, year after year, with an unfortunate tale to tell. He wished, however, to warn them that they could not go on doubling the profits; but whatever the trials through which they had to pass, the board would do their level best, not in the hope or belief that they would double the profits in the current year, but that they would be able to show satisfactory results when the present year came to an end. He would not take up the time of the meeting by referring to the restrictions on the brewery trade. So far as they were necessary, in consequence of war conditions, they did not grumble at them. One heard a good deal of Government interference with their trade. Were the Government out to secure the profit made in brewing? Surely that was not a reason that could move a Government to acquire an industry of this character. Was it that they wanted prohibition and meant to buy their businesses in order to stop the sale of beer? That action had suffered such a serious defeat in the recent agitation that he could not imagine any Government out to seek the suffrages of the people coming out on a platform of total prohibition. Was it to regulate the trade? If that was their object, it was not necessary for the Government to buy the breweries. They had shown they could regulate the trade without purchase. Was it that they had an idea in their minds that State purchase was the panacea for all evil? He thought that a Government face to face with £6,000,000,000 of debt, upon which they would have to pay 5 per cent. per annum, would not be acting very wisely in becoming capitalists, at any rate, in the brewing trade.

Mr. John J. Calder (managing director) said that as to the future it was difficult to prophesy in these times. They had not reached the stage which was the goal they all aimed at, when every class of stock would receive a dividend, but they had, he hoped, got over the roughest part of their journey. As regarded the brewing trade generally, he said that nothing could be more gratifying to them than the decrease of drunkenness, in spite of the high wages being paid. They were indebted to the Control Board, on the whole, for their sagacious and moderate policy, which had brought about good results.

The report and accounts were unanimously adopted.

## LONDON AND SOUTH-WESTERN BANK.

An extraordinary general meeting of the London and South-Western Bank, Ltd., was held on Thursday at Winchester House, Old Broad Street, E.C., for the purpose of considering resolutions with regard to the proposed amalgamation with the London and Provincial Bank, Ltd. Sir Herbert Hambling presided.

The Secretary (Mr. Herbert Potter) having read the notice convening the meeting,

The Chairman said: Ladies and Gentlemen,—It is now my duty to move the resolutions Nos. 1, 2, 3, and 4, which you have just heard, and which are necessary to give effect to the very important step your board is now proposing to you of joining forces with the London and Provincial Bank. I may say that no previous meeting of shareholders of the London and South-Western Bank has exceeded in importance that which you are now attending, for it is called to consider a course reversing our past policy. The steady progress of the bank for the past 55 years is well known to most of you. Year by year, as the figures were published, you had the pleasure of reading balance-sheets each showing a position better than the preceding one, and each general manager within recent memory—Mr. Herbage, Mr. Gooding, Mr. John Williams, Mr. Woodhams, Mr. Liscombe and myself—has been in his turn associated with the board in this progression. When I joined the bank 42 years ago the deposits were just over one million. When I was appointed general manager seven years ago they were 16½ millions, and to-day they are over 38 millions. You will, therefore, see that throughout the business has been a progressive one. We formed, jointly with the Army bankers, Messrs. Cox and Co., the company of Cox and Co. (France), Ltd., which has proved a satisfactory investment. We have extended our Italian connections by an arrangement with the Banca Italiana di Sconto, and we have opened a branch to deal specially with our Stock Exchange connections. You will, therefore, see that we have gradually developed from purely insular and local banking to a class of banking more on the lines of the other joint-stock banks. We have on more than one occasion had tempting offers made for the purchase of this bank, but as in each instance it would have meant sinking our identity in that of a big institution, the proposals were not entertained. Your directors have always

desired to keep identified the business of the London and South-Western Bank, and have set their faces against any absorption which had as its sole object the aggregation of huge balances. This policy has never appealed to your board. Our business is not, as our name suggests, in the south-western part of England; practically, it is all done in London and the suburbs. For years we have been working inside a ringed fence. The rapid extension of our foreign business, and the recent arrangements we have made abroad, compelled the board once more to review the situation thoroughly, more especially as, in addition to the requirements of our new connections, the continued extension of the branch business system among our customers has given rise to increased pressure on their part for additional facilities in the provinces. Our policy seemed to be one of three alternatives:—(1) Should we continue as a purely London and suburban bank? This is a safe policy, provided the commission business of London remained steadily progressive as in the past; but it is parochial and has its limitations, for it hampers us in dealing with larger business, and restricts us in taking our share of the banking arising from the commerce of the country. (2) Recognising this, should we endeavour to open branches in the big industrial centres and seaports? This policy would incur great expense, and the keen competition of existing institutions would entail years of waiting for definite results. Or (3) should we amalgamate with or absorb some institution with a country connection? After the most careful consideration, your board came to the conclusion that the last alternative is the best. Our relations with the London and Provincial Bank are not of sudden growth. Some six years ago the respective boards carried on a flirtation, which almost resulted in a proposal of marriage. Unfortunately, however, at that time we could not agree to terms, and the negotiations were broken off, to be resumed last year, with, I hope, a happy result. There is no question that our London business and foreign connections will be of advantage to them, and we on our part need their country business in Wales, the provinces, and at the seaports. At the outbreak of war we were already interested in the foreign banking field, and we have since, as I have already told you, increased such interests by the arrangements made for the joint partnership in Messrs. Cox and Co. (France), Ltd., and by the intimate connection formed with the Banca Italiana di Sconto. Here we possess a framework on which we can build an institution of great national importance, an institution which, by providing efficient service to our manufacturers and traders, can aid substantially in rehabilitating and increasing the trade and wealth of the country. The territory occupied by the London and Provincial Bank will greatly assist us in this respect. Although we possess an excellent connection with merchants and importers, yet, broadly and generally speaking, we are not established in any manufacturing area, and we cannot, therefore, place this organisation of ours effectively at the disposal of the manufacturer. Unlike ourselves, the London and Provincial Bank have branches at some of the most important seaport and industrial centres, and, therefore, possess a clientèle which will be benefited by this machine which we have created. In brief, the London and Provincial Bank possesses that which is of importance to us, if we are to do our share in stimulating production—branches in provincial towns and at seaports—while we have that which the London and Provincial Bank require—a well-organised foreign branch. The figures in the balance-sheets of the London and Provincial Bank have been as steadily progressive during the past few years as our own. Their capital is £1,000,000 sterling, their reserve fund £1,650,000, while their current and deposit accounts on December 31 last totalled the sum of nearly 36 millions, which, as you will see, closely approximates to our own figure. They have paid a dividend of 10 per cent. for the past five years.

In the case of two such institutions as the London and Provincial and London and South-Western Banks there can be no question of absorption of either by the other. We go into the arrangements on equal terms where equality is possible, and of mutual concessions where this cannot be so. We are perfectly satisfied that the earning capacity of the two institutions is justly represented by the holdings that each set of shareholders will have, otherwise your directors would not have asked you to consent to this arrangement. Now let me give you an instance of mutual concessions. Each bank would, of course, have preferred its own name first. Each bank would have liked its head office to be the head office of the amalgamated bank; but we came to the conclusion that it was a fair exchange that we should place their name first while fixing the head office at Fenchurch Street. Our larger City business makes this arrangement the best in the interests of the amalgamated bank, while we think there is no question that the better title of the joint bank is to have the word "Provincial" first, as it covers a wider geographical area. The whole of your board join the amalgamated bank, so do the whole of your staff. The terms of the amalgamation you know, and with regard to the decrease of £75,000 in the capital of this bank, a few shareholders have raised the question as to what becomes of the amount by which the capital is reduced. This sum will be added to the general or inner reserves. I should, however, like to emphasise that in the adjustment of the capital your shares will now only carry a liability of £5 per share, instead of £6, as before, and this gives a much greater reduction really than £1 a share in the liability, having regard to the fact that you are exchanging four of your present shares for three new ones. The value of your holding after exchanging four shares for three will be at least equal to the old holding. This exchange of four shares for three was arrived at after long and careful consideration. Needless to

say, throughout, each board has had the interests of its shareholders at heart, and it is a matter of satisfaction to both boards that the figure arrived at represents the relative market values, while, with our continuation of the 19 per cent. paid by the London and Provincial Bank, our shareholders will receive an extra dividend of nearly 1 per cent. Hitherto I have dealt with the matter solely from the shareholder's point of view; but, ladies and gentlemen, you will understand that in existing conditions the banks of this country must adopt a much wider outlook. They have duties to the nation which must be performed, and in endeavouring to aid the country's industries they will in the long run be best serving the interests of their shareholders. In order to meet the adverse balance of trade so gravely increased by war's exigencies, we have had to sell abroad large blocks of our foreign investments. In spite of the help that our holding of foreign securities thus gave us, the American and neutral exchanges are all substantially adverse to this country; and, looking to the post-war future, I cannot see how this position can be adjusted, except by a great increase in production, and in exports, accompanied by rigid control, exercised both by the Government and by the individual citizen, of our purchases of foreign goods, except such as are necessary to our subsistence and our trade. Owing to the high cost of food and raw materials, control of foreign purchases cannot carry us far. It is on the other side of the balance-sheet that we must find solution. It is to the manufacturer, the trader, and the transporter—all who turn out, handle, and move our goods for export—that we must look for the solution of our national difficulties. All our problems—of finance, cost of living, exchanges, trade position, and the maintenance of a higher standard for our working classes—all are to be solved in one way and in one way only, by a greater output of goods and a sparing consumption of unnecessary articles. Only by obtaining a great production and shipping as much of it as possible to foreign buyers can we restore our economic position and liquidate our war debt to foreign creditors. A great effort will be needed from our industrial and commercial workers, and they can only make this effort if, by the initiative and enterprise of individual banks, they are supplied with those facilities without which they will be helpless in that fierce world-wide competition which will follow the declaration of peace. In providing this need—so vital to the nation's very existence as a premier commercial power—I have every confidence that the great bank which we hope you will assist in establishing to-day will play a leading part. I will now briefly recapitulate the chief points which we see in regard to the business before us—that is, the amalgamation of the London and South-Western and London and Provincial Banks. The advantages in the proposed combination need be restated very briefly. You will get a market value equal to that which you now possess, a reduced liability, and a considerably larger reserve. You will have increased opportunities for the expansion of business in a geographical area from which you have been precluded in the past, and you will receive an increased dividend. You will have placed your shares on a broader basis, and one which, we believe, will strengthen them as an investment. I would also mention that considerable economies in management will ensue, and where we have adjacent branches it will be possible to concentrate our business, and while giving customers the same advantages as hitherto, to effect considerable saving in expense. I would emphasise to you that there is also the question of prestige. With the combined capital and reserve of £5,125,000, and current accounts of over 70 millions, your institution will take its place in the first rank of the great clearing banks. As regards the customers of the bank, they will enjoy the advantages of increased resources drawn from a wider area and capable of use in more channels. I have no hesitation in stating that the customers of both the present banks, and, in fact, the business public generally, will benefit by the amalgamation.

Lord Claud Hamilton seconded the resolution, which, after some congratulatory remarks by shareholders, was carried unanimously.

### BRITISH COLUMBIA ELECTRIC RAILWAY.

The twenty-first ordinary general meeting of the British Columbia Electric Railway Co., Ltd., was held, on Friday, at the Great Eastern Hotel, Mr. G. P. Norton presiding.

Mr. Michael Urwin (the secretary) having read the notice calling the meeting and the auditors' report,

The Chairman said he had to express regret that Mr. R. M. Horne-Payne, the chairman of the company, was unable to be present. He had, however, prepared a speech, which Mr. Harold Brown would read.

Mr. Harold Brown then read the following:—Ladies and Gentlemen,—I do not think that there is anything in the annual report and accounts which requires special explanation. It is with very great regret that your directors have decided not to pay the interim dividend on the 5 per cent. cumulative preference stock, hitherto paid in January of each year, and to postpone the consideration of the dividend on this stock until the end of the financial year. This decision has been made in view of the uncertainty as to the amount of the company's earnings in the immediate future, and to the fact that we cannot prudently continue to pay the larger portion of this dividend out of the reserve fund. The results of the year under review—namely, the year ended June 30, 1917—have only enabled us to pay the full dividend on the 5 per cent. cumulative preference stock by resorting to the reserve fund to the extent of £44,000. In the preceding year we had to take £70,000 from the reserve fund in order to make the

same payment. Since the annual report was issued we have received by cable the statement of income and expenditure for the month of November, showing an increase in gross earnings of \$52,862, and in net income of \$31,772. Thus the gross earnings for the first five months of the current financial year show an increase of just under \$200,000 over the earnings for the same period of the preceding year; but, unfortunately, the increase in the net income for the five months only amounts to \$29,000, or, say, £6,000. We can, however, take some encouragement from these figures, as the increase in gross earnings is due to a very marked improvement in trade and business conditions in British Columbia, which has every indication of being of a permanent character. If, therefore, as a result of the report of the recent Commission of inquiry, jitney competition is abolished and other conditions are fairly adjusted, there is a sound basis on which to build hopes that less difficult times are in store for us.

I shall say very little to-day on the subject of the policy and prospects of the company. They are dependent on the result of negotiations now being carried on with the object of bringing about a fair and satisfactory arrangement of working conditions based on the Commissioner's report, and I am debarred from discussing them by the fear of saying anything which might possibly lead to misunderstanding or friction in British Columbia and prejudice these negotiations. I will confine myself to recalling to your minds what has taken place during the past twelve months. From the beginning of the war until the end of 1916 the company's earnings fell away heavily owing to decreased population and stagnation of trade, and to the competition of what is known as the jitney car, and, at the same time, the cost of labour and supplies increased enormously until our net earnings barely covered debenture interest. In September, 1916, the company had voluntarily granted an increase in wages costing \$110,000 per annum to enable the men to meet the increased cost of living. In June, 1917, the men presented a demand for a further increase, amounting to about \$250,000, on the ground of still further greatly increased living expense, and, on this being refused, struck work. After a few days' suspension of the cars, the Government of British Columbia and the Council of the City of Vancouver approached our general manager, with a view to bringing about a resumption of the services, and it was agreed that a commission of inquiry should be appointed by the Government to examine and report on the transportation problem in Vancouver City and surrounding districts, especially with reference to the jitney car competition. Subsequently, it was mutually agreed that the inquiry should include a thorough investigation of the whole scope and every department of the company's business. The company and the city undertook to abide by the recommendations of this Commission. In the meantime, the company agreed to reinstate its services and temporarily to grant the men's demands for increased wages. On July 11th, the Lieutenant-Governor, in Council, appointed Professor Adam Shortt, of Ottawa, a Commission with wide powers, and during the months of July and August Professor Shortt held a very searching public inquiry in Vancouver and Victoria. His report has just reached us, and the findings and recommendations are now in your hands. You will note with satisfaction that your company and management have come through the ordeal entirely creditably, and that the Commissioner sustains the contentions of your directors with regard to jitney competition and on other important points.

Professor Shortt finds that it is not possible for both an efficient tramway service and a jitney service to continue, and also, *inter alia*, that our charges for electric light are high, whilst our charges for the transportation services we give are low, and he proposes a readjustment of these charges and services, and the elimination of jitanys where they come into competition with our lines.

We have now had the position of the company and its relations with and duties towards the people of British Columbia subjected to an exhaustive investigation, reviewed and adjudged by an impartial tribunal, and we have hastened to express our willingness to act on its decisions and recommendations in a loyal spirit. We look to the Government and to the various municipal authorities concerned to meet us in the same spirit, and we hope that as a result it may be found that all misunderstandings have been removed. After the Canadian Pacific Railway, we have been in the past by far the most potent influence in developing the wealth and prosperity of British Columbia. The prosperity of Vancouver and Victoria is bound up with our prosperity, and ours with theirs. We ask British Columbians, on their side, to interpret and carry out the recommendations of the Commission, and to join us in working out the situation in a broad and fair spirit, and thus to put it in our power, when Kaiserism has paid the penalty of its savage brutalities, to combine our efforts and energies effectively with theirs to restore and develop the prosperity of British Columbia.

The Chairman: I now move: "That the balance-sheet as at June 30, 1917, and the revenue account for the year ended on that date, together with the report of directors and auditors thereon, be and are hereby received and adopted."

Mr. Harold Brown seconded the resolution, and, after some questions had been answered, it was put to the meeting, and carried unanimously.

The Chairman next proposed: "That the payment, since the date of the last annual general meeting, of the dividends at the rate of 5 per cent. per annum on the cumulative perpetual preference stock, and the transfer of £44,000 from the reserve fund to the revenue account, be and are hereby approved."

This resolution was seconded by Mr. T. Blundell Brown, and unanimously agreed to.

Mr. Harvey proposed: "That the directors be authorised, if they think the circumstances justify their doing so, to pay the dividend for the year to June 30, 1918, on the 5 per cent. cumulative perpetual preference stock, and, if necessary, to draw upon the reserve fund for that purpose."

Mr. J. Davidson seconded this, and it was unanimously agreed to.

On the motion of the Chairman, seconded by Mr. J. Davidson, Mr. R. M. Horne-Payne and Mr. E. M. Harvey were re-elected directors.

A vote of thanks was passed to the general manager, officers, and staff in British Columbia for their untiring and loyal efforts in the performance of their duties, and Messrs. Norton, Slade, and Co. having been reappointed auditors, the proceedings terminated.

## LONDON AND PROVINCIAL BANK, LTD.

### THE PROPOSED AMALGAMATION WITH THE LONDON AND SOUTH-WESTERN BANK.

#### ADVANTAGES OF THE FUSION.

An extraordinary general meeting of the London and Provincial Bank, Ltd., was held yesterday at the Cannon Street Hotel, Mr. John Woodrow Cross presiding.

The Secretary (Mr. R. G. Thomas) having read the notice convening the meeting,

The Chairman said: Ladies and Gentlemen,—You are called together to consider, and, if you think fit, to pass, resolutions recommended by your directors for the amalgamation of the bank with that of the London and South-Western Bank, Ltd.; to alter the name of the bank to London Provincial and South-Western Bank, Ltd.; and to sanction alterations in the memorandum and articles of association of the company rendered necessary or desirable by the amalgamation, and which alterations are set out in the notice sent to you.

#### GROUNDINGS FOR THE PROPOSED FUSION.

You may desire to have a little further information, and to know the grounds on which your directors recommend the fusion of the two banks. Our progress in early years was not very rapid. The public were mistrustful of the word "limited" at the end of our name, and our "unlimited" competitors shook the finger of scorn at us, but when in 1878 the sensational failure of certain large unlimited banks occurred, creating widespread uneasiness among shareholders and nervousness in bank parlours, an entirely changed feeling set in, and the public realised that it was the balance-sheet of the bank and the better class of the shareholders in limited banks that were their best protection, and gradually all the unlimited banks registered under the Limited Liability Acts, which is now the universal constitution of English joint-stock banks. The London and Provincial Bank from that time has made steady and unvarying progress year by year in its business and prosperity. A very large reserve fund has been built up, an important pension fund accumulated, a large amount appropriated to reduction of the cost of premises, and the dividend raised on different occasions to its present amount of 19 per cent.

Turning to the other bank, the London and South-Western Bank was established in 1862—56 years ago—and has been a well-managed, progressive, and successful bank. Its business is about the same size as ours.

#### THE PAID-UP CAPITAL, RESERVE FUND, &c., OF THE AMALGAMATED BANKS.

The paid-up capital of the Amalgamated Banks will be £2,125,000, the reserve fund £3,000,000, and although I cannot give you the exact amount of the current and deposit balances, as the audit is not yet completed, they will be well over—a long way over—£70,000,000. The London and South-Western Bank adopted a similar policy to our own, and raised their business, not by amalgamation, but by development of existing branches and opening new branches, principally in London and its suburbs, and, although we have opened a good many Metropolitan suburban branches, our efforts have been in a great measure directed to the country. The London and South-Western, moreover, have built up a very considerable foreign connection, which will be of great value in the big effort English banking and finance houses will make to capture the large and profitable foreign business which Germany had created and carried on, and which has, unfortunately, in a great measure provided the sinews of war for this dreadful conflict that their aggressive ambition forced on the world.

#### FORMER NEGOTIATIONS FOR THE AMALGAMATION.

The question of our amalgamation is hardly a new one, negotiations having been going on from time to time for a period extending over 47 years. At length we have come to terms, which we submit for your approval and confirmation. The London and South-Western Bank, you see, to make a fair adjustment, relinquish £75,000 of their paid-up capital to secure an increased dividend, and after most careful consideration and investigation of each other's position, we have come to terms which we consider mutually fair and equitable, and submit for your approval and confirmation.

We have to go with the times, and the spirit of them is for banking combination. Many have taken place of recent years, and since ours was announced you will have noticed another large one, and more are talked about. Concentration in bank-

ing produces financial solidity and strength. The old private bank, or one-office system, was in many respects excellent. The best, however, that could be claimed for it was that the partners had local knowledge of the requirements of the local individuals, but British banks must now take a wider view. A surplus of credit balances received in one town must, subject to all necessary safeguards, be used for the benefit of the country elsewhere. Not only have banks to assist the trade and commerce of the country in the country, but they have to assist our merchants to develop the British trade in other parts. In doing this, however, we shall not be unmindful of our present business. We have, as you are aware, an important commercial business in different parts of the country, particularly in South Wales, and we shall, as hitherto, with the full knowledge of the district we have acquired, continue to finance these undertakings for the benefit of our customers and shareholders alike.

#### BUSINESS AFTER THE WAR.

When the war is over a great outburst of business may be expected, to be followed, of course, at some later time by the inevitable reaction. The widespread destruction of property will have to be made good. Large expenditure, deferred by the war, will be necessary on our railways. Building and repairs, which have been suspended, will have to be resumed. Replenishment of stocks in our home trade, which have become exhausted. Capital for the foreign trade we hope to wrest from Germany, and so on. The banks will have to finance all these requirements, and the demands made will be exceedingly heavy, and by the amalgamation and concentration of resources we shall be the better equipped to fulfil them.

I do not propose to prophesy as to the profits and dividends of the bank in the future. That would be to attempt the impossible, as there are so many problems in the womb of time the effect of which we cannot at present estimate. But whatever the circumstances may be, the amalgamation should find us better prepared to take full advantage of prosperous times or to meet adverse ones, and, therefore, we recommend the amalgamation to you as for the good of our shareholders, and equally so for those of the other bank. With regard to our new name, we have followed the usual custom in the amalgamation of large banks of introducing into the title part of the name of both banks with the view of meeting the wishes of both sets of customers, although some people may think our own simple and shorter name would have been preferable. There will, however, be nothing as years run on to prevent the amalgamated board from reverting to it should they think it expedient. He concluded by proposing the first resolution, approving the proposed amalgamation.

Lieutenant-Colonel Alfred Gilbey seconded the resolution, which was carried unanimously, as was also the next resolution, approving certain alterations in the memorandum of association.

The Chairman then proposed the third resolution, sanctioning various alterations in the articles of association.

Dr. Leeson moved an amendment, but after some discussion this was withdrawn and the original resolution was carried unanimously.

Mr. W. G. Dyer, in proposing a vote of thanks to the chairman for presiding and to the other members of the board, observed that the proposed amalgamation was a very important one, and he felt sure that it would be to the advantage of all concerned.

Dr. Leeson cordially seconded the vote, and desired to pay a tribute to their veteran chairman, to whose untiring labours and great financial genius the shareholders owed the splendid position of the bank that day.

The Chairman, in reply, said that he very greatly appreciated the kind remarks which had been made by Dr. Leeson and the other speakers. His duties that day had been rendered very easy and pleasant by the confidence and courtesy of the shareholders, and he thanked them very much.

The proceedings then terminated.

## THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71 Old Broad Street, E.C. 2.

Subscribed Capital .. .. .	£1,276,747	10	0
Paid up Capital .. .. .	669,670	0	0
Reserve Fund and Undivided Profits ..	375,680	11	8
Reserve Liability of Proprietors .. ..	606,962	10	0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

#### THE STOCK EXCHANGE.

##### NOTICE.

MEMBERS of the STOCK EXCHANGE are NOT ALLOWED to ADVERTISE for business purposes, or to issue Circulars or Business Communications to persons other than their own Principals. Persons who advertise as Brokers or Share Dealers are Not Members of the Stock Exchange or in any way under the control of the Committee. Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature. A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew-lane entrance to the Bank of England, or obtained on application to

EDWARD SATTERTHWAITE,

Secretary to the Committee of the Stock Exchange  
Committee Room, The Stock Exchange, London, E.C. 2.

# THE MEXICAN EAGLE OIL COMPANY,

## LIMITED.

(Compania Mexicana de Petroleo "El Aguila," S.A.)

**SHARE CAPITAL, Authorised and Issued, \$50,000,000 (Mexican),**

DIVIDED INTO

**850,000 8% Participating Preference Shares of \$10 each, fully paid - \$8,500,000**  
**4,150,000 Ordinary Shares of \$10 each, fully paid - - - \$41,500,000**

The Issue of an additional 1,000,000 Ordinary Shares has been authorised to meet the conversion rights attached to the Mortgage Bonds.

### DIRECTORS.

T. J. RYDER, Mexico City  
 (President and Managing Director).  
 FERGUS L. ALLAN, Mexico City.  
 GEORGES BÉNARD, Paris.

JOHN B. BODY, Mexico City.  
 Lic. F. DIAZ BARROSO, Mexico City.  
 W. MORCOM, Mexico City.

## REPORT OF THE DIRECTORS

for the Year ended June 30th, 1917.

All figures contained in this Report are stated in Mexican Gold Pesos, which have a par value of 24½d. Sterling, or 49.75 cents U.S. Gold.

The profit on Trading for the year is	...	...	...	...	...	...	(Mexican Gold.) \$20,521,647.60
Less—							
Transfer to Field Redemption Account	...	...	...	...	\$4,922,250.30		
Transfer to Depreciation Reserve Account	...	...	...	...	2,000,000.00		
						6,922,250.30	
Add Interest, Discount, &c....	...	...	...	...	...	\$13,599,397.30	
						230,633.62	
						\$13,830,030.92	
Less Interest on Sterling First Mortgage Bonds	...	...	...	...	...	881,632.64	
<b>Net Profit for Year after providing for Depreciation and Field Redemption Accounts</b>	...	...	...	...	...	...	<b>\$12,948,398.28</b>
Less—							
Transfer to Legal Reserve Account	...	...	...	...	\$572,419.91		
Transfer to Subsoil Rights Redemption Account	...	...	...	...	1,000,000.00		
Provident Fund Reserve	...	...	...	...	500,000.00		
						2,072,419.91	
						\$10,875,978.37	
To which is added the balance brought forward from last year of	...	...	...	...	...	5,627,440.89	
<b>BALANCE AVAILABLE</b>	...	...	...	...	...	...	<b>\$16,503,419.26</b>
Deduct—							
First Dividend of 4 per cent. on Preference Share Capital paid							
31st December, 1916...	...	...	...	...	...	\$340,000.00	
Second Dividend of 6 per cent. on ditto, paid 30th June, 1917...	...	...	...	...	...	510,000.00	
First Dividend of 4 per cent. on Ordinary Share Capital, paid							
31st December, 1916	...	...	...	...	...	1,660,000.00	
Second Dividend of 6 per cent. on ditto, paid 30th June, 1917...	...	...	...	...	...	2,490,000.00	
						5,000,000.00	
<b>BALANCE UNAPPROPRIATED</b>	...	...	...	...	...	...	<b>\$11,503,419.26</b>
<b>which it is proposed to apply as follows:—</b>							
Final Dividend of 10 per cent. on Preference Share Capital, making 20 per cent.							
for the year	...	...	...	...	...	...	\$850,000.00
Final Dividend of 10 per cent. on Ordinary Share Capital, making 20 per cent.							
for the year	...	...	...	...	...	...	4,150,000.00
Carry forward to next year	...	...	...	...	...	...	6,503,419.26
							\$11,503,419.26

Drilling operations have again been limited during the year, but the Company has, nevertheless, an ample developed reserve of oil for all its requirements.

During the year ended June, 1917, 237 vessels have loaded at the Company's Deep Sea Station at Tuxpam, against 230 the previous year.

The Refineries and the New Topping Plant at Tuxpam have worked satisfactorily.

The general extension work, however, has been restricted by the many difficulties of obtaining delivery and shipment of material, and these conditions must be expected to continue so long as the present abnormal world demand continues.

The deep gratitude of the Shareholders is again due to the Officers and Staff in Mexico, who have so long and so loyally served the Company under very trying conditions.

By order of the Board,

THOS. J. RYDER, President.

Avenida Juarez, 92/94, Mexico City, 19th December, 1917.

Copies of this Report and of the Accounts may be obtained on application to the Financial Agents of the Company, S. Pearson and Son, Ltd., 47, Parliament Street, London, S.W.1.

# The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

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[Price 6d.]

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## BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital ...	£3,894,980
Reserve Fund ...	2,800,000
Reserve Liability of Proprietors ...	3,894,980
	<b>£10,589,960</b>

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.

H. L. M. TRITTON, Esq.

WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager.

J. S. CAMPBELL, Secretary.

HALKERSTONE MELDUM, Assistant Manager.

DAVID GEDDIE, Accountant.

The Bank has 337 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

## BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, Queen Victoria Street, London, E.C. 4.

AUTHORISED CAPITAL .. .. £5,500,000

SUBSCRIBED CAPITAL.

Four per Cent. Guaranteed Stock .. ..	£529,988
"A" Preference Shares issued to New Zealand Government ..	500,000
"B" Preference Shares issued to New Zealand Government ..	250,000
Ordinary Shares .. ..	1,500,000
	<b>£2,279,988</b>

Reserve Fund and Undivided Profits .. .. £2,246,595

Negotiates and collects Bills of Exchange.

Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager

## THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,980,000; together £3,980,000

Reserve Liability of Proprietors .. .. 4,000,000

Total Capital and Reserves .. .. £7,980,000

HEAD OFFICE - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

## THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hong-kong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

## THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital .. ..	£4,000,000
Paid-up Capital .. ..	1,800,000
Reserve Fund .. ..	2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, São Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILI—Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1890.

Subscribed Capital .. ..	Yen 48,000,000
Capital Paid Up .. ..	Yen 38,000,000
Reserve Fund .. ..	Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Antung-Hsien.	Harbin.	Nagasaki.	Shanghai.
Bombay.	Honolulu.	Newchang.	Singapore.
Calcutta.	Hong Kong.	New York.	Sydney.
Changchun.	Kobe.	Osaka.	Tientsin.
Dairen (Dalny).	Liaoyang.	Peking.	Tokyo.
Fengtien (Mukden).	Los Angeles.	Ryofun (Port Arthur).	Tsinanfu.
Hankow.	Lyons.	San Francisco.	Tsingtau.
		Seattle.	

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 3.

K. TATSUMI, Manager.

# LONDON COUNTY & WESTMINSTER BANK LIMITED.

ESTABLISHED IN 1838.

**AUTHORISED CAPITAL £17,000,000, in 850,000 Shares of £20 each.**  
**Reserve exceeds £4,700,000.**

Chairman: WALTER LEAF, Esq.

Deputy Chairman: Sir MONTAGUE TURNER.

HEAD OFFICE: 41, LOTHBURY, E.C. 2.

Joint General Managers: F. J. BARTHORPE.

J. W. BUCKHURST.

Foreign Branch Office: 82, Cornhill, E.C. 3.

The Bank is represented by Branches or Agents in all the Principal Cities and Towns of the United Kingdom and has Correspondents throughout the World.

Spanish Branches:—Barcelona: Paseo de Gracia 8 &amp; 10. Madrid: Calle de Alcalá 43.

Affiliated in Ireland: Ulster Bank Limited.

Affiliated in France: London County and Westminster Bank (Paris) Limited.

Paris: 22, Place Vendôme. Bordeaux: 22/24, Cours de l'Intendance.

**EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED**  
**EXECUTOR AND TRUSTEE DUTIES UNDERTAKEN.**

## THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	...	...	£1,500,000
Capital Issued	...	...	1,125,000
Capital Paid Up	...	...	562,500
Reserve Fund	...	...	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS  
 CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

## ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office—38, Lombard Street, E.C. 3.

Subscribed Capital	..	..	£1,078,875	0	0
Paid-up Capital	..	..	539,437	10	0
Further Liability of Proprietors	..	..	539,437	10	0
Reserve Fund	..	..	500,000	0	0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION Manager.

## THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital	£1,000,000.	Subscribed Capital	£525,000
Paid-up Capital	..	..	£500,000
Reserve Fund	..	..	540,000
			£1,040,000
Uncalled Capital	..	..	125,000
Reserve Liability of Shareholders	..	..	625,000
			£1,790,000

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.  
 PERCY ARNOLD Manager.

## THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71, Old Broad Street, E.C. 2.

Subscribed Capital	..	..	£1,278,747	10	0
Paid up Capital	..	..	669,670	0	0
Reserve Fund and Undivided Profits	..	..	375,680	11	8
Reserve Liability of Proprietors	..	..	806,962	10	0

REMITTANCES made by CABLE.  
 DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

## ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

PAID-UP CAPITAL	£2,000,000
REST AND UNDIVIDED PROFITS	914,988
DEPOSITS	28,177,865

Head Office: ST. ANDREW SQUARE, EDINBURGH.

Cashier and General Manager, A. K. WRIGHT. Secretary, J. B. ADSHEAD.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager. ALEX. DICK, Deputy-Manager.

Glasgow Office: EXCHANGE SQUARE.

A. DENNISTOUN, Agent. THOMAS LILLIE, Sub-Agent.

167 Branches throughout Scotland.

Banking Business of every description transacted. Accounts opened and Agency business undertaken for Foreign and Colonial Banks and other financial establishments. Drafts, Circular Notes, and Letters of Credit issued—available throughout the world. Cable transfers are also made. Deposits received at interest repayable at call or at notice. Correspondence invited.

## THE WESTERN AUSTRALIAN BANK.

Established 1841.

Paid-up Capital ... £250,000 0 0 25,000 Shares of £10 each.

Reserve Fund ... £700,000 0 0 Reserve Profits ... £16,063

Reserved Liability of Shareholders £250,000.

Drafts issued Remittances cabled. Bills negotiated or collected. Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

## NOTICES.

### IMPERIAL JAPANESE GOVERNMENT 4½ PER CENT. STERLING LOANS OF 1905.

The YOKOHAMA SPECIE BANK, LIMITED, LONDON, announces that £338,000 4½ per cent. Sterling Bonds of the 1st series, and £162,000 4½ per cent. Sterling Bonds of the 2nd series have been purchased on behalf of the Imperial Japanese Government for the purpose of cancellation, and the said Bonds are now cancelled.

The quantities and denominations of the Bonds so cancelled are the following:—

FIRST SERIES.	SECOND SERIES.
£	£
34 of 500	447 of 200
1,003 of 200	574 of 100
1,204 of 100	760 of 20

London, 8th January, 1918.

## THE UNION BANK OF MANCHESTER, LIMITED.

A Dividend at the rate of £1 per Share, less Income Tax, has been declared on the present paid-up Capital of this Company (viz., £11 per share) for the Half-year ended 31st December last, and will be payable on and after Monday, the 21st instant.

P. FORRESTER, Managing Director.

Manchester, 7th January, 1918.

N.B.—The Transfer Books are Closed till after the 21st instant.

# The Investors' Review.

Vol. XLI.—No. 1,045.  
New Series.

SATURDAY, JAN. 12, 1918.

(Registered as a Newspaper.) Price 6d.

## PUBLISHER'S NOTICES.

The Investors' Review is a Subscription Journal, and will be delivered to subscribers in London by the first post, or sent to the country and abroad by the first mail, on Saturday Morning, on the following terms:—

One Year, £1 5s. 0d. Six Months, 12s. 6d. Three Months, 6s. 6d.

For the Colonies and Abroad the charge is

One Year, £1 8s. 0d. Six Months, 14s. 0d. Three Months, 7s. 0d.  
Short of Three months the Price is 6d. per Copy *Inland*, and  
7d. *Abroad*, Post Free.

Cloth cases for binding the Half Yearly Volumes price 1s. 6d., postage 4d. extra. Bound Volumes 15s. 6d., or 16s. 3d. postfree.

Cheques and P.O. Drafts should be made payable to

"Investors' Review,"

Norfolk House, Norfolk Street,  
London, W.C.

Telephone No.:  
Gerrard 9132.

Telegraphic Address:  
"Unveiling, London."

The Editor cannot undertake to return rejected communications.

Letters from correspondents must, in every case, be authenticated by the name and address of the writer.

The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and they cannot accept responsibility for statements made therein.

## ANSWERS TO QUERIES.

**One Reply to One Question — One Shilling.** Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

**Telegrams** advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

**Private Letters** in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

## Passing Events.

Last week's sales of National War bonds were remarkably good. Of the Bank of England issue no less than £23,881,809 worth were sold, that sum representing 16,428 distinct applications, or 4,674 more than in the preceding week. The increase in the money application was £14,366,234, and the total amount supplied to the Government through this instrument of debt is now £211,201,543, furnished by 210,677 applicants. This is good, but only good so far as it goes. The mere number of applications reveals how small a segment of the money-earning community is even now being reached by the employment of every exciting, rousing device known to or invented by the modern advertisement compiler. Still, £211,000,000 is something to go on with, although it unfortunately does not prevent further increases in the floating debt. The Post Office also sold £519,000 worth of bonds last week to 20,000 applicants, and that brings up its total contributions to date to £11,616,000, contributed by 501,000 subscribers. As for the War Savings certificates, the number of them sold was 931,188, raising the aggregate to 137,329,321 fifteen-and-sixpences. Last week's sales of National War bonds were the highest ever attained, beating the figure for the dividend week of December by nearly £850,000. It is probable that we have now seen the highest figure for some time to come, because the collection of the taxes is now at full pressure and will lighten many pockets between now and the end of March.

Last week, for example, the income from taxation and State monopolies came to £15,991,000, and that was only the beginning of the flood, because most branches of revenue were of comparatively low fertility except property and income-tax, which gave £7,491,000. Excess profits duty and munition levy, however, turned in only £2,707,000, and the yield from Excise was only £266,000, and from Customs £953,000. Miscellaneous also provided but little, and all these sources of income should do better in the coming weeks. Against this income from taxation there was a total expenditure of £121,785,000, most of it, as usual, renewal of floating debt. Thus £67,094,000 of supply Treasury bills were paid off out of the fresh issue, which amounted to £82,940,000.

There was also £10,000,000 of temporary War loans paid off, and that was done with the help of no more than £2,000,000 freshly borrowed, because £20,245,000 came in from sales of National War bonds. Nevertheless, the nett increase in the Treasury bills debt was £15,724,000, allowing for £131,000 cancelled but not brought into the account. This brings up the total weight of Treasury bills carried by the free money markets of the world to £1,073,899,000, and we do not see how any material difference is to be produced in this mass for the current expenditure on the business of the Government—on the debt and the war—was last week £44,614,286, of which £40,660,000 was debited against supply services alone, or £5,808,000 a day. The total of £44,614,000 was reached by adding debt charges. These aggregated nearly £4,000,000. As a little more money was provided by one agency or another than was actually spent in the week, the Exchequer balances were raised by £799,801 to £16,383,824.

Some years ago the people of Melbourne and Victoria tried to get the Gas Co. there "on the cheap," because it was mostly owned in the Old Country. They failed, thanks to vigorous remonstrances, but the working man everywhere seems to be insufficiently educated to learn wisdom by experience. So he forgets his lesson, and accordingly we have the people of Queensland ready to play the same trick with the Brisbane Electric Tramways. These tramways were built with British capital, under agreement with the then Government of Queensland, and they have served the people of Brisbane well. Probably the maximum fare of "2d. per mile, or fraction of a mile," became too high in time, although it may not have been so at the start, but we have no evidence that the company has ever charged maximum fares. The ordinary business instincts of its management would have forbidden that. The move has been made simply because the Labour Government in Queensland thinks it sees the chance to buy the property at its own valuation. Two Bills have been introduced into the Legislature; one provides for a drastic revision of fares, and stipulates that they shall be reduced to a point which in the opinion of a judge of the Supreme Court will restrict the company's profits to 5 per cent. of the value of the tramways, such value to be assessed by the said judge;

from whose decision no appeal is to be allowed. In drawing up his judgment he must allow nothing for goodwill, or any similar considerations, and it is further provided that should the company make more than 5 per cent. profit in any year the excess is to be applied in improvements or extensions, or in default to be forfeited to the Government. That is a pretty sweeping measure of confiscation, is it not? Having thus destroyed the value of the property another Bill directs that on September 20, 1920, the original date, the Government shall have the option to pay for the property acquired at this shrunk valuation in Queensland 4 per cent. 21-year debentures. We hope the working-class Government will pause before it rushes into a piece of short-sighted folly of this description.

On the 17th of last month a meeting was called at which resolutions were passed to constitute an association to be called "The British Overseas Banks' Association." The object sought is to promote the general interests of the banks embraced in this association. It is a laudable object, and in accordance with the bent of things in these times. The more business interests of all kinds can be brought to work in harmony and mutual helpfulness instead of in jealous rivalry, the better for nation and Empire will it be. The following gentlemen were elected to form the general committee of this new association, to which we wish every success:—Messrs. C. Cambie, Canadian Bank of Commerce; L. Couper, Bank of British West Africa, Ltd.; Chas. H. Hewett, Colonial Bank; R. J. Hose, Anglo-South American Bank, Ltd.; S. Rogers, Imperial Bank of Persia; F. Shipton, Standard Bank of South Africa, Ltd.; G. H. Soul, Anglo-Egyptian Bank, Ltd.; T. H. Whitehead, Chartered Bank of India, Australia, and China; A. Willis, National Bank of New Zealand; and A. C. Willis, Union Bank of Australia, Ltd. Mr. T. H. Whitehead was appointed chairman and Mr. Francis Shipton hon. secretary and treasurer.

In the eagerness of our present Government to proclaim in all the ends of the earth its essentially Teutonic contempt for true democratic ideals, it seems to have attempted to confer British decorations upon certain men of the United States Navy in acknowledgment and reward of their services in encounters with enemy submarines, but the attempt was a failure. Mr. Daniels, Secretary to the United States Navy, declined to recommend to Congress changes in the laws of the Republic which would permit the receipt of such honours. In making this announcement, on November 27 last, Secretary Daniels made the following significant observation:—"An unhealthy rivalry for these honours might be created among American officers. They might set great store by them, and distinctions might be created which might be harmful to the morals of the Service." Surely a most proper and seasonable reminder that a Republic is not free to grade and degrade its citizens.

The dearth of shipping is the chief difficulty with which South American countries have to contend at the moment, and it is interesting to note the announcement made a short time ago in Montevideo that an arrangement had been made through the Uruguayan Ministry for Foreign Affairs whereby adequate tonnage for the exportation of Uruguayan produce is said to be assured for the next few months. Negotiations, it is understood, have also been entered into with the Governments of Great Britain, France, the United States, &c., to procure the export of the gold which would be required for the movement of Uruguay's exportable surplus, this being considered the most efficacious means of meeting the difficulty in that country. An alternative measure is, however, apparently under consideration. This would consist in the value of Uruguayan export calculated in Uruguayan gold being deposited in gold either at Uruguayan Legations, or in whatever banks that might be indicated

for the purpose by the Governments of the countries to which the produce is consigned. Thereafter the Banco de la República del Uruguay would issue currency notes for equivalent value as and when the demands of the local market for more currency occurred. The gold deposited abroad would be regarded as part of the gold holding of the Banco de la República, guaranteeing such an issue, and would be sent to Uruguay after the termination of the war.

In Egypt the general economic position has undergone a vast improvement during the past two years, but there is one respect in which the country has fared badly at fortune's hand. Cattle plague has given a great deal of trouble. Outbreaks of this character happen not infrequently, and with present day remedies are usually got under with more or less ease, but in the meantime the majority of the Egyptian cattle markets have been closed, and the published receipts of the Egyptian Markets have undergone a considerable decline. Fortunately other branches of the company's activities are, it is understood, in a very prosperous condition, so that there appears to be no need for the shareholders to look only upon the dark side of the picture.

In their report on the bullion markets for the past year Messrs. Samuel Montagu and Co. point out that some of the statistics relating to gold have ceased to be available during the past three years, but such details have temporarily lost their importance owing to the larger place occupied in the world's currencies by paper issues. In other words, credit has to a considerable extent taken the place of metallic reserves, now that the expansion in the value of commodities has far exceeded the capacity of the precious metals to adjust the balance of trade. All the belligerents have to a greater or less degree resorted to paper issues, and in this connection it is interesting to recall a circular issued by the National City Bank of New York last September, urging that "in so far as an increased amount of currency is wanted, it should be supplied in Federal reserve notes. This is a matter in which every bank in the country should lend its co-operation. These notes are just as good in circulation as reserve money, and the latter should be withdrawn from circulation at every opportunity and forwarded to the Federal reserve banks, thus broadening the base under the credit structure." In September the United States prohibited the export of coin and bullion except under licence, and also discouraged the practice which had grown up of earmarking gold on behalf of foreign interests. The Indian Government also had troubles of its own to contend with, inasmuch as the balance of trade, which is normally adverse to India, swung heavily in her favour, and this had to be met by raising the minimum rates for the sale of bills and telegraphic transfers. It is estimated that about 20 million sovereigns have been melted down in India since the beginning of the war, in order to supply the demand for jewellery, and owing to the demand for increased currency it is proposed to issue 1 and 2½ rupee notes. The approximate world's total gold output in 1916 was £96,847,000, to which the British Empire contributed £59,700,000, or 61.64 per cent., as against 60.21 per cent. in 1915, and although the Transvaal output for the past year has fallen off about £1,000,000 it is estimated that the world's yield will reach £96,700,000. Meantime it is interesting to note that the issue of gold coin by the Royal Mint fell from £42,464,000 in 1912 to £18,401,000 in 1916, and of the latter amount only £1,554,000 was for England, as against £33,350,000 in 1912. On the other hand, the imports of gold into India up to the end of November last amounted to £19,896,000, as compared with £6,421,000 for the whole of 1916, and with £4,017,000 in 1915.

As regards silver, the fluctuations in price have been larger than any experienced for a very long time, the

extremes being 35½d. per oz. touched in March and 55d. reached in September, while the average for the whole year works out at the high figure of 40.85d. The Indian Mint has been in the market most of the year, but for a time China was selling very freely, and this induced the Indian bazaars to indulge in "bear" operations. Facts, however, went against them, as the U.S. Government came into the market with fairly large orders for coinage purposes, and there was also a good general demand, especially for trade purposes. Then China entered the war, and had to buy back most of the silver she had previously sold, and, in addition, the Allies had to provide her with a loan, which was largely paid in bullion. These operations raised the price to the highest point touched since 1878, but since then restrictions have been imposed on imports and exports, with the result that the price fell back to about 43d. in December. There has been a great falling off in production owing to the disturbed condition of Mexico, whose output has fallen from 70,000,000 ozs. to less than half that amount, but it must not be forgotten that silver is mainly a by-product, and that the most powerful factor in its production is high prices for the base metals with which it is found, such as copper and lead. It is very probable, therefore, that the output for 1917 will exceed that of the previous year, and prove to be about 200,000,000 ozs.

Since the beginning of the year numerous cotton spinning companies in Lancashire have taken stock for the three and six months ending December 31. The figures announced have shown large profits. Mr. Frederick W. Tattersall, of Manchester, has prepared an analysis of the returns published by 20 leading companies. The share capital of these concerns amounts to £728,235, and loan capital to £259,796. All the companies have made a profit, and on share capital the average profit works out at nearly 18 per cent. per annum, whilst on share and loan capital combined the profit is over 13 per cent. per annum after allowing interest on loans. It may be said that a similar analysis of the figures reported at the end of last June showed a profit of over 9 per cent. per annum on share capital, and a profit of nearly 7 per cent. per annum on share and loan capital combined after allowing interest on loans. The machinery in these mills totals to nearly 2,000,000 spindles. Spinners have long order lists at a healthy margin of profit, and future stocktaking results are expected to be encouraging.

Things do not seem to have gone very well with the National Steam Car Co., Ltd., in the year to October 31 last, although a year ago the prospects of the company appeared to be exceedingly encouraging. The directors are evidently still groping for an ideal engine to burn coke fuel, and it is triumphantly stated that since the end of the financial year the managing director has devised a new and simpler plan for the adaptation of the existing 'buses to escape from the ever-increasing cost of oil fuel. We are not very much impressed, although it may be freely admitted that every kind of work of this kind is terribly handicapped at present by the high cost of labour and materials, and the delays in delivery of supplies. But from all the previous statements made by the company we had gathered that the fuel problem had been completely solved, and if no substantial progress can be made until a perfect type of chassis is devised, it is quite conceivable that every bit of the existing stock will have to be scrapped, and that can scarcely appear to the shareholders as a very businesslike proposition. It is stated that the works at Chelmsford have been almost entirely engaged on the production of munitions, but even this lucrative business has not helped the company to maintain its position as the trading profit has fallen £17,500 to £36,130, following an increase of £38,000 last year. The nett profit is reduced practically to the same extent, and the dividend is lowered from 10 per cent. to 6 per cent., leaving £2,000 more at £14,400 to be carried forward, subject to special taxation for three years, the amount of which has not

yet been ascertained. During the year £100,000 new capital was issued, but that has not yet become productive, and no doubt most of it will be required for the conversion of the chassis and other developments. The money has been invested temporarily in War Loan and Treasury bills, but the cash in hand is down £13,000 at £6,400. Other changes in the balance-sheet are unimportant.

Advices from Johannesburg having reported the provisional identification of the Van Ryn Reef in the Heidelberg district, South-Eastern Rand, opportunity has been taken by interested parties to impart life into a number of small-priced and scarcely known Rand mining and exploration shares, but it is to be hoped that no one will be misled by these transparent efforts to get rid of dormant properties. The Far-Eastern Rand is proving extraordinarily rich, and the great width of the ore body in that district makes its working highly profitable, though the depth at which the reef lies involves a large capital expenditure. But it does not necessarily follow that the South-Eastern Rand discoveries, though interesting, are proved properties, as the experience of the Coronation Syndicate reminds us, and it is decidedly a case for "going slow." About 2,000 claims are stated to have been pegged out in three blocks, and that Messrs. Goerz and Co. are interested. Meanwhile the problem of the low-grade mining properties on the Rand is engaging the serious attention, we are informed, of the mining groups, and those who are in favour of something being done to enable these low-grade mines to continue production. An increased production of gold is necessary in order to broaden the basis upon which rests the enormous credit structure which the war has compelled us, along with the other belligerents, to erect. While the war lasts the proportion of gold to credit does not matter so very much owing to the restrictions placed upon international exchanges, but when the war comes to an end, and these restrictions are removed, the question will become increasingly important.

Although the Union Discount Co. had a considerably larger overturn last year than in 1916, the gross profits were only £2,300 up at £503,050. Expenses were rather higher, but rebates required £8,000 less at £326,820, and as £14,000 more was brought forward, the amount available for distribution is £24,000 up at £191,490. Out of this the directors place £25,000 to reserve, while last year £10,000 was written off premises account, and the dividend of 13 per cent., less tax, is repeated, together with a bonus of 1s. per share.

## THE LONDON CITY AND MIDLAND BANK LIMITED

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tax free. There then remains £116,550, or £9,000 more, to be carried forward. Loans and deposits have increased £4,000,000 to £23,343,000, while bills rediscounted are £325,000 lower at £4,450,000. Cash remains about the same at £1,043,000, while investments have increased £680,000 to £2,655,000, and bills discounted £3,500,000 to £25,868,000. The balance-sheet totals at £30,087,000, an increase of £3,800,000. Considering the expansion in business, profits have evidently not been so easily gathered in as we might have expected under the circumstances.

### A "Peace" Dutch Auction.

When "Labour" first began to clamour for a statement of the Allied "peace terms" we objected. The time did not seem to have arrived when any good purpose could be served by reciting once again what we were at war for. The ideal animating the statesmen of the Great Powers was sufficiently made known at the outset of the war, and, as the Prime Minister reminded his audience last Saturday, in the middle of January a year ago, the Allied position was once more set forth in unmistakable terms. We were at war to liberate mankind, for the democracies of the world, and for no selfish purpose whatsoever. The Germans understood our position and aims fully as well as we did, and all their efforts have been more and more bent towards checkmating us, raising barriers between us and our goal, inciting distrust amongst the Powers, and, above all, their masters exerted their demoniac ingenuity in efforts to beguile some Power into making a separate peace so as to give them a chance to escape from their doom. Why, then, did the Prime Minister meet "Labour" and proceed to make one more statement of our aims? Apparently because misled "Labour" clamoured for it. That is to say, without knowing it, our working classes are agitating for peace almost as perilously and unceasingly as the Leninites in Russia. Having agreed to bend to the behests of the Labour leaders, Mr. George prudently consulted with Mr. Asquith and Viscount Grey before framing his new programme, and would have consulted with the Irish leaders had they been at hand. Was the result of this careful preparation all that it should have been? In chorus the newspapers shout "Yes," "an admirable statement," an "epoch-making deliverance," "the greatest speech the Prime Minister has ever made." They all assure us that it will have an immense influence in shaping the course of the Allies, "and sustain them in entering upon negotiations with the enemy when the time comes," with much more to a like purpose. They hastened also to assure us that President Wilson cordially approved. Well, let us look at the terms set forth in this momentous deliverance. We take the summary of them as given in the *Times* of the 7th instant:—

#### WHAT WE ARE NOT FIGHTING FOR.

We are not fighting a war of aggression against the German people.

The destruction or disruption of Germany or the German people has never been a war aim with us from the first day of this war to this day. Nor are we fighting to destroy Austria-Hungary or to deprive Turkey of its capital, or of the rich and renowned lands of Asia Minor and Thrace, which are predominantly Turkish in race.

#### WHAT WE ARE FIGHTING FOR.

I.—EUROPE.—Complete restoration, political, territorial, and economic, of the independence of Belgium and such reparation as can be made for the devastation of its towns and provinces.

Restoration of Serbia, Montenegro, and the occupied parts of France, Italy, and Rumania.

Complete withdrawal of the alien armies and reparation for injustice done a fundamental condition of permanent peace.

With the French democracy to the death in their demand for a reconsideration of the great wrong of 1871, when, without regard to the wishes of the population, two French provinces were torn from the side of France and incorporated in the German Empire.

An independent Poland, comprising all those genuinely Polish elements who desire to form part of it, an urgent necessity for the stability of Western Europe.

Genuine self-government on true democratic principles to those Austro-Hungarian nationalities who have long desired it. Satisfaction of the legitimate claims of the Italians for union with those of their own race and tongue.

Justice to men of Rumanian blood and speech in their legitimate aspirations.

II.—ASIA AND AFRICA.—Constantinople to remain Turkish capital.

Passage between the Mediterranean and the Black Sea to be internationalised and neutralised.

Arabia, Armenia, Mesopotamia, Syria, and Palestine entitled to recognition of their separate national conditions.

German Colonies held at the disposal of a Conference whose decision must have primary regard to the wishes and interests of the native inhabitants of such Colonies.

III.—GENERAL.—Reparation for injuries done in violation of international law, especially as regards our seamen.

The establishment by some international organisation of an alternative to war as a means of settling international disputes.

IV.—RESUME.—Sanctity of treaties to be re-established; A territorial settlement to be secured based on the right of self-determination or the consent of the governed;

The creation of some international organisation to limit the burden of armaments and diminish the probability of war.

When we first read the speech in the Sunday papers of the 6th instant, we marvelled at the indifference shown by the speaker to any historical sense or consideration of past history, and also because his recital did not ring true in relation to the democracies of those empires over whose crimes he may be said to have thrown a mantle of oblivion. The speech rang hollow to us, and startled us in many ways by its *insouciance*. It was like an auctioneer's cheapening of his wares; not necessarily a false presentment, but a minimising one that did not strictly accord either with the facts or with popular ideals and aspirations. Startling, too, was it in its indifference to the wishes of South Africa, our Australian colonies, and France in regard to Germany's cruelly governed colonies.

Look at some of the sketch in detail. There is, to begin with, to be no destruction or disruption of Germany or the German people. Such a thing has never been thought of. And, it would seem, we are not fighting to destroy Austria-Hungary, or to deprive Turkey of its "capital," or of the "rich and renowned lands of Asia Minor and Thrace, which are predominantly Turkish in race." Oh, dear no, we are only going to give all the peoples there "liberty!" How the Germans must chuckle when they remember the times we have told them that an absolute essential to the very beginnings of peace is surrender of Alsace and Lorraine to the French Republic, from which these provinces were brutally torn away, and have been kept in slavery ever since the spoliation of 1871. And how can Germany remain intact, and make reparation to Belgium and Northern France for the crimes and ravages committed there? How is she to make restitution and pay damages except by her own liberation from Prussia, and by surrendering all the lands on the left bank of the Rhine, now in Prussia's grasp? As part of the compensation due, and for the security of the world's peace, must not Prussia also surrender her overlordship of mineral lands on the right bank wherever they are necessary in order to repay Belgium and to protect the Netherlands against Prussian greed in time to come? What is the use, then, of declaring that no "destruction or disruption" of Germany was ever intended? And when the Prime Minister went on to proclaim the Allied aim to be a "free Poland," did he not give himself the lie? Will Prussia, backed by all the Pan-Germans, give up Alsace-Lorraine or Poland, and consider that the German empire remains intact? The idea is inconceivably absurd. Why, then, should the Prime Minister have gone out of his way to proclaim aims of this description so absolutely contradictory? Was it to soothe his hearers who are ignorant and craving for peace?

As for Austria and Hungary, Mr. George's demand for self-government "on true democratic principles" for the nationalities—some dozen or more of them embraced within the Habsburg tyranny itself—shows with equal vividness how hollow was the profession of a desire to leave that empire standing. It was more, it implied a betrayal of the democratic ideal and an ignorance of Austria's history calculated to fill the mind with terror lest such incompetence should be about to betray us into a ruinous peace.

We do not object so much to the Prime Minister's declaration of the purposes in detail. It is the cloak of pretence, not to say hypocrisy, under which they are

"formulated." What could be more repellent, for example, to the minds of thoughtful citizens than the jumbled up asseverations about Turkey? The Turk as a marauder in occupation has been the curse of Europe for upwards of five hundred years, and the curse of Asia Minor for, one might say, almost seven hundred years. And again and again Western Powers, Great Britain especially, have assumed moral obligations towards the misgoverned and often massacred subject populations in all parts of the Turkish Empire. It is mainly because we did not fulfil the more solemn and later of these obligations that we are striving with the Turk and his taskmaster in Palestine and Mesopotamia to-day. We failed to do our duty, to keep our promises, and are now being punished for our selfish indifference. Can any man pretending to statesmanship really think that now we are forced to take the right, the manly and honourable course we are going to submit to the persistence of this abominable plague and blight of a nomad horde left free to rob and massacre as of yore? What else is this so-called Turkish empire? Besides, is it not true that before the Russian Empire foundered our then Government had agreed to allow Constantinople to fall to Russia? And is the change now made simply a clutch made by a popular orator as he boom-booms along at whatever temporary expedient he sees to hide the fact that, Russia having failed us, no claim to Constantinople on her part can be admitted? Greece wants the city perhaps, Bulgaria will certainly claim it, and the Allies have not made up their minds. Would it not have been better to hold our tongue? We have no special hostility to the Turk as a human being any more than to the German. It is as a master over other human beings that he is objectionable, just as the Prussian is; both are as much hindrances to true civilisation as the Red Indian was in North America until he was subdued and tamed. There is no encouragement for the self-denying citizen to fight for a programme like this—none whatever; and if we are to lay down the lines of our parleyings with the enemy in this slipslop fashion, which would inevitably lead to our leaving the adversary with his plunder, or most of it—ready to accept, only taking illusory security for payment of the damages claimed, well, the sooner we stop wasting what remains of our substance in this war the better. Let us call home our troops, cease to talk frothy heroics, and accept our defeat with all its consequences. "Ah, but the Prime Minister told the working men, whose support he was bidding for, that the Turkish Empire is to be reformed, and even 'the home of the Turk' in Asia Minor endowed with regional self-government." Just so; and did not Lord Beaconsfield grandiloquently roll out the same kind of promises when he came home with his "peace with honour" from Berlin in 1879? You know what ensued, do you not? Have you any reasons to suppose that the sequelæ to Mr. George's promises would be different? If so, please state them. The only difference we can see is that next time the Turk and his Kurds may have neither Armenian, nor Greek, nor Jew left to murder, because under Teutonic direction they will have been all ready exterminated throughout "the Turkish Empire." And we are asked to hail this kind of rhodomontade as "statesmanship." Why could not Labour have been told straight out that we, the Allies, were not fighting for mere territory for ourselves, or to shore up any empire, but in order that the oppressed might be free?

"Oh, but it was necessary to enlighten these Germans as to what we mean to do, and to show them how benevolent and soft-hearted we were; that we really were not the determined absorbers of everything we could lay hands on and coveted, as they had been told and as they believed, because themselves of that build." That is, in substance, the excuse always pushed forward in justification of a "complete statement of our war aims" by the Labour Party and the pacifists. Well, what have they got by being obeyed? What has Germany done? Taken our terms on the square and sought to move her rulers towards negotiations on these lines? Nothing of the sort. Their controlled Press,

which is the only Press allowed to speak in Germany, has interpreted the move of our Government exactly as we feared it would. "Great Britain is climbing down," they tell the German people. "Her statement of aims is not nearly so arrogant as that of a year ago. The Allies are weakening. If we hold on we shall soon have them on their knees before us, ready to accept any terms we choose to offer to them," and the still wind-inflated mind of the Prussian Teuton swells out with the old vanity, and his throat growls out the old greeds, "world dominion." He already sees Germany master of Russia, and in a position to control the coveted road to the East. Constantinople is to be his and his only. Is this likely to end the war? If we flinch, yes; if not, then it may be prolonged. Either way, we get no help from this "epoch-making" eloquence.

Perhaps, however, it may not matter much; we must console ourselves with that. As we have again and again said—we are in the war and must fight to the end, or go down, down to perdition. We cannot do otherwise. Were we to stop now, we and the whole of our Allies would go instantly insolvent. Germany and Austria, who are already patently insolvent, would drag us all down into the abyss with them, and then it would be touch and go—hardly even that—whether our civilisation did not also disappear for good, even as the ancient civilisation of Egypt and Syria and Greece and Rome were submerged in savagery. Is America in the war for a finale like that? We think not. America may save us, and it begins to look as if we meant to let her.

As is appropriate in sermons, the Prime Minister's lecture to the Labour delegates wound up with one more nice piece of moral sentiment. "Whatever statement is made," he said, "will be suitable only to the circumstances under which it is made, and, as those circumstances change, changes in the settlement will be called for." That is true enough, and should have been a restraining thought to prevent his speech. "But," he went on, finally, "we are fighting for a just and lasting peace—and we believe that before permanent peace can be hoped for, three conditions must be fulfilled. First, the sanctity of treaties must be re-established; secondly, a territorial settlement must be secured based on the right of self-determination or the consent of the governed; and, lastly, we must seek by the creation of some international organisation to limit the burden of armaments and diminish the probability of war." An excellent programme, but how is the fulfilment of it to be begun until first Prussian militarism is destroyed? Could any Ministry in this country have the hardihood seriously to propose to the nation that it should accept the signature of Prussia to any treaty of peace whatsoever? If we destroy Prussian militarism, then the three conditions set forth by Mr. Lloyd George might perhaps be comparatively easy of attainment, but, until then, would it not be better to persevere with the fighting and talk less? As for the limitation of armaments; after the war our debts will do that for us, whether we like it or not. If Prussia should then try the old game all by herself, the extinction of her power, and probably of the German race, will be complete and final.

### Capital Conscription and the Development of Our Land.

It is to be hoped that Mr. Bonar Law is devoting his thoughts earnestly to the problem hinted by him in his communings with representatives of Labour. It may not be difficult to talk about the conscription of wealth, but how to do it without impoverishing the nation is much less easy. Capital, be it noted, is already drawn upon pretty severely to swell out the income of the Exchequer. In the first nine months alone of the current fiscal year the Death Duties have yielded £23,193,000, all of which represents a draft upon capital, a levy on realised wealth. And is not the excess profits tax, including the munitions levy, which has brought in £148,945,000, in great part, also, at least an indirect draft upon capital? If it comes to that, what tax is not? Whatever cripples, or interferes with, the accu-

mulation of wealth is a tax on capital. The money sucked away from the proceeds of labour reduces the balance available for expanding the output of industry, deprives the people of means that might be utilised in extending and enlarging the supplies of commodities which are the sources of all wealth. By reason of the weight of taxation a man, or a joint stock company, may be deprived of the means wherewith to renew the machinery worn out, or superseded by use or the progress of invention, and great works beneficial to the country may prove impossible of execution because the investors relied on to furnish the means are not in a position to subscribe the necessary funds. Taxes have weakened or paralysed their powers of accumulation.

"After-the-war" finance is going to tax the wits of the ablest financiers alive to surmount the difficulties placed by our war debt in the path of civilisation and progress, and if the wrong course is chosen, we may be ruined before we realise our position. On every hand we see men, and classes of men, busy with projects for "capturing German trade," for spreading our manufactures over new markets, &c.; and, beyond question, the scope for the energies of every one of the Allies will be almost infinite after the war. All the lands and races tyrannised by the Teuton, the races set free in the two malignant empires, the delivered Balkan countries, a freed Russia sagely ruled, Armenia, Syria, and the other great blighted territories of the Turk in Asia Minor, together with the measureless regions of Africa, will all lie open to us for enterprise, for the expenditure of capital and well-directed energy in the restoration of life and life's well-being to their forlorn inhabitants. It must therefore be our utmost care to see that nothing is done to cripple our power to take our full share in the evolution and building up of this new and nobler life once the way is opened to us by the defeat of the foul-fighting enemy. The Germans, too, are busy with dreams and schemes framed on the old lines of absolute selfishness, for they do not yet seem to have begun to understand how completely the war has ruined their Jonah's gourd-like trade—or how the enforcement of "restoration and compensation" is going to tie them down to generations-long servitude. The sea-power of the Allies must circumscribe their energies until they have made full restitution and atonement.

That is an essential condition of the peace to come, and therein lies our advantage. The open road to us all lays upon our guides in the peace days, coming soon now, probably, the duty of seeing to it that nothing in the fiscal expedients adopted to enable us to meet our own obligations is to be permitted, calculated to fetter us so that we shall be unable to take full advantage of our victory, or to hinder us in giving helpful assistance to our Allies, so that they also may reap the full reward of their steadfast endurance and loyalty to the high ideals we have all set before us. As yet, we confess it with sorrow, we see little sign of perception of the formidable nature of the problem we have to solve. All the plans flared in the public eye are smudged with selfishness, the plans of the representatives of Labour as much as those of the Protectionists, of the "Leagues" of every livery. Some, like this journal, speak of a "Brotherhood or League of Nations," and that must come if civilisation is not to be submerged beneath the lava flood of ruin; but the references to its aims and limitations are of the vaguest, and before it can come we must attain to a "brotherhood of men," each in our own land. Among the doctrines formulated by the conference of working men held before Christmas, a meeting at which there was much sound and fury that put wisdom to rout, was a fine academically flavoured resolution in favour of a compulsory court of arbitration for the settlement of disputes between nations; but when it came to compulsory courts at home to determine conflicts between workmen and their wage-payers, the delegates would have none of it. What was deemed excellent sauce for the foreign goose was stigmatised as poison for the domestic gander. Gentlemen, this will not do at all. If a finer spirit of mutual helpfulness and comradeship does not come to prevail at home,

then good-bye to dreams of international concord and mutual helpfulness between nations.

Sometimes people write to us to complain of our "Socialism." It is especially so with reference to what we urge about the treatment of our soil. These remonstrants mistake us altogether. This journal does not advocate any "ist" or "ism" whatsoever. It is co-operation and co-partnership of all those directly connected with the land that we plead for, not the despoiling of one class for the benefit of another. All that is urged is that if the privileged class, the landlords, do not now as a class recognise either their duty or their opportunity, do not step down from their fenced-off exclusiveness and become directing partners in the vitally essential work of increasing our domestic food production that is essential to our independent existence as a free people and to our position after the war as one of the most debt-bound peoples on earth, and that failure to rise to the height of the duty probably involves revolution.

It is not by seizing or "conscripting" capital that we are going to deliver ourselves from this war debt of ours, but by increasing our available revenues, and the one supreme means by which we can bring about this increase is a better cultivation of the land. Probably were all classes to unite in bringing about a thorough and scientific utilisation of all our available soil the agriculture and pastoral production of the United Kingdom could be quadrupled. It assuredly could be augmented threefold, and it will have to be at least immediately doubled if we are to escape not only the disaster of insolvency, but of starvation in the near future, for the pinch is almost certain to be more severe after the war than it is now. Now if the land-owners hang back or continue to follow their old usages, under which agriculture was discouraged, and the labour on the land kept in a state of grovelling serfage, they will undoubtedly be swept aside by the mere pressure of the nation's urgent necessities. Already the method of doing so is being discussed. What do our soldiers talk about in the trenches? Do they not want to know how the landlords came by their privileges and position? Who gave and had a right to give them this land which they hold in their hands, exact rent for as if their privileges came direct from heaven, and usually refuse to allow to be tilled as it should, regardless of what this refusal means to the nation? How many of them spend their money in improvements? and so on.

Now we should be sorry to see this landlord class disappear. It has played many a time a noble part in the history of the British Empire. The sons of the aristocracy and of the rich of all degrees are to-day dying at the front side by side with the poorest hind taken from the land or the city slums. Some of the finest qualities of the race are being displayed by these men, by all of them both noble and mean. Why should those at the top refuse to come down and take their place amongst those who actually cultivate our soil? We wish all connected with the land to be partners in effecting an increase in its yield, and in sharing the benefits of that increase, and that the surplus should become an ever-growing fund for the use of the Exchequer.

Agricultural production is at present being stimulated by bribes and doles. How much it is going to cost the Treasury to expand the yield of cereals or root crops, what the doles granted will involve to the nation in the way of ultimate loss, we cannot say, but the expedients now employed can be but temporary. Agriculture must not remain a direct burden on the Exchequer after the war. On the contrary, it must become the principal source of the augmented revenue on which we shall have to rely to pay our debts. And by paying our debts without recourse to further shearings off the nation's capital we shall create and liberate ever fresh capital to help our industrial expansion in all directions. Is not that an ideal worth striving after? Our existence as an empire depends upon the whole-heartedness of our surrender and devotion to manifest duty.

### London Gas Bills.

Three of the London gas companies have now deposited Bills for introduction into Parliament next session. The Gas Light and Coke Co.'s Bill seeks to obtain relief from the present statutory dividend restrictions by a proposal to fix the standard price for gas at 2s. 6d. per 1,000 cubic feet and to pay on the ordinary stock the pre-war dividend, less 6d. in respect of each rd. by which the price of gas exceeds 2s. 6d. At the present time the standard dividend is 4 per cent., the standard price of gas 3s. 2d., and for each increase or decrease of 1d. on the standard price the authorised rate of dividend rises or falls 2s. 8d. per cent. per annum. As the price of gas is now 3s. 4d., or 2d. above the standard rate, the company is only able to pay a half-yearly dividend of £1 17s. 4d., equivalent to £3 14s. 8d. per annum. Should the new proposal be adopted, the ordinary stockholders would not appear to come off so badly. The last pre-war half-yearly authorised dividend was equivalent to £5 1s. 4d. per cent. per annum, and even if the price of gas was increased to 4s., the authorised dividend would under the new proposal come out at £4 12s. 4d. per cent. per annum, while if the price of gas was 3s. 4d., as at present, the suggested scale would permit an authorised dividend of £4 16s. 4d. per cent. per annum. On the basis of the former distribution, Gas Light and Coke Co. ordinary stock would at the present price of about 69 yield £6 15s. per annum, and on that of the latter, £7 2s. per cent. In the case of the 3½ per cent. maximum stock the new sliding scale provides for the payment of 8d. less on the £3 10s. dividend in respect of each rd. by which the price of gas exceeds 3s. 11d. The company state in the preamble that they apprehend they may be compelled to increase the price to an amount exceeding that sum, but it is to be hoped both from the point of view of the company and the consumer that recourse will not have to be made to an increase of this magnitude.

For the determination of the rate of dividend payable upon the South Metropolitan Gas stock for the half-year ending June 30, 1918, clause 13 of that company's Bill proposes that the standard price for gas shall be taken to be 3s. 7d. instead of 3s. 1d. per 1,000 cubic feet. The price of gas has now been raised to 3s. 7d., so that under the new proposals the authorised dividend will, while the company's gas remains at its present price, be restricted to the rate of 4 per cent. per annum, the rate of the distribution to be paid in respect of the half-year ended December 31 last, when the price charged for gas was 3s. 1d., the standard price 3s. 1d., and the standard dividend 4 per cent. per annum. Allowing for accrued dividend, the return on the present price of about 76 is £5 7s. 6d. per cent. In both this and the Gas Light and Coke Co.'s Bills it is proposed that the new arrangement continues for two years after the termination of the war, subject to extension by the Board of Trade.

The Commercial Gas Company also proposes, as a temporary measure, to alter the sliding scale applicable to dividends, aiming at securing the payment of dividends on the same basis as that on which they were paid for the half-year ended June 30, 1914, when the 4 per cent. stock and the 3½ per cent. stock received £5 9s. 4d. and £5 6s. 8d. respectively. In the half-year ended December 31 last the price of gas was 3s. 2d. The standard price is 3s. 1d., and as the dividends on the 4 and 3½ per cent. stock are varied 2s. 8d. and 3s. 4d. per cent. respectively, in accordance with each change of a penny in the price of gas, the recently announced dividends are equivalent to £4 2s. 8d. and £3 13s. 4d. respectively. It seems too much to expect a restoration to the pre-war rate, but a substantial measure of relief seems not unlikely. On the basis of the present rates of dividend the 4 per cent. stock yields at 72, allowing for accrued dividend, £5 17s. per cent., and the 3½ per cent. stock £5 14s. 6d. per cent.

Each of the three companies is seeking powers to issue further capital. The Gas Light and Coke Co. proposes to raise £750,000 by the issue of redeemable debentures, or alternatively by mortgage or by the

creation of debentures, the authorised and unissued debenture stock being unsuitable for issuing under existing conditions. In the South Metropolitan Co.'s Bill it is proposed to raise £750,000 additional capital, either in the form of South Metropolitan Gas stock or preference stock. Upon this capital further borrowing powers are sought to the amount of £250,000. In addition to this, powers are asked to raise from time to time any sums not exceeding £500,000 by the issue of redeemable preference or debenture stock, such redeemable stock to have a currency of 10 years. In the case of the Commercial Gas Co., power is sought to raise £105,000 by the creation of preference stock, and also to issue the whole of the unissued capital stock, amounting to £149,298, as preference stock. The company also seeks power to raise money temporarily for working capital by the issue of redeemable preference and debenture stock.

### British Columbia Electric Railway.

Last year, it may be recalled, the operations of the British Columbia Electric Railway Co., Ltd., were temporarily suspended owing to a strike of its employees. In 1915 an agreement with the men was entered into settling the terms of their employment and wages for the two years ending June, 1917. However, in September, 1916, the company at the urgent request of the employees voluntarily granted an increase in wages amounting to £22,000 per annum to compensate for the highest cost of living on the understanding that the men would not ask for any further increase during the war. In spite of this agreement, the men last June presented a demand for a further advance involving about £50,000 per annum, and this being refused, they came out on strike. The British Columbia Co., either directly or through subsidiaries, owns and operates the urban and inter-urban street car systems in the City of Vancouver and district, as well as in the Island of Vancouver, and also supplies gas and electric light, power, &c., in the same areas. Consequently, the suspension of operations created so much public inconvenience that the company was approached by the British Columbian Government and the Vancouver City Council with a view to bringing about a settlement, and it was ultimately agreed that the services should be resumed, the men receiving the increased wages demanded, while an impartial investigator was to be appointed to examine and report on the transportation problem in Vancouver City and surrounding districts, with particular reference to the jitney motor-car competition which had been a standing grievance of the company for some years.

Professor Adam Shortt, of Ottawa, was appointed investigator, and he has recently submitted a highly interesting report which is almost wholly in favour of the Electric Railway Co. A large part of it is concerned with the jitney car question. Jitney, it should be explained, is a slang term for a five cent piece and the cars to which the name is applied are second-hand motors, usually rather decrepit we gather, which perambulate the principal routes picking up passengers promiscuously, and earning a precarious living for their owners. But they are very popular for joy-rides in fine weather, and their competition has made serious inroads on the revenues of the Electric Railway Co., although they are not the only factor in the adverse conditions which the company has experienced in recent years. High-water mark was reached in 1912, when a full-blooded boom was in progress throughout Canada, and there was a perceptible falling off in 1913, which developed rapidly in the following year, partly owing to war conditions. Before the advent of the jitney car in November, 1914, the maximum number of passengers carried each year occurred in the midsummer months of July and August, while the lowest numbers were carried in mid-winter, especially in February. When, however, the jitneys appeared on the scene there was, in the first place, a rapid falling off in passengers at any time, and, in the second place, while the exceptional midsummer increase had vanished

the greatest patronage of the electric cars occurred during the winter, when weather conditions were unfavourable for open-air riding. At any rate, the gross earnings of the electric car system fell from \$4,037,000 in 1914 to \$2,450,000 in 1916, a decrease of approximately 37 per cent., while the revenue from electric light, power, and gas during the same period declined only 18 per cent., and it is fair to assume that a good deal of the difference is due to the jitney competition. After setting aside the usual percentage for renewals reserve the nett revenue of the company fell from \$2,287,000 in 1914 to \$875,000 in 1916 on an invested capital of nearly \$50,000,000. Of this amount \$22,353,000 is in debentures on which interest is not being fully earned, and that is a position that cannot be regarded as satisfactory from any point of view.

Apparently a good deal of prejudice of one sort or another has been created against the company, and there has been friction with the Vancouver City Council, which has obtained the abrogation of clauses in its Charter requiring it to buy out the company before itself entering into the business of supplying light and power. Professor Shortt has some very pungent remarks to make in this connection. "Neither British investors," he says, "nor those from any other quarter can be expected to take lightly the loss of their capital through bad faith. Nor can they be expected to submit calmly to the prospective scrapping of their costly plants after the capital invested in their construction has been gratefully absorbed in local expenditure, in order to make way for other prospective plants which will involve for a few years the expenditure of much new capital, and thus procure a temporary return of good times. Nor will they appreciate the false kindness of any encouragement to continue at heavy annual loss a system of transportation or any other public utility which it is cheerfully declared in advance can never be restored to a paying basis, because the competing system which is the chief cause of its accumulating losses is destined to replace it as a much superior method of transportation. The only coldly self-interested, not to mention the only honest, method of dealing with a company placed in such an undesirable situation is not to encourage it in the continued sacrifice not only of its past investments, but of such existing reserves as it may have accumulated in more fortunate times. It should be encouraged to at once face frankly the inevitable and to save what is possible from the wreck of its investments. Moreover, in parting with the unfortunate investors who have themselves parted with so many millions of their capital, almost entirely expended in contributing to the past prosperity of the urban districts of Vancouver and Victoria, it were well to do so in a courteous if not a kindly manner. Doubtless there is some temptation to abuse those from whom we have received benefits too great to repay, particularly when there is little more to be expected from them. Even on the lowest grounds, however, it is poor policy to give way to such temptation." Professor Shortt then discusses at great length the possibility of jitneys becoming an efficient substitute for the electric cars, and shows that the daily variation in the number of jitneys in operation from January, 1916, to May, 1917, strongly emphasises the very irregular service supplied by this system of transportation, and the further fact that it fails most markedly in times of greatest need—in other words, when weather conditions are bad. Thus in February, 1916, the number varied from 112 to 0, and in February last from 105 to 0. Even in the summer months they vary greatly, evidently with weather conditions. Prof. Shortt, therefore, comes to the conclusion that either the jitney competition must be eliminated, or that the cities of Vancouver and Victoria, under arrangement with the adjoining towns, must take over the street railway systems and conduct them as municipal enterprises. In the meantime several concessions to the company must be made as regards fares and the frequency of the service to the outlying districts. On the other hand, the company will have to reduce its charges for light

and power, but on the whole the report is very much in its favour, and we hope the local authorities will now see the desirability of adopting a more benevolent attitude towards the company, which has already lost heavily through no fault or bad management on its part.

### By-the-Way War Notes.

Readers will be much better occupied this week in carefully reading Sir Douglas Haig's despatch than any notes of ours. It is a carefully drawn up review of the fighting which occurred during the first seven months of 1917, and covers the battle around Arras, the battle of Messines, and the third battle of Ypres, episodes in the greatest siege in the story of mankind upon the earth. We shall not attempt to summarise the information so fully given in this despatch, but it may be permissible to point out that, incidentally, it shows how complete the co-ordination of the various Allied armies was, long before that Supreme Council to effect unity of direction was set up at Versailles. Sir Douglas Haig's armies acted always in harmony with those of France. He timed his attacks to suit the French programme, and the French, on their side, did the same with the British armies under his control. Hand in hand they pressed on the attack, and the only "victory" the Hohenzollern portent could point to was success in devising fresh methods of defence on each new front to which his troops were driven back. In that industry the Germans undeniably displayed great skill and resource, and the leaders used their men up with an indifference which could not have been excelled had they been presiding at the slaughter of so many rats. Therefore are we sure of attaining our end.

Also, in reading the despatch, we hope the public will take note of what modern campaigning means. The popular idea of "battles" is much that which used to be popular with boys 50 years or more ago in the romances of James Grant, or in the descriptions by Carlyle of Frederick II. of Prussia's robber campaigns in the middle of the 18th century, or in the wars of Napoleon I. Twentieth-century warfare is nothing at all like those. Take one example. Before the attack could be made which gained us Messines Heights, which had been fortified by the Germans for more than 20 years in the most elaborate and scientific fashion of which the Prussian experts are masters, an enormous amount of work had to be done behind our lines. Roads and railways had to be made or constructed, the provision of an adequate water supply and of accommodation for troops, the formation of dumps, the excavation of dug-outs, subways, and trenches, and the assembling and registering of guns had all to be undertaken and completed under conditions of more than ordinary disadvantage. As before Messines, so everywhere, in ever varying weather and in face of obstacles innumerable. Yet so efficient was our army of labour, and so complete the arrangements made, that before the Messines-Wytschaete Ridge was assaulted pipe-lines had been laid down and taken forward from the existing lakes, from catch-pits constructed on the Kemmel Hills, and from sterilising barges on the Lys, so that by June 15 they had reached Messines, Wytschaete, and the Dam Strasse, and were supplying water at the rate of between 450,000 and 600,000 gallons daily. Equally perfect were the arrangements for supplying food and ammunitions, and not only water, but rations, stores, and ammunition were carried forward by pack animals almost on the heels of the advancing troops, reaching these troops within from 20 to 40 minutes of the taking of new positions. In one case carrying parties arrived with packs, and dumps were formed within four minutes of the capture of the objective. No wonder our advance sometimes seems slow, but the mass of our operations for the period of last year embraced in the Field Marshal's review, shows an overwhelming superiority over the enemy, in spite of his skill and training, and of the complete devotion of his leaders' minds to the art of war in its most ruthless form. It is a most heartening despatch, and published at the right

time, when we are in wintry mood, disposed to gloom. It forms a record of almost unbroken success amid difficulties and oppositions that must now and then have looked almost insuperable.

There is really no need at all for depression, we must keep on insisting, even if readers are tired of our doing so. At the moment frost and snow almost stop active infantry fighting, but the enemy is in such a position that he has to use up his pawns in making attacks without pause lest his armies melt away and dissolve under their numberless disappointments and miseries. Nothing seems to be going on, and yet the enemy does go on in never-resting futility. A reason can seldom be given by observers why this post and the other should be assaulted—at night and at all hours of the day—by bands of German troops of greater or less size, which never effect anything valuable even when they seem to succeed in capturing a man or two or an observation post or the end of a trench. But it ensures the slaying of the unfortunate wretches who continue to die like the rats aforesaid at the bidding of the ruffians around the Hohenzollern throne, and after reading Sir Douglas Haig's despatch we can well believe that the estimated proportionate slaughter of the Germans since the war began is nine to three British, or thereabouts. It is nearly as good with the French, and in the case of a free people would long ago have swept the tyrant Prussian hordes out of existence, because the men would have refused to go and be killed. But the credulous lust and loot-driven German pawn goes on and on to his doom.

On the Italian front the Austrians are said to be withdrawing troops, presumably because they are unable to feed them now that the snows of winter have come in the Alps to block their lines of communication. Will the Hapsburg swineherds leave disaffected troops to perish up among the Italian peaks and passes, and send what remains of their best men to join the Germans in the bragged-about "victorious assault" which the high Prussian staff touts everywhere as being organised on the West; or into the Balkans, or against Rumania? We do not know, and do we care much. We said at the first that the Hapsburg plunge into Italy came too late, and it is proving to be so. Our business, however, is to be ready for the baffled, raging foe at all points, and meantime to continue to do our utmost to prevent food from reaching his subjects, or to shut them off doing trade with any country that has food to spare, stealable. That is a cruel necessity, but both Austrians and Germans have themselves to thank that they have driven us to pursue without pause or ruth the obliteration of their Empires.

There is going to be disappointment bitter and prolonged for the Berlin gang in their efforts to reduce Russia to vassalage and to open Russian trade to the domineering Prussian. He wants, above all, instant supplies of Russian grain, and they are not to be had. It looks at the moment as if the warriors and Kühlmann the over-subtle had created a Frankenstein for themselves at Brest-Litovsk which may lead to the disintegration of Germany itself before all is over. The anarchy they have brought on Russia will avenge itself. But everywhere the Prussian boasting and threats grow more strident and the rage becomes more spluttery. According to these defeated world-swayers, not only are great hosts being gathered by them in the West—all their best troops transferred from the Russian front, &c., &c.—and supplies piled up behind them, with an infinity of every instrument of wholesale murder German devilishness can invent, all held ready for the coming, ever coming, triumph, but German troops are also to be sent to Palestine to recapture Jerusalem, and the Turks are to be helped to further deeds of savage valour in Mesopotamia. Owing to the collapse of Russian opposition, Germany and Austria, we are daily assured, will have an enormous superiority everywhere next spring, and we have still weaklings among us who believe. No mention is ever made by the Berlin gang of America—except once, when the tale was put round that "only 125,000 American troops" had been sent to Europe to help us. We dare say the Germans would

like to believe it, and probably our pacifists do. They will all know better three or four months hence, perhaps sooner, if spring should be early, but our "let us have peace and be slaves" pacifists will say they still believe and love their dear German brothers.

Meanwhile the Allied supremacy in the air becomes more and more pronounced. In men and machines the French and ourselves are now definitely supreme, especially the French. The French return for September reveals the fact that 76 German aeroplanes were destroyed, or put out of action, 23 of them being brought down in the French lines, 18 seen to crash to the ground in German territory, besides 35 others "which appear to have been destroyed, but whose fate is not yet conclusively established." Against this the French lost seven aeroplanes shot down or lost in German lines, three in French lines. Nine others damaged also landed in French lines, but including one captive balloon burnt, only 20 French machines in all were destroyed or damaged against 76 German. That is a fine record, and presently the French and British air squadrons will be powerfully reinforced by the airmen of the United States. Well may the Germans intrigue, get up sham quarrels amongst themselves, to try and mislead us, make beguiling propositions, offer deceptive bribes of all sorts, and lie and lie like men in frenzy in the hope of dodging us into some kind of peace before America is upon them. They should be treated with silence while we press on with the work in hand.

A hospital ship, the *Rewa*, a vessel of over 7,000 tons, brilliantly lighted and displaying all the distinctive Red Cross markings, was attacked without warning at midnight on Friday last in the Bristol Channel and sunk. Happily before she went down all the wounded, nearly 300, were saved, and the only casualties among the crew were three Lascars, who were probably killed by the explosion. This, as the *Times* points out, is the sixth British hospital ship known definitely to have been torpedoed without warning during the last 10 months. In each case the crime was committed during the night on the sly, and that is the only evidence available to indicate that there may be some rudimentary sense of shame left in the German mind. To break a "pledge" is to do a good deed in their eyes. How any man possessing a spark of honour or loyalty to righteousness can still regard these outcasts from civilisation as human beings to be parleyed with and whose word can be relied on, baffles us completely to understand.

Dastardly atrocities like this of the *Rewa* are not embraced in the dry statistics of torpedoings of British merchant ships published every week. These, we are sorry to say, continue to be heavy. Nominally, 18 ships of 1,600 tons gross and upwards were sunk last week, and three smaller vessels, besides four fishing craft. Eleven unsuccessful attacks were also returned, but the real figures of the week were not quite so bad as this, because two large ships previously sunk, one of them as long ago as in the week ended July 22 last, are included in the return, also one small vessel, and the number unsuccessfully attacked is reduced to nine. Thus the actual sinkings of the past week is reduced to 22, and the number of large ships lost to 16. Even so, this is very near the average, for the large vessels, at least, which for the 35 weeks from March to October was only 18. The total average of vessels of all sizes sunk was for the 35 weeks, March to October, 24.4, and last week's sinkings were only 2.4 short of that average. In the fortnight ended with last Saturday 33 vessels of 1,600 tons and upwards have been sent to the bottom, and in the previous three weeks the total was only 39, that is to say, only six more in the three weeks than in the past fortnight. This is most disagreeable, and we hope the shufflings around now being carried out at the Admiralty are going to bring men and instruments into play capable of altering the record for the better. There *must* be a way of mastering the submarine piracy and murder, and our authorities have got to find it. Has the utmost been done to stop the egress of the enemy submarines, or to ferret out and destroy their lairs? Evidently not yet.

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## The Investors' Review.

### Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

With the reduction in deposit rates, the Bank of England reduced the rate of interest which it allows the clearing banks on deposits at three days' notice from 4 to 3½ per cent., but maintained the rate which it allows on foreign balances here at 4½ per cent. This discrimination in favour of foreign money, as an inducement for these funds to remain here, was first made in November last, and was at first confined to the clearing banks. A few days ago it was extended to foreign

balances in the hands of bankers who are not members of the clearing house—to the Scotch banks and others. But so far it has not been extended to Colonial funds here, and, as a result of the reduction in money rates, a considerable proportion of them have, we learn, been withdrawn from Lombard Street. It is desirable that this money should remain here, and it is urged that, as Colonial funds here are regarded as foreign money for purposes of taxation, should not be treated as domestic funds for interest purposes. Meanwhile, we suggest that this discrimination in favour of foreign funds having proved effective, there is no longer any need for the Bank to maintain the special deposit rate of 3½ per cent. for domestic money. So long as the Bank adheres to that arrangement—which was originally made in order to maintain money rates—the price of money is fixed, for the clearing banks, naturally, will not lend below that figure. If that arrangement were dropped, money would find its own level in the competition of the market.

Had circumstances been at all ordinary we should certainly have begun to see a scramble for credits in the Money market. As it is, there is such a wealth of bankers' credit in existence that we can hardly conceive the occurrence of a really strained market. How the position is can be seen from this week's Bank return. The most conspicuous change in it is a reduction of £34,878,000 in the other deposits. The week's shrinkage, in fact, is greater than the total amount of these deposits frequently stood at in the pre-war age; but they now amount to £123,534,000, and in spite of the huge amount of war finance more or less embedded in the figure, there ought to be sufficient margin to keep the market from extremities until the end of March. At the same time we must expect spasms of scarcity such as occurred in a faint way this week. That is to say, short credits may cost ¼ or ½ per cent. more one day than another, but as long as the great apparatus of our banking credit continues to function with its accustomed smoothness, there will be no pinch.

The other changes in the Bank return show whence the money drawn off other deposits has come, and, in part, where it has gone. Thus £5,824,000 has been added to the public deposits, and £13,966,000 has been paid off under Government securities. At the same time, other securities are less by £15,820,000, which implies that here also the cash received by the Exchequer has been employed in paying off debts of some kind. Other securities, however, are still £48,077,000 larger than they were a year ago, so that the market remains deeply a creditor to the Government. The reserve has risen £768,000 to £31,826,000—that is to say, notes in circulation have fallen off £888,000, but the Bank has lost £120,000 in coin withdrawn, so that the nett increase in the reserve is only as stated. Thanks to a nett reduction of about £29,000,000 in the liabilities and this increase in the reserve, the proportion is up 3½ to 19¼ per cent.

The £8,000,000 of French Treasury bills offered for sale this week in replacement of £7,978,000 of bills falling due on January 15, was quickly subscribed, in spite of the fact that the rate of discount was fixed at 5½ per cent., or ¾ per cent. less than for the old bills. The new bills will mature in 12 months, namely, on January 15, 1919.

The Yokohama Specie Bank, Ltd., London, announces that £338,000 4½ per cent. sterling bonds of the 1st series, and £162,000 4½ per cent. sterling bonds of the 2nd series, of the sterling loans of 1905, have been purchased on behalf of the Imperial Japanese Government for the purpose of cancellation, and the said bonds are now cancelled.

In November last the Government of the State of Bahia instructed their London agents publicly to announce the resumption by the State of cash payments on its external loans. But, owing to unforeseen circumstances, the Government is unable to make the necessary remittances at present. A further announcement, however, will be made on the subject shortly.

There has been a further substantial advance in Scandinavian exchange rates on further buying, effected in the hope entertained in those countries of an early peace. Christiania is about 45 points higher at 14.95 kr., Copenhagen is  $27\frac{1}{2}$  points higher at 15.57 $\frac{1}{2}$  kr., and Stockholm shows a rise of 46 points at 14.41 $\frac{1}{2}$  kr. Pesetos have improved still further in value, Madrid being quoted at 19.50 p. to the pound. Steps, however, are now being taken to rectify the position, a British Exchange Mission, headed by Lord Cunliffe, being now in Spain negotiating with the Spanish banks on the subject. Probably a Spanish credit will be arranged for the purpose. A feature this week has been a sharp rise in Montreal, which is  $2\frac{1}{2}$  cents. higher at \$4.80 $\frac{3}{4}$ . But a still more interesting event has been a marked improvement in the value of Finnish marks, which are now quoted at 27 to the pound. A little while ago they stood at 50, and more recently at 37. The improvement in the value of Finnish currency is due to the recognition which has now been granted to the independence of the Finland Republic.

We confess to a feeling of considerable surprise in reading Sir Robert Kindersley's pronouncement against premium bonds, but this week we have neither time nor space available for the discussion of his circular, and it may not be worth while to enter into any lengthened argument. But we should like to ask him to define "gambling," and further to consider whether the concern of the State is not greater to obtain its money cheaply than for the individual to get high interest? There could be no meaner argument than that in which Sir Robert seeks to demonstrate that the man who invests in a premium bond bearing  $2\frac{1}{2}$  per cent. interest current for 10 years loses £30 of the interest he would otherwise be entitled to, and gets a licence to spend over £30,000,000 in a State lottery. That is not the attitude we should expect from a financier of Sir Robert's experience and skill. Who said we should only issue ten-year bonds? That would be absurd?

Much discussion goes on amongst those who study problems of currency as to the effect of our expanding paper currency on prices and so forth. Mr. Faithfull Begg had an interesting article on the subject of our currency notes in Thursday's *Financial Times*, but his conclusions did not do much to clear up the one essential point. Is our paper money in the form of Treasury notes depreciating the purchasing power of the theoretical sovereign, as we may call it? He rather thought that it had not done much hitherto, but switched off to proclaim his opinion that it would have been better to suspend the Bank Act of 1844 and make all the paper money Bank of England notes. We do not agree with that view, but need not further discuss it, because it has no relevancy to the real problem before the nation. We only allude to it now to indicate that the subject is evidently occupying the Treasury and the Ministry of Reconstruction; for the Lords Commissioners of the Treasury and the Minister of Reconstruction have united in appointing a Committee to survey the various problems likely to arise in connection with currency and foreign exchanges "during the period of reconstruction," i.e., after the war. This Committee is to report upon the steps required to bring about the restoration of normal conditions in due course, and no more difficult task was ever laid upon any body of men. It is impossible to forecast what is going to happen when the war ends. Indeed, we are not sure that some of the most acute problems connected with foreign exchanges and the value of currencies will not come to a head months and months before the war is wound up. Be that as it may, the men selected to form this Committee are all well qualified to act with decision, and to form sound and trustworthy judgments on the difficult problems they will be called upon to deal with from time to time. Here are the names:—Lord Cunliffe, G.B.E., Governor of the Bank of England, chairman; Sir Charles Addis, Hongkong and Shanghai Banking Corporation; Hon. Rupert Beckett, Beckett and Co.; Sir John Bradbury, K.C.B., Secretary to the Treasury; Mr. G. C. Cassels,

Bank of Montreal; Mr. F. Gaspard Farrer, Baring and Co.; Hon. Herbert Gibbs, of Antony Gibbs and Sons; Mr. W. H. N. Goschen, chairman of the Clearing Bankers' Committee; Lord Inchcape of Strathnaver; Mr. R. W. Jeans, Bank of Australasia; Mr. A. C. Pigou, M.A., Professor of Political Economy, Cambridge University; Mr. G. F. Stewart, D.L., F.S.I., Ex-Governor of the Bank of Ireland; Mr. William Wallace, Royal Bank of Scotland. Mr. G. C. Upcott, of the Treasury and Ministry of Reconstruction, will act as secretary to the Committee.

Mr. P. D. Blake, a bank manager, has taken the trouble to draw up a model prospectus for the guidance of the Bank of England in marketing its National War bonds, and certainly his more elaborate compilation is an improvement upon the old-fashioned, dignified brevity of the Bank's document. He puts in the forefront of the announcement how, when, and where to apply, and clear directions on many points of great interest to the intending investor.

#### SILVER.

Silver has been firm all week, but the price has not changed from 45 $\frac{3}{4}$ d. per oz., which is 1 $\frac{1}{4}$ d. higher than that quoted at the end of the year. Very little has been offered from New York, Messrs. Mocatta say, no doubt partly because of the purchases of the Government there. There is no further news of the State Government's purchase of the native production, but until that appeal is settled, holders are not going to part with their silver. From Messrs. Montagu's circular we learn that the stock in Bombay remains at 3,700 bars, and in Shanghai, on January 5, the stock was 24,500,000 ozs. in sycee and \$13,200,000. This is an increase of 100,000 in the ounces and a decrease of \$100,000.

Applications for the Rs. 40,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,22,55,000. Of these Rs. 37,04,000 were allotted in deferred transfers, and Rs. 2,96,000 in immediate transfers. Tenders for bills and deferred transfers at 1s. 4 29-32d. and for immediate transfers at 1s. 5d. received about 17 per cent. Since April last Rs. 38,20,00,000 have been sold, realising £26,173,977. Next week 40 lakhs will again be offered.

#### BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, January 9, 1918.

##### ISSUE DEPARTMENT.

Notes Issued	£	Government Debt..	£
.. ..	76,358,790	.. ..	11,015,100
		Other Securities ..	7,434,900
		Gold Coin and Bullion ..	57,908,790
		Silver Bullion .. ..	—
	£76,358,790		£76,358,790

##### BANKING DEPARTMENT.

Proprietors' Capital	£	Government Securities ..	£
.. ..	14,553,000	.. ..	56,810,170
Res. .. ..	3,360,905	Other Securities ..	90,661,200
Public Deposits (including		Notes .. ..	30,655,660
Exchequer, Savings		Gold and Silver Coin ..	1,169,876
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	37,898,589		
Other Deposits .. ..	123,533,523		
Seven Day and other Bills	8,980		
	£179,354,906		£179,354,906

Dated January 10, 1918.

J. G. NAIRNE, Chief Cashier.

##### BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. Jan. 10.		Jan. 2, 1918.	Jan. 9, 1918.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,396,022	Rest .. ..	3,321,425	3,350,805	39,380	—
49,594,900	Pub. Deposits ..	32,074,902	37,898,589	5,823,687	—
130,248,009	Other do. ..	158,411,326	123,533,523	—	34,877,803
29,364	7 Day Bills ..	11,660	8,989	—	2,671
	Assets.			Decrease.	Increase.
120,273,560	Gov. Securities.	70,833,770	56,868,170	13,965,600	—
42,584,303	Other do. ..	106,480,723	90,661,200	15,819,523	—
34,898,022	Total Reserve ..	31,057,820	31,845,536	—	787,716
				35,648,190	35,648,190
£		£	£	Increase.	Decrease.
39,016,540	Note Circulation	46,591,020	45,703,130	—	887,890
55,464,562	Coin and Bullion	59,198,840	59,078,666	—	120,174
194 p.c.	Proportion ..	163 p.c.	197 p.c.	34 p.c.	—
6 "	Bank Rate ..	5 "	5 "	—	—

### PUBLIC INCOME AND EXPENDITURE. (For 7 days ended Jan. 5.)

REVENUE.	EXPENDITURE.
£	£
Customs .. .. .	National Debt Service .. 2,344,934
Excise .. .. .	Inter st. &c., on War Debt .. 1,601,352
Estate, &c., Duties .. ..	Development & Road Impvt .. —
Stamps .. .. .	Payments to Local Taxation .. 10,000
Land Tax and House Duty ..	Other Consolidated Fund .. —
Property and Income Tax .. 7,491,000	Charges .. .. .
Excess Profits Tax .. ..	Supply Services .. .. 40,660,000
Land Values .. .. .	Bullion Advances .. .. 50,000
Post Office .. .. .	For Advance for Interest .. —
Crown Lands .. .. .	on Exchequer Bonds under .. —
Sundry Loans .. .. .	Capital Expenditure .. —
Miscellaneous .. .. .	(Money) Act, 1904 .. .. —
Bullion advances repaid .. 100,000	For Treasury Bills .. .. 67,094,000
For Treasury Bills for Supply .. 82,949,000	War Loan and Exchequer .. —
5% Exchequer Bonds, 1922 .. —	Bonds .. .. .
6% Exchequer Bonds, 1920 .. —	Other Debt under War Loan .. —
Nation-1 War Bonds .. .. 20,245,000	Acts, 1914-16 .. .. .
War Expenditure Certificates ..	For Exchequer Bonds under .. —
War Savings Certificates .. 1,300,000	Section 61 of Finance Act, .. —
4% War Loan, 1929-1942 .. —	1916, and Section 34, 1917 .. —
5% War Loan, 1929-1942 .. —	Under Telegraph (Money) .. —
Other Debts created under .. —	Act, 1913 .. .. .
War Loan Act, 1915, and .. —	Under Post Office (Lon- .. —
Finance Act, 1916 .. .. 16,133,264	don) Railway Act, 1913 .. 27,000
Telegraph Money Act, 1913 .. —	Under Military Works Acts .. —
Under Post Office Rly. Act, .. —	Under Housing Act, 1914 .. —
1913 .. .. .	Public Buildings Expendi- .. —
Under Military Works Act, .. —	ture Act, 1903 .. .. .
1897-1903 .. .. .	Old Sinking Fund, 1907-8 .. —
Under Public Buildings .. —	Sinking Fund, 1914 .. .. —
Under Housing Act .. .. —	China Indemnity .. .. .
Repayment of Advance for .. —	Canard Agreement Act .. .. —
Interest on Exchequer .. —	Depreciation Fund .. .. .
Bonds .. .. .	Suez Canal Drawn Shares .. —
China Indemnity .. .. .	Temporary Advanc s Repaid .. 10,000,000
Canard Loan repayment .. —	Increase in Exchequer .. —
Suez Canal Drawn Shares .. —	balances .. .. .
Ways and Means Advances .. 2,000,000	.. .. . 799,801
Decrease in Exchequer .. —	
balances .. .. .	
£122,585,087	£122,585,087

\*Excluding sales through banks which have not yet been brought to account.

### CURRENCY NOTES.

Return of Currency Notes for the week ended January 9, 1918.

	Issued.	Cancelled.	Outstanding.
£1 notes .. .. .	2,933,276	3,786,523	152,834,947
10s. notes .. .. .	1,063,428	1,312,980	37,347,131
Note certificates .. ..	—	400,000	21,650,000
Previous total .. .. .	799,050,554	586,599,603	212,440,950
	803,047,258	591,219,180	211,828,078

Ratio of gold held against notes, this week 14.97 p.c.; last week 14.98 p.c.

### LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
December .. .. .	1,439,206,000	1,204,438,000	234,768,000	—
Total .. .. .	19,121,196,000	15,275,040,000	3,846,156,000	—
January 2 .. .. .	1918.	1917.		
" 9 .. .. .	400,652,000	389,111,000	11,541,000	—
" 9 .. .. .	455,056,000	376,702,000	78,354,000	—
Total .. .. .	855,708,000	765,813,000	89,895,000	—

### FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Dec. 14, 1917.	Dec. 7, 1917.	Dec. 15, 1916.
	£	£	£
Gold coin and certificates ..	100,568,000	100,131,200	51,263,600
Gold Settlement Fund .. ..	78,762,000	75,355,600	35,463,200
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks ..	189,830,000	185,986,800	86,726,800
Gold with Federal Res. Agent ..	136,675,600	136,787,800	54,654,800
Gold Redemption Fund .. ..	3,542,000	3,497,000	303,600
Total gold reserves .. .. .	330,047,600	326,271,600	141,715,200
Legal tender notes, silver, &c. ..	10,020,200	10,380,800	1,581,400
Total reserves .. .. .	340,076,800	336,661,400	143,296,600
Bills discounted—Members' ..	142,686,200	137,380,400	7,549,600
Bills bought in open market ..	50,815,600	38,116,400	24,581,600
Total bills on hand .. .. .	193,571,800	175,516,800	32,133,200
U.S. Gov. long-term sec. .. ..	10,754,800	9,839,600	8,529,600
U.S. Gov. short term sec. ..	9,609,200	10,084,800	2,233,400
Municipal warrants .. .. .	198,800	182,800	2,239,000
Loans on gold coin and bullion ..	—	—	—
Total earning assets .. .. .	214,134,600	195,624,000	45,135,200
Due fm other Fed Res bks—n. ..	6,298,800	5,266,400	9,517,200
Uncollected items .. .. .	63,931,200	62,114,400	—
Total deducts. fm gross dep. ..	70,230,000	67,380,800	9,517,200
5% Red. Fund ag Fed. Res. bks ..	107,400	107,400	84,000
All other resources .. .. .	561,000	593,600	931,200
Total resources .. .. .	625,110,800	600,367,200	198,964,200
Capital paid in .. .. .	13,888,000	13,009,600	11,146,200
Government deposits .. .. .	25,857,000	33,713,600	5,752,400
Due to members—Res. account ..	309,806,000	287,434,800	—
Due to non-mbrs—clearing ac. ..	—	—	128,627,200
Members' bank deposits—nett ..	39,353,400	37,972,200	—
Collection items .. .. .	2,856,400	3,117,200	—
Total gross deposits .. .. .	377,872,800	362,237,800	134,379,600
F.R. notes in actual circulat'n ..	230,677,000	222,107,400	53,275,200
F.R. bk nts in circn—nett liab. ..	1,600,000	1,600,000	—
All other liab. in for Gov crdts ..	1,073,000	612,400	163,200
Total liabilities .. .. .	625,110,800	600,367,200	198,964,200
Gold res. ag nett deposit liab ..	61.7%	63.1%	69.5%
Gold & lawful money reserve ..	65.0%	66.6%	71.7%
against nett deposit liabilities ..	60.8%	63.4%	103.2%
Gold res ag F.R. nts in act circ ..	—	—	—

### NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Jan. 5, 1918.	Dec. 29, 1917.	Dec. 22, 1917.	Jan. 6, 1917.
	£	£	£	£
Loans .. .. .	825,988,000	825,746,000	834,670,000	668,806,000
Reserve held in own Vaults ..	3,990,000	4,018,000	3,900,000	92,054,000
Reserve held in Fed. Res. Bk. ..	104,616,000	104,862,000	104,572,000	36,648,000
Cash in own Vaults .. .. .	22,466,000	21,846,000	21,744,000	—
Reserve held in Other Depos. ..	1,776,000	1,680,000	1,740,000	11,064,000
Nett Demand Deposits .. .. .	720,240,000	702,458,000	702,038,000	670,686,000
Nett Time Deposits .. .. .	38,566,000	38,548,000	37,598,000	32,404,000
Circulation .. .. .	6,810,000	6,806,000	6,802,000	5,778,000
Excess Lawful Reserve .. .. .	14,324,000	16,546,000	16,586,000	24,132,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

### NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Jan. 5, 1918.	Dec. 29, 1917.	Dec. 22, 1917.	Jan. 6, 1917.
	£	£	£	£
Loans .. .. .	163,090,000	164,770,000	167,568,000	150,994,000
Specie .. .. .	3,672,000	3,852,000	4,384,000	12,432,000
Deposits .. .. .	168,514,000	167,976,000	168,968,000	161,464,000
Legal Tenders .. .. .	15,428,000	15,292,000	14,865,000	2,156,000

### BANK OF FRANCE (25 francs to the £).

	Jan. 10, 1918.	Jan. 3, 1918.	Dec. 27, 1917.	Jan. 11, 1917.
	£	£	£	£
Gold in hand .. .. .	132,816,320	132,736,360	132,576,640	136,237,160
Silver in hand .. .. .	9,844,360	9,873,120	9,906,280	11,495,880
Bills discounted .. .. .	38,326,680	41,929,920	36,478,480	27,829,960
Advances .. .. .	48,807,240	48,825,160	48,476,960	51,806,320
Note circulation .. .. .	919,311,080	911,564,920	893,471,960	684,201,560
Public deposits .. .. .	6,260,560	13,464,160	10,074,360	1,371,920
Private deposits .. .. .	107,779,200	111,068,840	116,549,640	88,726,800
Foreign Bills .. .. .	191,960	123,760	251,920	224,240

Proportion between bullion and circulation 24.38 per cent., against 24.58 per cent. last week. Advances to the State £500,000,000, unchanged. The adjourned payments of drafts in Paris on account of the moratorium, £20,153,120, decrease £80,760, and at the branches £25,240,160, decrease £33,120.

### IMPERIAL BANK OF GERMANY (20 marks to the £).

	Dec. 31, 1917.	Dec. 22, 1917.	Dec. 15, 1917.	Dec. 30, 1916.
	£	£	£	£
Total Coin & Bullion .. ..	129,396,800	128,468,650	127,844,200	126,828,600
Treasury Notes .. .. .	65,239,500	57,840,550	54,653,250	21,104,450
Bills discounted .. .. .	729,805,300	630,907,800	614,123,450	480,488,350
Advances .. .. .	255,550	315,550	380,800	487,000
Note circulation .. .. .	573,387,450	551,301,850	538,666,400	402,732,600
Deposits .. .. .	402,514,450	331,752,500	304,802,700	288,210,300

Clearing House return during December £487,637,765, against £424,889,705 in November.

### BANK OF NORWAY.

	Dec. 15, 1917.	Dec. 7, 1917.	Nov. 30, 1917.	Dec. 15, 1916.
	£	£	£	£
Gold .. .. .	6,296,000	6,332,000	6,322,000	6,838,000
Balance abroad and .. .. .	—	—	—	—
Foreign Bills .. .. .	4,676,000	4,502,000	4,388,000	4,896,000
Gov't Securities .. .. .	717,000	701,200	707,000	767,000
Discounts & Loans .. .. .	20,686,000	20,437,000	20,235,000	6,754,000
Notes in Circulation .. .. .	17,516,000	17,023,000	17,043,000	13,594,000
Deposits at notice .. .. .	11,311,000	11,454,000	11,093,000	3,053,000

### NETHERLANDS BANK (12 Florins to the £).

	Jan. 5, 1918.	Dec. 29, 1917.	Dec. 22, 1917.	Jan. 6, 1917.
	£	£	£	£
Gold and Silver .. .. .	58,676,750	58,771,666	58,805,332	49,773,583
Bi- and Advances .. .. .	16,149,333	16,442,250	14,143,400	14,324,416
Note circulation .. .. .	74,825,000	74,486,750	72,452,834	62,865,833
Deposits .. .. .	3,603,416	4,469,333	4,129,750	5,491,833

### BANK OF SPAIN (25 pesetas to the £).

	Dec. 29, 1917.	Dec. 22, 1917.	Dec. 15, 1917.	Dec. 30, 1916.
	£	£	£	£
Gold .. .. .	78,672,630	78,670,148	78,657,315	50,035,820
Silver .. .. .	28,421,539	28,589,309	28,600,283	29,641,660
Foreign Bills .. .. .	3,575,663	3,588,975	3,598,457	3,606,816
Discounts and Short Bills ..	29,051,306	29,199,801	29,217,251	26,582,500
Treasury Account, &c. .. ..	26,801,704	25,088,171	25,068,786	26,644,050
Notes in Circulation .. .. .	111,313,516	110,216,965	110,037,266	94,403,340
Current Accounts, Deposits ..	38,046,135	37,376,726	37,224,616	30,057,640
Dividends, Interests, &c. ..	1,090,427	956,048	1,314,816	1,799,304
Government Securities .. ..	2,854,481	3,383,557	3,889,506	2,170,718

### STATE BANK OF RUSSIA (10 roubles to the £).

	Oct. 29, 1917.	Oct. 20, 1917.	Oct. 13, 1917.	Oct. 29, 1916.
	£	£	£	£
Notes in reserve .. .. .	15,780,000	10,110,000	11,600,000	10,510,000
Gold .. .. .	129,520,000	129,560,000	129,650,000	155,880,000
Gold in reserve abroad .. ..	230,860,000	230,860,000	230,860,000	203,500,000
Loans and Discounts, .. .. .	—	—	—	—
including Treasury .. .. .	—	—	—	—
Bonds .. .. .	1,718,120,000	1,761,770,000	1,607,840,000	600,350,000
Circulation note issue .. ..	1,836,210,000	1,785,890,000	1,729,010,000	784,490,000
Deposits, including .. .. .	—	—	—	—
Treasury deposits .. .. .	345,550,000	344,910,000	344,270,000	22,373,000

### BANK OF ITALY (25 lire to the £).

	Nov. 30, 1917.	Nov. 20, 1917.	Nov. 10, 1917.	Nov. 30, 1916.
	£	£	£	£
Total cash .. .. .	46,332,200	43,990,800	45,405,560	42,741,360
Inland Bills .. .. .	33,507,760	32,650,720	28,071,500	19,431,160
Foreign Bills .. .. .	884,000	884,040	885,640	831,060
Advances .. .. .	23,505,720	24,184,160	23,665,720	7,841,800
Government securities .. ..	8,788,660	8,792,080	8,774,660	8,981,320
Circulation .. .. .	253,120,000	249,420,640	239,434,880	150,096,360
Deposits at notice .. .. .	31,864,120	34,028,560	34,130,160	16,703,200
Current accounts .. .. .	18,024,760	17,110,360	15,634,540	13,833,360

## SWISS NATIONAL BANK (25 francs to the £).

	Dec. 7, 1917.	Nov. 30, 1917.	Nov. 23, 1917.	Dec. 7, 1916.
Gold and silver ..	16,134,448	16,176,224	16,188,932	14,970,756
Bills ..	9,410,308	9,278,536	9,267,452	6,746,180
Note circulation ..	24,765,424	25,103,608	23,962,372	18,801,888
Current and deposit accounts ..	3,604,000	3,800,432	4,076,568	4,701,788

## BANK OF SWEDEN.

	Dec. 15, 1917.	Dec. 8, 1917.	Dec. 1, 1917.	Dec. 16, 1916.
Gold ..	12,831,000	12,591,000	12,577,000	10,152,000
Balance abroad and Foreign Bills ..	6,934,000	6,796,000	6,940,000	8,049,000
Swedish and Foreign Govt. Securities ..	4,440,000	6,381,000	6,381,000	3,531,000
Discounts and Loans ..	14,200,000	12,094,000	10,608,000	7,483,000
Notes in circulation ..	29,564,000	29,321,000	29,977,000	21,478,000
Deposits at notice ..	9,562,000	9,292,000	7,269,000	7,132,000

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	Jan. 8, 1918.		Jan. 10, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	10.97	11.05	10.98	11.03
Paris ..	Three months' bills ..	11.10	11.20	11.12	11.18
..	Cable transfers ..	27.20	27.25	27.18	27.23
..	Three months' bills ..	27.60	27.65	27.60	27.65
Switzerland ..	Cable transfers ..	21.30	21.45	21.30	21.45
..	Three months' bills ..	21.65	21.85	21.65	21.85
Petrograd ..	Cable transfers ..	365	375	363	368
Genoa, &c. ..	Cable transfers ..	40.05	40.25	39.65	39.85
Spain ..	Cable transfers ..	19.45	19.55	19.48	19.53
..	Three months' bills ..	57½	58½	57½	58½
Lisbon and Oporto ..	Cable transfers ..	29½	30½	29½	30½
Copenhagen ..	Cable transfers ..	15.70	15.90	15.50	15.60
Christiania ..	Cable transfers ..	14.95	15.15	14.72	14.82
Stockholm ..	Cable transfers ..	14.40	14.50	14.35	14.45

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22½	27.22½	27.20
Amsterdam, cheques ..	Florins to £1 ..	12.107	11.01½	11.00
Italy, sight ..	Lire to £1 ..	25.22½	40.01	39.75
Madrid, sight ..	Pesetas to £1 ..	25.22½	16.60	16.55
Lisbon, sight ..	Pence to milreis ..	53½d.	30½d.	30d.
Switzerland, sight ..	Francs to £1 ..	25.22½	21.00	21.32½
Christiana, sight ..	Kroner to £1 ..	18.159	14.80	14.72½
Stockholm, sight ..	Kroner to £1 ..	18.159	15.40	14.72½
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.62½	15.55
Petrograd, sight ..	Roubles to £10 ..	94.57	36½	370
Alexandria, sight ..	Piastres to £1 ..	97½	97½	97½
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Hong Kong, T.T. ..	Sterling to dollar ..	—	3/10	3/10
Shanghai, T.T. ..	Sterling to tael ..	—	4/3½	4/5
Singapore, T.T. ..	Sterling to dollar ..	—	2/4½	2/4½
Yokohama, T.T. ..	Sterling to yen ..	24.58d.	2/1½	2/1½
New York, cable ..	Dollars to £1 ..	4.86½	4.76½	4.76½
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	52½d.	52½d.
Valparaiso, 90 days ..	Pence to peso ..	—	14.5½d.	14.5½d.
Montevideo, T.T. ..	Pence to dollar ..	51d.	6½d.	6½d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13½d.	13½d.

## OPEN MARKET DISCOUNT. Last week. This week

	Per cent.	Per cent.
Thirty and sixty day remitted ..	3½	3½
Three months ..	3½	3½
Four months ..	3½	3½
Six months ..	3½	3½
Three months fine inland bills ..	4½	4½
Four months ..	4½	4½
Six months ..	4½	4½

## BANK AND DEPOSIT RATES.

	Last week	This week
	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
.. short loan rates ..	—	—
Bankers' rate on deposits ..	3½	3½
Bill brokers' deposit rate (call) ..	3½	3½
.. 7 and 14 days' notice ..	3½	3½
Current rates for 7 day loans ..	3½	3½
.. for call loans ..	3½	3½

## The Week's Stock Markets.

Nothing of very much importance has occurred on the Stock Exchange this week, but on the whole the tone has been cheerful to a degree that is extremely encouraging, especially as the amount of business passing has not been sufficient to create any great enthusiasm. However, the speeches both of Mr. Lloyd George and President Wilson seemed to create a very favourable impression, and if we have to submit to a few more jointless Sundays, there is some consolation in knowing that rabbits, even at 10s. a brace, are not obtainable in Berlin. Anyhow, it is satisfactory to be able to record a very substantial recovery in Russian securities, and for that we must give the credit to President Wilson's sympathetic speech with regard to the very trying experiences the country is going through, and of which the end is not yet in sight. With the re-

	Last Week	This Week		Last Week	This Week
Consols. ....	55½	55½	N.S.W. 4½% 5 yr. bds. ....	98	95
War Loan 3½% ..	85½	86	" 4½% 1922-7 ..	89½	90
" 4½% 1920-47 ..	99½	99½	" 5½% 1921-3 ..	95	95
" 5% 1920-47 ..	93½	93½	" 5½% 1920-3 ..	98½	99
India 3% ..	101½	101½	New Zealand 4½% 1920-3 ..	89½	85½
" 3½% ..	55½	55½	Queensland 4½% 1920-3 ..	89½	80½
Australian 5½% 1920-22 ..	98½	97½	Union of S. Africa 4½% ..	91	92½
Canada 4½% 1920-60 ..	81½	81½	1920-5 ..	91	91
N.S.W. 4½% 1920-5 ..	92½	93	Victoria 4½% 1920-5 ..	92	92½
Argentine 4½% 1900 ..	67	69	Westn. Aus. 4½% ..	78½	79
Belgian 3% ..	61	62½	French War Loan, 5% ..	76½	79½
Brazil, 1913 ..	70	70½	Japan 4½% (1st), 1905 ..	98½	98½
" 5% 1914 ..	80	81½	" 5% 1907 ..	91	91½
Chinese 1896 ..	92	92	Mexican 5½% 1899 ..	57½	59½
" 1912 ..	83	83	Russia 4½% ..	41½	42½
Egypt Unified 4% ..	84	85	" 4½% 1909 ..	45½	48½
Caledonian defd. ....	9	9	" 5% 1906 ..	53½	57
Gt. Central pf. ....	13½	13½	London and N.W. ....	93	93
" defd. ....	6½	6½	London and S.W. defd. ....	25	24½
Gt. Eastern ..	36½	36½	Do red. pf. 1914 ..	94	94
Gt. Northern defd. ....	38	38½	Metropolitan ..	23½	23½
Gt. Western ..	86½	86½	Do. 5% pf. ....	77	77
Lancs. and Yorks. ....	65½	66	Met. District ..	15½	15½
London Brighton defd. ....	60	60	Midland defd. ....	58½	58½
London Chatham ord. ....	9	8½	Nth. British defd. ....	13½	14
Canadian Pacific ..	160	159½	Nth.-Eastern ..	98½	98½
E. Indian Guar. 4½% debts. ....	84	84	Sth.-Eastern defd. ....	30½	30½
Grand Trunk ord. ....	10	98	Chesapeake ..	54½	56
Do. 1st pf. ....	55	53	Erie ..	21½	21
Do. 3rd pf. ....	22½	21½	Southern ..	25½	26
Antofagasta defd. ....	130	131	Cent. Argentine ord. ....	60	60
Brazil Common ..	5	5	Leopoldina ..	37½	37½
B. A. & Pacific ..	40	40	Mexican ord. ....	17½	19½
B. A. Gt. Southern ..	74	74½	San Paulo (Brazilian) ..	179	181
B. A. Western ..	70½	71	United of Havana ..	75	75
Anglo-South American ..	78	78	London & S.W. ....	13½	13½
Bank of Australasia ..	114	116	London City & Midland ..	7½	7½
Bank of N.S. Wales ..	35½	35½	London County & West ..	12½	15½
Barclay & Co. "A" ..	78	78	London Joint Stock ..	24	25
Do. "B" ..	11½	11½	Nat. Prov. of Eng. (£10½ pd) ..	27	27
Capital & Counties ..	23	24	Do. (£12 pd) ..	31	31
Chartered of India ..	68½	68½	Parr's ..	29	30
Hongkong & Shanghai ..	84	85	Standard of S.A. ....	10½	10½
Lloyds ..	25	25	Union Discount ..	10½	10½
London & Provincial ..	17½	17½	Union & Smiths ..	27½	27½
London & Brazilian ..	23	23½	Kynochs ..	39½	38½
Armstrong, Whitworth ..	41½	42½	Mend Nickel ord. ....	32	32
Birmingham Small Arms ..	52½	54½	South Durham Steel ..	38½	39½
Cammell-Laird ..	68	68	Thornycroft ..	40½	40½
Cargo Fleet ..	22½	22½	Vickers ..	42½	43½
Dorman, Long ..	46½	46½	Fine Cotton Spinners ..	32½	35½
Associated Cement ..	36½	37½	Forestal Land ..	47½	47½
Borax defd. ....	20½	20½	Furness, Withy ..	60½	60½
Bovril ..	45½	46½	Harrods Stores ..	2½	2½
Brazil Traction ..	18½	18½	Hudson's Bay ..	7½	7½
British Amer. Tobacco pf. ....	32½	33½	Imperial Tobacco "C" pf. ....	19½	19½
British Aluminium ..	31½	31½	Lever Bros. "C" pf. ....	19½	19½
British Oil & Cake ..	31½	31½	Lyons, J. ....	31½	31½
Brunner, Mond ..	48	48	Marconi ..	31½	31½
Castner-Kellner ..	38½	38½	Maypole Dairy defd. ....	19½	20½
Coats ..	6½	6½	National Steam Car. ....	18½	18½
Courtaulds ..	68	68	Pears, A. & F. ....	11½	11½
Cunard ..	47½	47½	P. & O. defd. ....	33½	34½
Dennis Bros. ....	35½	35½	Royal Mail ..	12½	12½
Eastern Telegraph ..	15½	15½	Underground Inc. Bds. ....	82	82
Kashtmans ..	10½	9½	North Caucasian ..	11½	11½
English Sewing Cotton ..	56½	56½	Romanian Cons. ....	9½	9½
Anglo-Egyptian "B" ..	27½	27½	Royal Dutch (100 gulden) ..	51	51
Baku (10s.) ..	1/9	1/9	Shell ..	58	58
Burmah ..	78	78	Spies (10/-) ..	7/3	7/3
Lobitos ..	22	22½	Ural Caspian ..	18	18
Maikop Pipeline ..	3/1	3/1	Perak 2/- ..	8/1	8/1
Mexican Eagle pf. ....	64/3½	63/6½	Port Dickson 2/- ..	4/3	4/3
Allagar 2/- ..	3/3	3/4	Rub. Estates Johore £1 ..	45½	45½
Anglo-Java Rub. 2/- ..	7/1	7/3	Rub. Estates Krian 2/- ..	4/2	4/3
Anglo-Malay 2/- ..	14/3½	14/7½	Rubber Trust £1 ..	29½	29½
Ayer Kuning £1 ..	50½	52½	Sampang (Java) 2/- ..	2/7½	2/10
Batang Malaka 2/- ..	5/1	5/1	Sapumalkande £1 ..	27½	27½
Bekoh 2/- ..	4/7½	4/7½	Seaport £1 ..	28½	28½
Brit. N. Borneo Trust £1 ..	16½	16½	Selangor ..	35½	35½
Bukit Clob 2/- ..	5/1½	5/1½	Sengat 2/- ..	3/3½	3/4½
Bukit Kajang £1 ..	74½	75½	Seremban £1 ..	44½	45½
Bukit Mertajam 2/- ..	4/9	4/9	Shelford £1 ..	39½	39½
Bukit Sembawang 2/- ..	3/6	3/6	Sialang £1 ..	70½	70½
Carey United £1 ..	46½	46½	Singapore Para 2/- ..	4/7½	4/7½
Ceylon Para 2/- ..	10½	10½	Singapore United 2/- ..	3/4½	3/4½
Chersonese ..	3/6	3/7	Soember Aioe 2/- ..	3/1	3/1½
Chevi 2/- ..	6/3	6/3	Stagbrook £1 ..	33½	33½
Dalkeith 2/- ..	3/1	3/1	Straits Bertam 2/- ..	6/9	7/1
Eastern Invest. Trust £1 ..	27½	27½	Sumatra Para 2/- ..	9/6	9/6
Grand Central £1 ..	27½	27½	Sungei Bahr £1 ..	40½	40½
Gula Kalumpung £1 ..	15½	15½	Sungei Kapar 2/- ..	11½	11½
Highlands £1 ..	60/9½	61½	Sungei Kruit £1 ..	56½	56½
Java Investment £1 ..	29/4½	31½	Taiping 2/- ..	4/4½	4/4½
Java Para £1 ..	32/6	32/6	Tali Ayer £1 ..	37½	37½
Johore Rubber Lands £1 ..	34/3	35½	Tandjong £1 ..	9/16	9/16
Kamunin 2/- ..	4/4	4/4	Tandjong Malim £1 ..	31/3	31/3
Kinta Kellas 2/- ..	4/6	4/7	Tebrau £1 ..	66½	65½
Kuala K. bu 2/- ..	3/3	3/3	Teloregdo £1 ..	47½	47½
Labu 2/- ..	10½	10½	Tempeh 2/- ..	2/9	2/9
Langen Java £1 ..	42/6	45½	United Serdang 2/- ..	11½	11½
Linggi 2/- ..	28/6½	28/9½	United Sumatra 2/- ..	8/9	8/9
London Asiatic 2/- ..	8/10½	9½	Val d'Or 2/- ..	4/1½	4/1½
Malacca £1 ..	5½	5½	Vallambrosa 2/- ..	24½	24½
Malayalam £1 ..	41½	41½	Way Halim 1/8 pd. ....	2/6	2/6
Merlimau 2/- ..	5/6	5/8	Gt. Boulder (2/-) ..	13½	13½
Padang Jawa 2/- ..	3/6	3/7½	Kyshtum ..	1½	1½
Pataling 2/- ..	44½	46½	Mashonaland Agency ..	7/1	7/1
Abontiakoon (10/-) ..	4/1½	4/1½	Meyer & Charlton ..	58	58
Bechuanaland Exp. ..	7/3	7/3	Modder "B" ..	88	88
Brakpan ..	58	58	Do. Deep ..	78½	78½
Broken Hill Prop. (8/-) ..	53½	55½	Mysore ..	3	3
Cam & Motor ..	10/9	10/9	Rand Mines (5/-) ..	6½	6½
Central Mining (£12) ..	6½	6½	Rio Tinto (£5) ..	38½	38½
Chartered ..	15½	15½	Russo-Asiatic ..	38½	38½
City Deep ..	38½	38½	Spring Mines ..	38½	38½
Cons. Gold Fields ..	1½	1½	Tanganyika ..	38½	38½
Cons. Langlaagte ..	21½	20½	Tanayik ..	19	19
Crown Mines (10/-) ..	2½	2	Van Kyn Deep ..	38½	38½
De Beers defd. (£2 10s.) ..	138	132			
East Rand ..	5/6	5/9			
Gnduld ..	38½	38½			
Gov. Areas Mod ..	38½	38½			

lease of the January dividends, and the reduction in money rates, a better demand developed for gilt-edged securities, and Home Rails were fairly well supported in view of the approach of the dividend period, but there were also tired holders anxious to take advantage of the recent improvement to realise. The success of the French Treasury bill issue helped the other stocks of our Ally, and Brazilians were strong on the hardening of the exchange. Shipping shares, in spite of the denial of amalgamation rumours, have advanced on the belief that Blue-book rates are to be revised in favour of the companies, and Cunards were particularly favoured in the expectation that a capital reorganisation scheme will provide a handsome bonus to the shareholders. Argentine labour troubles—probably fomented by German money—have been a thorn in the side of investors, but that is only a passing phase, and the country has such great possibilities as a producer, both of bread and meat, that its progress cannot be retarded except for a brief period. At the same time, there is no fundamental improvement in the situation anywhere, and we would not encourage undue optimism with regard to speculative investments of any kind.

Business in the Stock markets has been to some extent helped by the reduction in money rates, but except for some improvement in the gilt-edged section at one end and the more speculative markets at the other, the amount of transactions has not been anything much to boast about. Indeed, the daily markings have only just kept around the 3,000 level, and that does not indicate much enthusiasm on the part either of the public or professional dealers. Consols have been exceptionally good in the gilt-edged division, and several War Loan stocks have also been shifted to a moderate extent, but towards the close the tendency was rather inclined to flatness. Colonials also improved at the outset on the reduction of money rates, but when the first flutter had subsided there was scarcely a bargain transacted. In the Foreign market the most prominent incident has been the continued strength of Russian securities, which have advanced almost daily a point or more at a time. This is no doubt largely due to the extremely benevolent attitude adopted by President Wilson with regard to the troubles that the Revolutionary Government has to face and overcome, and although it may, and probably will, take a long time for the country to settle down to stable government, it will undoubtedly help if the better elements are heartily supported by the Allies. Brazilian stocks advanced a point or more, and Mexicans, Peruvians, and Uruguays also showed strength, but Colombians and Guatemalas both receded. French issues were good on the success of the Treasury bill issue.

Home Railways after their recent smart advance were rather inclined to give way, and fractional declines were fairly numerous throughout the list. After some recovery on repurchases and buying in view of the forthcoming dividends the tone again became irregular, and the close was rather dull. American Railroads at the outset were rather good, with Chesapeake most prominent, but subsequently prices gave way practically all round, New York, Ontario, Denver, and Erie being prominently weak. Mexican Nationals, however, showed up to some advantage. International Mercantile Marine, after dropping 2 to 3 points, recovered smartly, and closed with a substantial gain. Canadian Pacific has scarcely moved; in fact, the market has almost dried up, but Trunks have been persistently weak and have dropped back step by step almost daily. Mexicans, on the other hand, have shown wonderful strength, and it looks as though the country might settle down sooner than at one time appeared to be possible. Argentine Railways have been irregular, but, on the whole, the tendency has been decidedly weak owing to a fresh outbreak of the labour difficulties which we had all hoped were settled long since. Strikes have again broken out, and according to the latest advices there is reason to fear that damage is again being done to the property of the railways.

Bank shares have been in better favour owing to the excellent reports now being issued, and many of the leading issues have gained a substantial fraction, while among the foreign banks, Hongkong and Shanghai has been prominent with an advance of 1 point. Breweries continue to forge ahead wonderfully in face of the numerous restrictions to which they are liable, and Allsops have made great progress on the improved outlook for the company. City of London Brewery also advanced smartly. The Egyptian section has been very firm, and among Catering shares Liptons have been well supported, while Lyons and Slaters have been rather flat. Among Iron and Steel shares, Otis advanced several points, and many others have gained a fraction, but the tone was not so confident as these movements would seem to indicate. Shipping shares have been remarkably strong on the belief that Blue-book rates will be revised in favour of the companies, and P. and O., Royal Mail, Cunard, and one or two others have done remarkably well. Indo-China dropped 5 points on the denial of rumours of amalgamation, but they picked up most of the loss. Among Textiles, Coats, Courtaulds, Fine Spinners, and Bradford Dyers all showed a very firm tendency, and a fair amount of business was transacted in them. Among Miscel-

laneous Industrials, Alby Carbides were conspicuous, first with a sharp advance and later with an equally heavy decline. Cements, Borax Consolidated, and Dunlop Rubbers were strong, but Castner-Kellner fell a considerable fraction.

Oil shares have not attracted much interest, and the movements have been very irregular, but "Shells," Mexicans, and a few others were in demand and made some headway. Rubber shares have been well supported, in spite of the fact that the price of the raw material has once more fallen back considerably below the half-crown mark. The better-class shares were mostly favoured, and as the supply is extremely limited, while the demand is fairly persistent, it is not surprising that prices moved more than the actual amount of business passing would ordinarily justify.

### LONDON PRODUCE MARKETS.

A quiet and rather featureless state of affairs prevailed in most directions, but price changes were not of much importance.

SUGAR.—Market ruled unchanged.

COFFEE.—A steady tone characterised the market, particularly with regard to the better liquoring descriptions. Supplies in auction were on a fair scale, and commanded good support. Some

### CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING JANUARY 11, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt.	£ s. d.	£ s. d.	<b>Wool</b> —per lb.	£ s. d.	£ s. d.
duty 14/ 98%			Australian		
polarisation			Scoured Merino	nom.	nom.
Tate's Cubes ..	2 13 9	2 13 9	Scoured Cr'ssbr'd	nom.	nom.
Crushed .. ..	2 13 9	2 13 9	Greasy Merino ..	nom.	nom.
Granulated ..	2 6 9	2 6 9	Greasy Crossbred	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	New Zealand		
Foreign granulated, first mark-			(scoured) Merino	nom.	nom.
f.o.b., spot	nom.	nom.	Greasy Crossbred	nom.	nom.
German Cubes, f.o.b.	nom.	nom.	Cape snow white	nom.	nom.
French Cube			<b>Indiarubber</b> p. lb.		
prompt	nom.	nom.	Plantation, Spot		
Crystallised, West			Crepe .. ..	0 2 5 1/2	0 2 4 3/4
India .. ..	2 6 9	2 6 9	<b>Coal</b> —per ton		
Beet, 88% f.o.b.	nom.	nom.	Durham, best ..	nom.	nom.
<b>Tea</b> —per lb., duty	s. d. s. d.	s. d. s. d.	Seconds .. ..	nom.	nom.
1/2 lb.			East Hartlepool ..	nom.	nom.
Indian Pekoe ..	11-1 6	nom.	Seconds .. ..	nom.	nom.
Broken .. ..	1 0-2 0 1/2	nom.	Steamers, best ..	32 6	32 6
Orange .. ..	1 0-2 1 1/2	nom.	Seconds .. ..	29 6	29 6
Broken .. ..	1 3-2 2	nom.	<b>Lead</b> —per ton.	£ s. d.	£ s. d.
Pekoe Souchong	11-1 6	nom.	English Pig ..	nom.	nom.
Ceylon Pekoe ..	11-1 3	nom.	Foreign soft ..	£ 29 1/2-£ 28 1/2	£ 29 1/2-£ 28 1/2
Broken .. ..	1 0-1 6	nom.	<b>Quicksilver</b> —per		
Orange .. ..	1 0-1 3	nom.	bottle first hand	nom.	nom.
Broken .. ..	1 0-2 2 1/2	nom.	<b>Tin</b> —per ton		
Pekoe Souchong	11-1 0	nom.	English Ingots ..	£ 28 1/2-28 3/4	£ 300
<b>Cocoa</b> —per cwt.	s. d. d.	s. d. d.	Do, bars ..	£ 28 1/2-28 3/4	£ 301
duty 6 1/2 per lb.			Standard cash ..	£ 28 0	£ 95
Trinidad—per cwt.	87 0-99 0	87 0-99 0	1 in Plates, per box	nom.	nom.
Grenada .. ..	85 0-98 0	85 0-98 0	<b>Copper</b> —per ton.		
West Africa ..	68 0-77 0	68 0-77 0	English, Tough,		
Ceylon Plantation	77 0-94 0	77 0-94 0	per ton ..	nom.	nom.
Guayaquil Arriba.	105 1/2-109 1/2	105 1/2-109 1/2	Best Selected ..	£ 110-£ 123	£ 110-£ 123
<b>Coffee</b> —per cwt.			Sweets .. ..	£ 117	£ 117
duty 42 1/2 per cwt.			Standard .. ..	£ 110-110 1/2	£ 110-110 1/2
East India ..	97 0-116 0	97 0-116 0	<b>Jute</b> —per ton.		
Jamaica .. ..	77 0-120 0	77 0-120 0	Native firsts for		
Costa Rica ..	97 0-116 0	97 0-116 0	shipment	nom.	nom.
<b>Provisions</b> —			<b>Oil</b> —		
Butter, per cwt.			Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Australian finest	252/	252/	Rape, refined ..	£ 71	£ 71
Argentine .. ..	252/	nom.	crude .. ..	£ 66	£ 66
Irish Creameries	252/	nom.	Cott'n Seed, crude	£ 60	£ 60
Dutch ditto ..	252/	nom.	Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
Russian finest ..	nom.	nom.	Petroleum Oil, per		
Paris baskets ..	nom.	nom.	8 lbs.	1 7 1/2	1 7 1/2
Danish finest ..	nom.	nom.	Water White ..	1 8 1/2	1 8 1/2
Brittany rolls ..	nom.	nom.	Oil Seeds, Linseed		
doz. lb. .. ..	nom.	nom.	Calcutta—per ton		
<b>Bacon</b> —per cwt.			Spot	29 15 0	29 15 0
Irish .. ..	172/	172/	Rape .. ..	£ 29-10 1/2 30	£ 29-10 1/2 30
Continental ..	172/	172/	<b>Iron</b> —per ton		
Canadian .. ..	172/	172/	Cleveland Cash ..	nom.	nom.
American .. ..	172/180/	172/180/	<b>Tobacco</b> —duty,		
<b>Hams</b> —per cwt.			unmanufactured,		
Irish .. ..	203/	203/	7 1/4 to 8 1/2 per lb.		
Canadian .. ..	162/165/	162/165/	Maryland & Ohio		
American .. ..	125/165/	125/165/	per lb. bond ..	nom.	nom.
<b>Cheese</b> —per cwt.			Virginia leaf ..	0 8-2 1	0 8-2 1
Dutch .. ..	129/6-160/	129/6-160/	Kentucky leaf ..	0 7-10 11	0 7-10 11
Canadian .. ..	nom.	nom.	Latania .. ..	2 0-5 0	2 0-5 0
English Cheddar	142/	142/	Havana .. ..	1 6-6 6	1 6-6 6
Wilts loaf ..	nom.	nom.	Java .. ..	nom.	nom.
New Zealand ..	nom.	nom.	Cigars, duty 10/6		
<b>Rice</b> —per cwt.	s. d.	s. d.	per lb. ..	2/ upds.	2/ upds.
Japan .. ..	nom.	nom.	<b>Timber</b> —Wood.		
Rangoon 2 stars ..	26 3	26 3	Pitch pine .. ..	300/-400/-	300/-400/-
<b>Eggs</b> —per 120.			Indian teak ..	380/-700/-	380/-700/-
English .. ..	40 0-43 0	43 0-45 0	<b>Turpentine</b> —		
Irish .. ..	38 0-40 0	40 0-41 0	American Spot ..	126/	124/
Danish .. ..	39 0-41 0	nom.	<b>Copra</b> —per ton		
<b>Spelter</b> —			Malabar .. ..	46 0 0	46 0 0
G.O.B. as to position			Ceylon .. ..	46 0 0	46 0 0
.. ..	£ 54-£ 50	£ 54-£ 50	F.M.S. Singapore	45 10 0	45 10 0
<b>Flour</b> —per sack.			F.M. Straits ..	45 10 0	45 10 0
Country Straight					
Runs ex Mill ..	44/3	44/3			

fair to fine bold Nairobi, sold, 96s. 6d. to 110s.; fine bold colory Costa Rica, 116s.; peaberry, 144s. 6d. Brazilian qualities quiet.

Cocoa.—Market generally unaltered in value, but trade slow.

SPICE.—Pepper slow, unaltered. Fair black Singapore, on

spot, rs. 2½d.; Tellicherry, rs. 4d.; and Muntok, rs. 7½d. Cloves quiet. Fair Zanzibar, spot, sold, rs. 8d. Tapioca quiet, but fully steady. Fair flake, spot, sellers, 7d.; fair Penang seed pearl, 6½s.; ditto medium, 6½s.; and fair small sago, 6½s.

Rice in good demand. Beans and peas unaltered, with fair support accorded.

HEMP.—East India grades, also Chinese, move off slowly.

SHELLAC again dearer, with few sellers. Fair free second orange, spot, sold, 36½s.; March, 37os.; May, 36os.

GAMBIER.—Market dull. Afloat, buyers, 58s., ex quay, London.

RUBBER quiet and easier, but steady later. Plantation, spot, crepe, sold, 2s. 5½d. to 2s. 5d.; April-June, 2s. 6½d.; July-December, 2s. 7½d. Standard ribbed smoked sheet, spot, sold, 2s. 5d. to 2s. 4½d. Fine hard Para, spot, quoted, 2s. 8½d.; soft fine, 2s. 4d.; ball, rs. 8d.

CORN (Mark Lane).—Steadiness continues to prevail in all sections of the market, business being quiet, and confined mainly to No. 1 and 2 Manitoba wheat at 8½s. 6d. and 8os. respectively. Australian quoted at 8½s. 6d. Flour: Country straight runs, 44s. 3d. per sack, ex mill; Japanese, 78s. Barley: English, 62s. 9d. per qr. Maize remains nominal. Oats: American white clipped No. 2 quoted at 6os. 6d., landed; English, 45s. 3d.

COTTON (from our Manchester correspondent).—The market during the past week has been very quiet, and the further upward movement in prices seems to have had no effect whatever upon the attitude of buyers. Strong bullish advices have been received from the raw material markets, especially New York, and fresh high records have been established. Although in many respects lower prices seem to be a long way off, traders are getting increasingly nervous as to doing business on a large scale at current rates. It is fully realised at some future date prices will have to be readjusted, and the slump in values is bound to cause trouble. Only retail sales have occurred in piece goods for India, and there are complaints that the selling basis in the bazaars abroad is very much below the level of prices ruling in Manchester. A few more offers have been mentioned for China in staple makes, but very little has been done. Buyers for the minor outlets East and West have displayed no life whatever. Some useful orders have been booked for the home trade in fancies and specialities. The demand in heavy materials for the war is constant, but many makers are now so deeply sold the question of delivery is not easily settled when fresh contracts are under consideration. Prices in American yarns have been put up very stiffly, but the response from buyers has been very poor, there being a limited turnover in all quarters. Export yarns have attracted very little attention. No free movement can be recorded in Egyptian spinnings, but late rates are well held.

### Banking Dividends.

We shall as usual deal more fully with the banking results of the past year when the reports are available, but for the present it may be useful to give a short summary of the principal figures so far announced. The following table shows the dividends for the past complete year and the special appropriations and amounts carried forward as compared with 1916:—

	Div. % 1917.	Depreciation, &c.		Carry forward.	
		1917.	1916.	1917.	1916.
Barclay and Co., "A" .....	10	£	£	£	£
Do. "B" .....	20	430,000	500,000	186,370	120,940
Bradford District .....	13½	25,000	40,000	38,080	28,870
Capital and Counties .....	14	35,000	110,000	204,070	87,290
Lancashire and Yorkshire ..	16	10,000	25,000	58,000	26,600
London City and Midland ..	18	500,000	632,500	733,800	243,540
Lon. County & Westminster ..	19	570,000	419,000	184,600	182,200
London Joint Stock .....	10	220,000	271,600	125,000	50,300
London and Provincial .....	19	150,000	250,000	53,350	42,570
London and South-Western ..	17	160,000	150,000	54,390	55,480
Manchester and Liverpool ..	17½	50,000	180,000	139,910	102,140
Parr's .....	11	30,000	250,000	384,730	184,180
Sheffield .....	16	12,000	—	23,600	17,400
Union of London .....	10	200,000	400,000	209,300	82,540
Union of Manchester .....	£2½	5,000	30,000	40,450	25,690
Williams Deacon .....	14	120,000	100,000	20,810	17,900

\* Plus bonus of 2s. 8d. † Against 12½%, tax free. ‡ Against 18%.

§ Against 18%. ¶ Against 17½%.

On this occasion there has been little need to provide for depreciation of investments, but fairly liberal allocations have been made to reserves for contingencies and in reduction of premises, while in most cases considerably larger amounts are carried forward. In five instances distributions have been raised, but elsewhere shareholders have to be content with the same dividends as were paid for 1916. Evidently business all round has been extremely prosperous, but we are glad that a conservative policy generally has been adopted, and an already strong position further buttressed. There will be difficult problems to face after the war, and the banks will require an unusually large proportion of their resources in as liquid a form as possible.

As an illustration of the way profits have increased, we may mention that the London and Provincial raised its gross income by £175,000 to £1,370,000, but expenses were £70,000 higher, and interest, &c., required about £100,000 more. After placing £150,000 to

a contingencies account, as against a similar amount to reserve for depreciation last year, the dividend of 19 per cent. is repeated, and £11,000 more is carried forward. The London and South-Western has obtained an increase of over £8,000,000 in its current and deposit accounts, and, after again paying a dividend of 17 per cent. for the year, £160,000 is set aside for contingencies, and the amount carried forward is practically the same at £54,400. Glyn, Mills, Currie and Co. show an increase of £2,700,000 in current accounts and of £2,080,000 in deposit accounts, the total being £24,780,000, while cash has risen £800,000 to £4,650,000, and money at call £2,100,000 to £8,120,000. Investments are up £1,700,000 at £7,364,000, and the balance-sheet totals at £26,415,000, an increase of just under £5,000,000. At all points everything looks as healthy as could be desired.

### American Business Notes.

Quite unusual though it be, in modern times at least, to take a great lawyer from the judicial bench and turn him into an ambassador, we think it was well worth while for the Government to disregard precedent and put Earl Reading in the position of Special Ambassador, or High Commissioner to the Government of Washington. We know of no other public man who has equal qualifications of mind and manners for a post of this supreme importance. At the bar he was the leading commercial lawyer of his day, and since he went to the bench he has distinguished himself by the lucidity and grasp of his judgments, but it is in the counsels in finance which he has rendered to his country throughout all the period of the war, both here and during his frequent visits to America, that Lord Reading has above all established his supremacy. We can well believe that he is a *persona grata* in America, and have no doubt that he will fill the extremely delicate part he has to play with the highest efficiency in the strenuous times at hand.

One may guess to some extent how difficult Lord Reading's post will be in regard to finance alone by a figure in the summary of Mr. Secretary McAdoo's war budgets. In the appropriations set down for the year ended June 30 next, Mr. McAdoo has entered \$7,000,000,000 as money laid out on "buying the securities of foreign Governments." That is to say, this sum of more than £1,400,000,000 will have been lent during the current fiscal year to belligerents abroad, and our share of the debt already, if we mistake not, exceeds £500,000,000. Will it not be a work of extreme skill and perspicacity in finance to arrange for the carrying, and, perhaps, for the gradual liquidation of this debt? And that is but one of the fields in which our High Commissioner will have to labour not merely as an expert, but as a man of large heart and of enlightened and open mind.

The votes obtained by Mr. McAdoo for the current year ended June 30 next, it may be well to reiterate—excluding this £1,400,000,000 lent to the Allies in Europe—aggregate £2,546,000,000, or \$11,728,212,000. For the coming fiscal year ended June 30, 1919, the total estimated expenditure, exclusive of sinking fund requirements, is estimated at upwards of £2,670,000,000. This is higher than the current year's, but if we take into account the money lent it is considerably less. To this extent it seems rather an illusory presentment, because, should the war go on into 1919, there can be no doubt at all that large additional amounts will have to be lent by the Washington Government to the Allies in Europe. As it stands, however, the coming year's expenditure is forecast to be about \$5,380,000,000 less than the current year's. In the War Department, however, the expenditure is put much higher at \$10,102,599,000, against \$7,526,338,000 in the current year. The navy, on the other hand, is put down for \$1,047,914,000 in 1919, as against \$1,596,936,000, the "appropriation" for the current year.

President Wilson's second address to Congress on our war aims and peace conditions runs much on the lines expected, and harmonises pretty fully with Mr. George's speech of last Saturday. But the President is, on the whole, more precise, and defines the Allied essentials to peace with a minuteness Germany would do well to take note of, and try to have the honesty to imitate. What the Allies mean to do in regard to the oppressed nationalities of Europe and Asia Minor is put beyond any chance of misunderstanding. In only one particular do we regret want of grasp of the meaning of history in the President's language, and that is in his reference to Turkey. He errs there, as the English Prime Minister erred, when he talks of the "Turkish portions" of the present Ottoman Empire being assured "a secured sovereignty." Why cannot statesmen sometimes read a little history? A "secured sovereignty" for the Turk is something unthinkable in practical politics. Such a state would require a permanent army to keep it "secure," or to restrain the marauding instincts of its nomads. Who will furnish and pay for that army? For the rest, the address was admirable in its precision and not least in its gentle handling of the forlorn Russian people. Well, also, might Dr. Wilson point out that while the Allies were always definite enough, and made no attempt to gloss over or confuse their aims in the war, the Germans were always indefinite, their proposals full of snares and ambiguities, of tortuosities of phrase and false *bonhomie*, and in demanding frankness on their part he skilfully placed the cunning duplicity of their policy in high relief. Will any good be done by plain speaking? Not an atom, probably. The baffled "world-subduer" will grow ever more foxy, ever more ravingly outrageous in his claims and assertions the nearer he comes to his final discomfiture. Just now he is being encouraged to do his maddest by the effects he sees his extravagances produce among the politicians and people of Allied countries.

It is only 18 years old, but so powerful has the United Fruit Co. of Boston become, so far-stretching is its hold over the fruit supply, not merely of the United States, but of the United Kingdom, and, indeed, of Europe, that its report is well worth notice. It covers the year ended September 30 last, and tells us that the nett earnings from bananas and miscellaneous tropical products, including profits from carriage and from dealing in merchandise, &c., was \$14,182,000. In addition, \$3,410,000 nett came from the company's sugar business in Cuba, giving it a total clear income of \$17,592,000, and, after paying interest and taxes, and giving 8 per cent. dividends in all to the shareholders, there was a surplus of \$9,135,000, which, added to the previous accumulations, gave the company \$30,702,000 as the total accumulation of undistributed profits. From this, however, \$5,000,000 is set aside as reserve for emergencies and \$504,000 placed to depreciation, thus bringing down the balance carried forward to \$25,198,000, a quite comfortable sum. A satisfactorily severe method of calculating depreciation is adhered to, and the amount demanded by it last year was \$4,861,000 on plantations, railways, and steamships. This was included in the working expenses. In dealing with unforeseen losses the company always writes them off when they occur. It is paying off its various debenture debts, and last year redeemed \$2,114,000, a sum which included \$825,000 of the Fruit Co.'s own 4½ per cent. sinking fund debentures and \$993,000 of the Elders and Fyffes, Ltd., debentures, together with smaller sums in other dependent companies' mortgages. The company is a large owner of steamships, besides a great producer of bananas and sugar. Its steamship fleet, owned and chartered, numbers now 61, with a total gross capacity of 218,454 tons. Of this total 14 steamers are British, with a gross tonnage capacity of 70,853 tons. The company owns the above-named British steamship company, Elders and Fyffes, Ltd., and has, besides, 24 American vessels of its own of a capacity of 113,183 tons, and has, over and above, chartered 23 vessels be-

longing to other companies, whose gross capacity is 34,418 tons. It is thus a very extensive and powerful producer and distributor of human food. Its lands extend to 1,161,000 acres, of which 240,500 are in Costa Rica, 169,000 in Cuba, 140,000 in Guatemala, 192,000 in Honduras, and so on. The book cost of these lands, with their plants and equipment, is \$51,912,000. This includes railways valued at \$13,368,000, and it is a decreasing value, in spite of continual improvements and expansion, thanks to the systematic writings down. For 1914, for example, the total value of these properties, including merchandise, materials on hand, sugar mill, tramways, telephones, live stock, houses and buildings, &c., was \$54,092,000. The total of the company's balance-sheet was, at December 30 last, \$109,861,000, or about £22,000,000, of which \$48,792,000 was share capital in the hands of the public.

## The Week in Mines.

Business in mining shares has been more active this week, and the tone distinctly firmer. Some of the low-priced South Africans have been galvanised into life on the strength of reports that the Van Ryn reef has been provisionally identified on the South-Eastern Rand in the Heidelberg district, and the principal Far Eastern Rand shares have shown strength on Cape buying. Tin shares have recovered on a sharp rise in the price of the metal.

### SOUTH AND WEST AFRICANS.

In the South African market there was a distinct revival of interest in low-priced shares, some of which, such as Coronation Syndicates, have not been heard of for years; but the interest was purely speculative. Knight Centrals have risen 1s. 9d. to 5s., Princess 1s. 3d. to 3s. 6d., Goerz 6d. to 14s. 6d., South African Lands 1s. to 7s., Roodepoort Uniteds 1s. to 7s. 6d., and Simmer Deep 1s. 3d. to 4s. Among the usually more active shares, City Deep has risen 5-32 to 3 15-32, East Rand Mining Estates 3s. 6d. to 18s. 6d., Modder Deep 7½ to 7¾, New Modders ¼ to 23½, Springs ¼ to 3½, Consolidated Mines Selections 1s. 6d. to 29s. 3d., and Modder Leases 3-32 to 3½. Diamond descriptions have met with support, De Beers Deferreds rising ¼ to 13½. In the Rhodesian section, Lonely Reefs have risen 1s. 6d. to 33s. 3d., and London and Rhodesians 1s. 3d. to 6s. 9d. Shamvas have been supported at 1½ on the ore reserve statement to the effect that the total of 1,600,000 tons will probably be considerably increased by the end of June, owing to favourable developments in the eastern section. West Africans show little change.

### SOUTH AND WEST AFRICANS.

Copper shares have been supported. Rio Tintos have risen 1 to 64½, Mount Morgans, on the report, 1s. 3d. to 34s. 3d., Hampdens 1s. 6d. to 32s. 6d., and Mount Elliotts ¼ to 3½. Broken Hill shares have been in request, notably British, which are 1s. 6d. higher at 37s., Proprietaries, which show a rise of 1s. 3d. to 54s. 3d., and Block Tens, which are 1s. higher at 25s. The price of tin recovered sharply to £300 a ton, on the monthly statistics showing a decrease of about 2,000 tons in English stocks on the year. East Pools have risen 1s. to 17s. 9d., Anglo-Continental 1s. to 14s. 3d., and Bisichis to 15s. 6d.

Mexican shares have been in request on the rise in silver, and El Eros at 9s. and Camp Birds at 7s. 9d. are both appreciably higher. Russian shares have scarcely moved. After a long period of neglect, Indian gold shares have been inquired for, and show a general though slight advance. Baldwins are quoted at 2, Nundydroogs at 24s. 6d., Ooregums at 19s., and Champion Reefs at 5s. 9d.

## MINING NEWS.

**RHODESIAN MINERAL OUTPUT.**—The production of gold in November was £275,830, a decrease of £41,305 on the same month of last year. The following table shows the production since January, 1913:—

MONTH.	1913.	1914.	1915.	1916.	1917.
	£	£	£	£	£
January .....	220,776	249,032	293,133	318,586	266,113
February .....	2 8,744	259,888	286,789	313,769	289,734
March .....	257,797	273,236	299,686	335,368	300,183
April .....	241,098	295,907	315,541	339,386	297,977
May .....	242,452	299,062	318,898	323,783	299,271
June .....	241,493	306,421	321,473	3 3,079	302,195
July .....	249,301	320,670	336,565	327,365	288,731
August .....	250,796	316,072	344,493	338,001	294,359
September .....	250,439	309,198	321,085	322,015	291,367
October .....	247,068	337,241	339,967	325,608	289,978
November .....	239,016	311,711	313,160	3 7,135	275,830
December .....	251,687	309,669	331,376	306,205	—
Totals .....	2,903,267	3,580,207	3,823,766	3,895,111	3,224,737

The number of producers was 175, or 52 less than in October, and the output of other metals was 17,530 ounces of silver, 49,362

tons of coal, 337 tons of copper, 729 tons of asbestos, 55 carats of diamonds, and 1 ton of wolframite.

**BWANA M'KUBWA COPPER.**—The accounts for the year ended June 30 show that the financial position at that date was as follows: Cash and War Loan at cost, £53,552; debtors, £7,069; value of concentrates on hand, £8,000, making a total of £68,621. As against this, the company owed £5,168, leaving a nett cash balance of £63,453. The total landrights held by the company has been increased by 6,000 acres to 43,800 acres. Tonnage of ore treated amounted to 18,548, the production of concentrates being 1,758 tons. From June 30 last to the end of November a further 561 tons of concentrates were produced. An agreement has been made, and now awaits signature, for installing a new process for the treatment of the company's ores. This plant will deal with 100 tons a day, and the total cost to the company will be £10,000. The plant will be capable of extension up to 500 tons a day. The new process belongs to the Minerals Separation, Ltd., and the tests applied to the company's ores proved satisfactory.

**WELGEDACHT EXPLORATION.**—Profits in the year ended June 30 amounted to £4,430, against £4,892, out of which a dividend of 9d. per share, against 6d., has been paid, and the carry forward is reduced from £5,071 to £3,622. Cash and loans at the end of the year amounted to £28,786. Coal sales amounted to 150,636 tons, against 127,106 tons, realising £40,445, or 5s. 4d. per ton. Working profit amounted to £5,098, or 8.12d. per ton against 8.63d.

**CHARTERLAND AND GENERAL EXPLORATION.**—In the year ended August 31 the profits, subject to payment of excess profits duty, amounted to £43,475, an increase of no less than £34,811. The dividend is raised from 5 to 20 per cent., less tax. The old Nic Mine, before it was closed down at the end of September, yielded £33,812. Three farms were sold, reducing the land holdings to 112,344 acres in Mashonaland, and to 146,829 acres in Matabeleland. The cattle interest was also sold.

**WEST AFRICAN GOLD OUTPUT.**—Production in November amounted to £126,915, a decrease of £3,186, which brings the total decrease up to £56,113. The gold output of all the principal fields will be smaller this year than last. The following table shows the monthly production since January, 1913.

MONTH.	1917.	1916.	1915.	1914.	1913.
Jan. ..	£131,665	£140,579	£143,649	£128,862	£144,262
Feb. ..	101,892	137,739	144,034	123,169	117,038
Mar. ..	158,727	150,987	153,770	131,392	150,060
April ..	123,825	135,976	149,978	131,697	146,220
May ..	121,104	132,976	142,121	145,227	142,617
June ..	114,489	127,107	135,289	147,289	125,764
July ..	142,017	128,574	140,290	15,021	132,936
Aug. ..	130,278	125,143	139,364	150,386	126,090
Sept. ..	127,168	127,138	135,744	154,316	134,394
Oct. ..	126,295	132,577	141,771	159,410	137,153
Nov. ..	126,915	130,101	122,138	154,674	134,694
Dec. ..	—	146,409	158,323	147,699	127,478
Totals	1,407,375	1,615,306	1,706,473	1,727,014	1,634,700

**RAMBUTAN.**—The profits of this company in the year ended June 30 last amounted to £19,084, as compared with £11,395. Four dividends of 8d. per share, as compared with four dividends of 6d. per share, have been paid; the balance of the underwriting commission, £4,000, has been written off; £2,111 is written off the cost of the pipeline, leaving £973, against £1,333, to be carried forward. Returns of tin, 259 tons, valued at £28,646, have been the largest since the hydraulic installation was completed. The production was increased from 215 tons to 259 tons, the recovery per cubic yard being 1 lb., against 13 ozs. of tin ore. The average price realised for ore was £110 12s. 5d., against £100 17s. 3d. per ton; the average cost of winning ore was reduced from £43 to £36 2s. 10d. per ton, and the working profit rose from £56 18s. 4d. to £75 9s. 7d. per ton.

**CYNON COLLIERY.**—The report for the year ended September 30 states that the profit was £7,021, to which has to be added £1,602, balance of excess profits duty over-reserved from 1916, sundry revenue amounting to £908. There is also to be included the estimate of £5,000 for excess profits duty recoverable for the year, making a total of £14,531, against £21,785. A final dividend of 7½ per cent. is proposed, making 12½ per cent. for the year, less tax, as against 15 per cent., but the carry forward is raised from £9,949 to £11,362.

**KNIGHTS DEEP.**—The experience of this company in the year ended July 31 is typical of that of the low-grade gold mine, which is dependent for a normally small margin of profit upon a high tonnage and low operating costs. Shortage of labour reduced the tonnage milled by 110,800 to 1,196,500. The revenue per ton declared was 4d. lower at 14s. 9d., while working costs rose 1s. per ton to 13s. 3d. Thus the working profit was about halved, the total being £93,214 against £197,943, equal to 1s. 6d. per ton, as against 3s. per ton. Including sundry revenue, the total profit was £96,496, or 1s. 7d. per ton. Dividends amounting to 15 per cent. were again paid during the year, and the sum carried forward is reduced from £160,084 to £110,907. At July 31 the ore reserves were estimated at 2,301,000 tons, of an average value of 4.4 dwts., being a decrease of 313,000 tons.

**MOUNT MORGAN.**—The report for the half-year ended November 25 shows that the revenue amounted to £625,161, as against £643,990. Expenditure amounted to £500,317, leaving a surplus

of £124,844, against £141,515. Dividends absorbed £100,000, and the balance carried forward is £830, against £78,297. Reserves and undivided profits amount to £513,587, and liquid assets to £491,663. In furtherance of the policy of the Commonwealth Government, the company has joined the other Australian producers in the formation of the Copper Producers' Association Proprietary. Future sales of copper will be made through this association, and it is anticipated that advantages will accrue in the more direct realisation of the Australian production by central organisation. Ore treated produced 4,114 tons of copper and 48,081 ozs. of gold, as compared with 4,554 tons of copper and 54,746 ozs. of gold. The wages bill has, owing to awards and bonuses, been increased by £25,000 per annum.

## President Wilson's Fourteen Points.

(1) Open covenants of peace openly arrived at, after which there shall be no private international understandings of any kind, but diplomacy shall proceed always frankly and in the public view.

(2) Absolute freedom of navigation upon the seas outside territorial waters alike in peace and in war, except as the seas may be closed in whole or in part by international action for the enforcement of international covenants.

(3) The removal, so far as possible, of all economic barriers and the establishment of an equality of trade conditions among all the nations consenting to peace and associating themselves for its maintenance.

(4) Adequate guarantees, given and taken, that national armaments will be reduced to the lowest point consistent with domestic safety.

(5) A free, open-minded, and absolutely impartial adjustment of all Colonial claims, based upon a strict observance of the principle that in determining all such questions of sovereignty the interests of the populations concerned must have equal weight with the equitable claims of the Government whose title is to be determined.

(6) The evacuation of all Russian territory, and such a settlement of all questions affecting Russia as will secure the best and freest co-operation of the other nations of the world in obtaining for her an unhampered and unembarrassed opportunity for the independent determination of her own political development and national policy, and assure her of a sincere welcome into the society of free nations under institutions of her own choosing; and more than a welcome, assistance also of every kind that she may need and may herself desire.

The treatment accorded Russia by her sister nations in the months to come will be the acid test of their goodwill, of their comprehension of her needs, as distinguished from their own interests, and of their intelligent and unselfish sympathy.

(7) Belgium, the whole world will agree, must be evacuated and restored without any attempt to limit the sovereignty which she enjoys in common with all other free nations. No other single act will serve, as this will serve, to restore confidence among the nations in the laws which they have themselves

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set and determined for the government of their relations with one another. Without this healing act the whole structure and validity of international law is for ever impaired.

(8) All French territory should be freed and the invaded portions restored, and the wrong done to France by Prussia in 1871 in the matter of Alsace-Lorraine, which has unsettled the peace of the world for nearly fifty years, should be righted in order that peace may once more be made secure in the interest of all.

(9) A readjustment of the frontiers of Italy should be effected along clearly recognisable lines of nationality.

(10) The peoples of Austria-Hungary, whose place among the nations we wish to see safeguarded and assured, should be accorded the first opportunity of autonomous development.

(11) Roumania, Serbia, and Montenegro should be evacuated, the occupied territories restored, Serbia accorded free and secure access to the sea, and the relations of the several Balkan States to one another determined by friendly counsel along historically established lines of allegiance and nationality and international guarantees of the political and economic independence and territorial integrity of the several Balkan States should be entered into.

(12) The Turkish portions of the present Ottoman Empire should be assured a secure Sovereignty, but the other nationalities which are now under Turkish rule should be assured an undoubted security of life and an absolutely unmolested opportunity of autonomous development, and the Dardanelles should be permanently opened as a free passage to the ships and commerce of all nations under international guarantees.

(13) An independent Polish State should be erected, which should include the territories inhabited by indisputably Polish populations, which should be assured a free and secure access to the sea, and whose political and economic independence and territorial integrity should be guaranteed by international covenant.

(14) A general association of nations must be formed under specific covenants for the purpose of affording mutual guarantees of political independence and territorial integrity to great and small States alike.

## DIVIDENDS ANNOUNCED.

### BANKS.

A. and S. Henry and Co.—The directors recommend a final on ordinary shares of 5 per cent., making 9 per cent. for the year, together with a bonus of 2½ per cent., and to carry forward £117,220. For 1915-1916 the dividend and bonus were the same.

Australian Pastoral Co.—Final of 5 per cent. on consolidated ordinary stock, making 8 per cent. for the year, against 6 per cent. for the previous year.

Bank of Bombay.—For the past half-year at the rate of 15 per cent. per annum, bonus at rate of 2 per cent., and a special jubilee bonus of 1 per cent. per annum; to reserve, Rs 4,00,000; to pension fund, Rs.50,000; forward, Rs.3,27,470. A year ago the dividend was 13 per cent., with a 2 per cent. bonus.

Bank of Liverpool.—Interim of 7 per cent. (actual), less tax, for past half-year, the same as a year ago.

Bradford District.—Final for past half-year at rate of 5s. 6d. per share, making 13½ per cent. per annum, less tax; to reserve £20,000; to bank premises fund, £5,000; to officers' pension fund, £2,000; carried forward, £38,076.

British American Tobacco.—Final of 6 per cent., tax free, making 30 per cent. for the year, forward £2,526,699, subject to excess profits duty for 1917. An interim of 6 per cent. on account of the current year is declared.

Canadian Explosives Co.—1½ per cent. on 7 per cent. cumulative preferred shares for the quarter ended Dec. 31, payable Jan. 15.

Capital and Counties.—For the past six months at the rate of 14 per cent. per annum; carried forward, £204,068, as against £87,291 last Dec.

Cropper and Co.—Interim at rate of 5 per cent. per annum on ordinary shares for the six months to Dec. 31, payable on Jan. 25.

Cornbrook Brewery (Manchester).—Final of 7½ per cent. actual on ordinary shares, free of tax, making 10 per cent. for year, with a bonus of 2 per cent., tax free. Last year's distribution was 2½ per cent.

Direct United States Cable Co.—Interim of 2s. per share, less tax, being at rate of 4 per cent. per annum, for the quarter ended Dec. 31, payable on Jan. 31.

Distillers Co.—Interim for the current year on ordinary shares of 8s. per share, tax free, being at the rate of .8 per cent. per annum, payable on Feb. 1. This is the same as last year.

English Sewing Cotton Co.—Interim of 4 per cent. (actual) on the ordinary, the same as last year.

Halifax Commercial.—Final 10s. per share, making 9 per cent. for the year, less tax, against 8 per cent. for 1916; £5,000 to reserve, and £3,000 to a special reserve for contingencies, leaving £3,384 to be carried forward.

Hall and Co., Croydon, Ltd.—Interim on ordinary shares for the half-year ended Sept. 30 at the rate of 5 per cent. per annum, less tax.

Insulinde (Sumatra) Rubber and Tobacco Estates.—Final of 20 per cent., making 30 per cent., less tax, for the year.

Ipo Tin Dredging.—Final 5 per cent., less tax, making 10 per cent. for the year; for 1916 5 per cent. was paid.

Kaministiquia Power Co.—2 per cent., or at the rate of 8 per cent. per annum, for quarter ending Jan. 31, against 1½ per cent. for the corresponding period.

Lancashire and Yorkshire.—Final of 16s. per share, less tax, plus a bonus of 2s. 8d.; to reserve, £10,000; forward, £58,000. Last year no bonus was paid.

Lima Light, Power, and Tramways.—1½ per cent., less tax, against 1 per cent. a year ago.

London City and Midland.—At the rate of 18 per cent. per annum, less tax, £733,785 carried forward. Last year was at the same rate, with £243,538 carried forward.

London County and Westminster.—10 per cent. for the past half-year, less tax, making 19 per cent. for 1917, against 18 per cent.; £184,600, against £182,290, forward.

London Joint Stock.—Final 15s. per share, less tax, being at the rate of 10 per cent. per annum; £200,000 to reserve, £20,000 to superannuation allowance, £20,000 in reduction of premises account, and £125,000 carried forward. Net profits for 1916 were £548,624.

London and South-Western Bank.—An interim of 17 per cent. per annum, less tax, was paid in July last, and it is now proposed to pay a final dividend at same rate, thus making the distribution for the year the same as for 1916. The appropriations leave £54,391 to be carried forward, against £55,479.

Lumut Rubber Estates.—Final 12½ per cent. (actual), less tax, the same as a year ago.

National Discount.—For the past half-year of 6s. per share, less tax, as against 5s. per share for second half of 1916, making 11 per cent. for the year, as against 10 per cent. for 1916, carrying forward about £45,000.

Parr's Bank.—For the past half-year at rate of 20 per cent. per annum, less tax, making 19 per cent. for 1917; £30,000 is placed to bank premises account, leaving £384,733 to be carried forward. A year ago at the rate of 18 per cent. per annum, making 18 per cent. for year, and balance forward was £184,179.

Peel River Land and Mineral Co.—Final 5 per cent., free of tax, making 10 per cent. for the year, same as for preceding 12 months.

River Plate and General Investment Trust Co.—Final of 6 per cent. on deferred stock, less tax, for the half-year to Dec. 31, making 10 per cent. for the year, the same as a year ago.

Rohilkund and Kumaon Railway Co.—A final for year ended Sept. 30 of 3 per cent., together with a bonus of 1 per cent. on ordinary stock, making a total payment of 8 per cent. per annum. The dividend and bonus will be paid, less tax at 3s. 9d. in the £, on Feb. 4.

Sendayan (F.M.S.) Rubber Co.—10 per cent. (actual) in respect of the year ended Sept. 30, making 17½ per cent. for the year; carry forward £22,400. The dividend for 1915-16 was 22½ per cent.

South Behar Railway Co.—Dividend at rate of 5 per cent. per annum for half-year; £7,690, against £7,397, forward.

Union Bank of Australia.—Dividend at rate of 10 per cent. per annum, equal to £1 5s. per share, and a bonus of 2 per cent., equal to 10s. per share, together amounting to £1 15s. per share, free of income-tax; to reserve fund £20,000, making it £2,000,000, leaving £73,504 forward; a year ago the dividend was the same.

Union of London and Smiths.—Final at the rate of 10 per cent. per annum, subject to tax (the interim paid in July last was at the same rate); £209,303, against £82,543, will be carried forward; a year ago the dividend was the same.

Watney, Combe, Reid and Co.—Dividend at rate of 6 per cent. per annum on deferred stock; a year ago no interim was paid.

West Yorkshire Bank.—16s. per share for half-year ended Dec. 31, making 13½ per cent. for the year, less tax, the same as last year; £30,000 to reserve; forward £18,753, against £10,384.

## Insurance News.

In presenting their valuation return as on November 20 last, on which date the institution completed its seventeenth quinquennial period, the directors of the Friends' Provident remark that the valuation is made under circumstances more extraordinary than have been present on the occasion of any previous valuation in the history of the office. The valuation has been carried out on very stringent principles, and with the view that all resources should be rigorously conserved. Depreciation of investments has cost a nett sum of £294,000, and with the increase in income-tax, and losses on war claims, the total was £393,000. No bonuses are to be paid, whereas five years ago £302,000 was distributed. The life assurance fund now stands at £3,232,149, as contrasted with £3,424,511 at the beginning of the period. A surplus of £63,177 is carried forward, and the directors have not decided as to the date of the next valuation, but a distribution of surplus will be made before 1922 if circumstances should render it desirable to adopt such a course. Interim bonuses have been allotted on with-profit policies, which become claims before November 20 next, of 1 per cent. The present position is a strong one, both as regards reserves and profit-earning power. New life business has of late been progressive

in amount and well sustained in quality, and but for the adverse features, principally due to the war, there would have been a surplus which would have provided bonuses substantially exceeding those declared in 1912. As a result of the present writing down of book values, combined with new investments at the higher level now prevailing, the average rate of interest will be appreciably enhanced. A new prospectus now in course of preparation will be issued shortly.

For the year ended September 30 the total receipts of the United Insurance Co. showed a further increase at £399,015, claims absorbed £91,664, and after paying expenses the available balance was £43,662. Various reserves received additions amounting to £23,000, the general reserve now standing at £120,000, the reinsurance fund at £100,000, and the reserve for the equalisation of dividends at £14,000. After paying a dividend of 10 per cent., the balance of £6,662 is transferred to contingent account.

During the past year the cost of the principal fires in the United Kingdom amounted approximately to just over four millions sterling, an increase of about £700,000 as compared with the figures for the previous year, but a decrease of £205,000 when compared with the total for 1915. Only fires are taken into account in which the damage amounted to £1,000 or more, and in the aggregate it may safely be assumed that small fires represented a very large sum, and probably the estimates generally err on the side of moderation, as during the past three years reports have not been published as freely as in pre-war times.

## Answers to Correspondents.

**A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.**

**Deposits against future queries may be lodged with the Publisher.**

L. G. R.—(1) Life estimated at about 15 years. At the present price there is not much scope for a rise unless dividends can be increased, an event hardly to be expected. (2) Life presumed to be 25 to 30 years. In this case also there can be no great appreciation unless profits expand or life proves longer than estimate. (3) If you are prepared to hold, there is some chance of improvement. The company is now on a better basis, and some of its assets are turning out good paying properties.

Timothy.—Do not average just yet, but hold on.

Braeside.—(1) It is purely a hazard at present, but the price looks low, and that will probably some day bring the fools tramping in to buy. (2) Not much present prospect of improvement here, we fear.

Z. Y. X.—Don't. Where is the security?

Slavofil.—We dare not give you a definite opinion, but should sell, were the case ours, lest worse come. Years look like elapsing before all is in order again.

S. M. A.—(1) Good. Would probably be higher but for excess profits tax. (2) Yes, with the same reservation. (3) Very fair also, but not particularly cheap, looking at the state of the market.

Thames.—Advice in both cases quite good. (1) has the Dominion guarantee. (2) The immediate return is not high, but there is a fair capital increase on redemption.

W. E. V.—The company has speculative chances, but you have a nice profit. Why not take it?

G. J. S.—(1) You must either do so or sell. The company has a speculative chance, and no more than that. (2) These you might still keep, as the position is distinctly better.

Coke.—Not now; they look fully priced.

N. E. R.—There is no market for them, we are informed, and nothing has been heard of the company for a long time.

J. M.—Not at present prices. (1) is paying you well, and the company is carefully managed. (2) Having waited so long, it seems a pity to sell now. It is still strong financially, and will recover a good part of its business after the war.

## BOOKS RECEIVED.

Mathieson's Handbook for Investors for 1918. Price, 2s. 6d. nett. Publishers, Fredk. C. Mathieson and Sons, 16, Copthall Avenue, London, E.C. 2.

## Tea, Oil and Rubber.

With the price of standard crêpe back at less than half-a-crown, the Rubber share market has not much to go for at the present range of values, but the higher priced shares have met with a good deal of support, and several of them have marked substantial gains. The bulls are apparently determined to bring about a rule-of-thumb curtailment of output, and it is said that some 90 per cent. of the members of the Rubber Growers' Association have agreed to cut down their crops by 20 per cent. What the other 10 per cent. and the increasingly important American interests may do is discreetly kept in the background, or left to the imagination. But from a purely superficial point of view it is a rather fascinating scheme. As we have already pointed out, the trees, especially at certain stages, are all the better for being rested, and they charge nothing for holding back their juice. On the contrary, it may help to strengthen their growth, and if light tapping produces enough to pay handsome dividends, holders can wait patiently until the time is considered propitious for exacting the last drop of blood. Besides, there is that terrible excess profits duty, but you are pilloried as a terrible traitor to the cause if you so much as hint that to avoid some portion of it enters into your calculations. On the contrary, it is a perfectly legitimate business proposition that if your estate requires resting, and you happen to be smarting under the inequalities that eventuate from the flat rate of the excess duty, output should be reduced at any rate until the powers that be recognise that there are exceptional conditions which they have never taken any account of. But there is an enormous gap between allowing estate managers to do what they consider best, not only for the trees, but for the shareholders who have invested in them, and compelling them for the sake of speculators to create an artificial price for their produce. Anyhow, when we recall the statements about the shortage of rubber that was to occur this year, and the next, and the one after, the hypocrisy of the present movement is nauseous, not to mention that it is absolutely futile.

It is evident that very substantial progress has been made by Trinidad Leaseholds, Ltd., an important oil proposition controlled by two such powerful groups as the Central Mining Corporation and the Consolidated Gold Fields of South Africa. In the year to June 30 the trading profit was £106,500, and after writing off depreciation the nett profit was £43,000. From this, however, there has to be deducted a debit balance of £20,500 arising from the preliminary operations of the company up to June 30, 1916, and a credit of £22,500 remains, which it is proposed to carry forward. With preliminary expenses wiped off, the balance-sheet has a healthier appearance, but a good

## AUSTRALIAN MUTUAL PROVIDENT

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The Largest Mutual Life Office in the Empire.

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ENDOWMENT ASSURANCE RESULTS ALSO UNSURPASSED.

37, Threadneedle St., London, E.C. 2.

deal of capital expenditure has been incurred, and the loan account is £60,000 up at £200,000. It is proposed to increase the nominal capital by £300,000 to £850,000, and to issue 282,000 £1 shares mainly in satisfaction of debts incurred. An extended development programme has been undertaken, and five new wells have been successfully brought in, with the result that the output for the past six months has averaged 10,600 tons monthly. The company has not yet achieved the results at one time anticipated, but it certainly looks now as though it would "make good."

**ASAHAN RUBBER ESTATES, LTD.**—Year to July 31. Issued capital, £109,160, in 108 shares. Estate account, £112,930. Reserve, £15,000.

	1915.	1916.	1917.
Nett profit.....	£6,413	£18,080	£31,150
Dividend.....	2½ p.c.	10 p.c.	17½ p.c.
Carried forward.....	£1,037	£2,659	£3,752
Output.....lbs.	137,580	257,500	432,920
Average price.....	2s. 3.41d.	2s. 7.99d.	2s. 8.29d.
All-in cost.....	1s. 4.13d.	1s. 3.40d.	1s. 3.26d.
Planted area.....acres	2,464	2,464	2,464
Yield per acre.....lbs	55	105	175

Output is steadily increasing, and from the area actually in bearing the average yield last year was 290 lbs. For the current year the output is estimated at 550,000 lbs., and there are 5,876 acres in reserve. Apparently the company has not yet been troubled with excess duty, but it will come into the net this year, and partly for that reason, perhaps, £10,000 is added to reserve.

**KELANTAN RUBBER ESTATES, LTD.**—Year to June 30. Issued capital, £100,000, in £1 shares. Estate account, £115,460. Reserve, nil.

	1915.	1916.	1917.
Nett profit.....	£1,114	£4,355	£7,196
Carried forward.....	£1,194	£6,269	£13,465
Output.....lbs.	41,427	78,570	154,620
Average price.....	1s. 10.70d.	2s. 6.42d.	2s. 4.93d.
All-in cost.....	1s. 4.41d.	1s. 5.15d.	1s. 4.70d.
Planted area.....acre	1,774	1,774	1,774
Yield per acre.....lb.	23	44	88

No dividend has yet been paid, and preliminary expenses amounting to £2,200, besides a suspense account of £1,500, have not been wiped off. Only 270 acres were planted between 1906 and 1910, but 514 were planted in 1911 and 682 in 1912. Accordingly there ought to be a substantial increase in the output in the near future, but no estimate is given for the current year. It is stated that sufficient labour is very difficult to obtain owing to war conditions, but other estates seem to manage all right.

**South African Gold.**—The total production of gold from the Union of South Africa (states the annual report of the Government mining engineer, just issued) since 1868, when gold was first discovered, amounts to approximately £514,063,000 up to the end of 1916, and this was practically all won in the Transvaal.

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## PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and January 5, 1918:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Jan. 5, 1918.	Total Receipts into the Exchequer from April 1, 1916, to Jan. 6, 1917.
Balances in Exchequer on April 1—Bank of England ..	—	25,209,947	25,111,065
Bank of Ireland ..	—	1,225,912	463,941
<b>REVENUE.</b>		26,435,859	25,575,006
Customs .....	70,750,000	54,063,000	52,377,000
Excise .....	34,950,000	28,470,000	42,015,000
Estate, &c., Duties .....	29,000,000	23,821,000	22,282,000
Stamps .....	8,000,000	5,728,000	5,544,000
Land Tax .....	—	—	—
House Duty .....	2,600,000	480,000	320,000
Property and Income Tax and Super Tax .....	224,000,000	75,398,000	60,070,000
Excess Profits Duty (including Munitions Levy) .....	200,000,000	153,652,000	87,510,000
Land Value Duties .....	400,000	339,000	181,000
Post Office .....	33,700,000	25,603,000	25,100,000
Crown Lands .....	600,000	460,000	471,000
Receipts from Sundry Loans, &c. ....	7,500,000	1,908,100	5,134,576
Miscellaneous .....	27,100,000	46,722,290	11,809,572
<b>Revenue</b> .....	638,600,000	416,641,390	313,031,488
<b>Total, including Balance</b> .....		448,077,249	338,588,154
<b>OTHER RECEIPTS.</b>			
Repayment of Advances for Bullion .....		1,770,000	2,910,000
Repayment of Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		169,818	—
Under Telegraph (Money) Act, 1913 .....		100,000	210,000
Under Post Office (London) Railway Act, 1913 .....		68,000	160,000
Under Military Works Acts, 1897 to 1903 .....		—	8,814
Under Public Buildings Expenses Act, 1903 .....		—	8,000
Under Housing Act, 1914 .....		394,500	74,600
For Treasury Bills (for supply) .....		2,114,220,000	1,756,983,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....		1,300,000	—
For 4½ per Cent. War Loan, 1915-1915 .....		—	424
For 5 per Cent. Exchequer Bonds, 1919 .....		—	34,223,000
For 5 per Cent. Exchequer Bonds, 1920 .....		—	84,140,469
For 5 per Cent. Exchequer Bonds, 1921 .....		—	62,468,806
For 5 per Cent. Exchequer Bonds, 1922 .....		82,209,400	—
For 6 per Cent. Exchequer Bonds, 1920 .....		—	160,531,000
For War Expenditure Certificates .....		—	29,878,500
For War Savings Certificates .....		31,900,000	41,450,000
For other Debt created under the War Loan Acts, 1914-1917 .....		556,870,296	199,875,038
For 4 per Cent. War Loan, 1920-1922, and 5 per Cent. War Loan, 1920-1927 .....		166,913,580	—
For National War Bonds .....		216,099,000	—
Cunard Loan: Repayment on a/c. of Principal China Indemnity .....		130,000	130,000
Temporary Advances—			
Ways and Means (including Treasury Bills £345,000,000 in 1916-1917) .....		840,103,500	610,053,000
<b>Total</b> .....		4,455,325,343	3,324,979,415

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

\* Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Jan. 5, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Jan. 6, 1917.
<b>EXPENDITURE.</b>			
Permanent Charge of Debt ..	17,000,000	17,006,991	18,003,300
Interest, &c., on War Debt ..	194,500,000	146,180,000	99,806,917
Payments to Local Taxation Accounts, &c. ....	9,700,000	6,527,664	6,458,392
Other Consolidated Fund Services .....	1,695,000	1,270,859	1,496,825
Supply Services .....	2,543,830,000	1,903,064,423	1,473,012,702
<b>Expenditure</b> .....	2,761,725,000	2,074,049,348	1,598,778,137
<b>OTHER ISSUES.</b>			
For Advances for Bullion .....		1,970,000	2,930,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		169,818	91,370
Under Telegraph (Money) Act, 1913 .....		100,000	210,000
Under Post Office (London) Railway Act, 1913 .....		95,000	160,000
Under Military Works Acts, 1897 to 1903 .....		—	8,008
Under Public Buildings Expenses Act, 1903 .....		—	8,000
Under Housing Act, 1914 .....		394,500	73,900
For Treasury Bills for Supply .....		1,504,364,000	1,253,447,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....		1,300,000	—
For War Loans, Exchequer Bonds, &c., under Section 34 of Finance Act, 1917 .....		6,832,597	355,445
For other Debt under the War Loan Acts, 1914 to 1917 .....		35,218,056	9,651,957
For Depreciation Fund under the Finance Act, 1917 .....		26,490,200	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908 .....		10,100	69,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 26 (1) (b) ..		20,000	53,160
Old Sinking Funds, 1911-12 and 1913-14, issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914 .....		949,000	250,000
Cunard Loan Repayments—			
Issued to reduce Debt under the Cunard Agreement (Money) Act, 1904 .....		130,000	130,000
Temporary Advances repaid—			
Ways and Means (including Treasury Bills £321,521,000 in 1916-17) .....		786,849,000	438,314,000
<b>Total</b> .....		4,438,941,519	3,307,617,577

	1918. Jan. 5.	1917. Jan. 6.
Balances in Exchequer—		
Bank of England.....	15,416,392	16,437,776
Bank of Ireland .....	967,432	924,060
<b>Total</b> .....	16,383,824	17,361,836

NOTE.—Treasury Bills outstanding on Jan. 5, 1918 ..... £1,073,899,000  
\* Includes £321,521, the proceeds of which were not carried to the Exchequer within the period of the account.

## What Balance Sheets Tell.

## NEW ZEALAND AND RIVER PLATE LAND MORTGAGE CO., LTD.

Not much change is shown in the report for the year to October 31 as compared with the previous twelve months. Nett profits were a little higher, but the amount brought in was less, and the sum of £84,400 available is practically the same as last time. Consequently, the dividend of 12 per cent., less tax, is repeated; and £25,000, of £2,000 less, is placed to reserve, which will then amount to £540,000, against debentures for £427,000 and a share capital of £350,000. The carry-forward is increased by £1,500 to £17,400. During the year debentures for £42,000 were paid off. Cash has increased £22,500 to £33,150, bills receivable are up £38,000 at £96,000, and London investments are £210,000 higher at £317,000, but loans on mortgage in the River Plate have been reduced by £300,000. Everything in the balance-sheet looks clean and healthy, and it is evident that the company is pulling through a trying period with flags flying.

## CORDOVA LAND CO., LTD.

This company did not do so well in the financial year ended September 30 last as in the previous period. 7,250 more head of cattle were sold, but of this 5,014 represented forced sales of young breeding stock on capital account, and the average price realised was only £8 17s. 10d. per head, as against £14 10s. in the previous twelve months. Altogether, live-stock sales brought in £24,300 less at £130,000, but interest and produce sales produced £8,375 more, so that gross revenue is only down £15,900 at £148,040. Unfortunately, expenses and two years' excess profits duty absorbed £10,700 more, with the result that, after providing for debenture service, there is £26,600 less available at £32,700. The sum of £15,000 is transferred to reserve, and expended to the extent of £14,000 in the purchase of debenture stock in accordance with the conditions of the trust deed, and the dividend of 5 per cent., which requires £43,900 as before, is partly paid out of the amount brought in from the previous year, the carry-forward being left £26,200 down at £59,770. There is no movement in the balance-sheet calling for comment, but a more optimistic note is sounded in the directors' report. The lands have now, it appears, recovered from the trials of the previous winter and summer. The winter grasses are stated to be excellent, and it is said that the Estancia manager has reported that the company's normal position has been retrieved.

## ROSSLEIGH, LTD.

This Edinburgh motor and cycle business made exactly the same gross profit, £11,440, during the financial year ended September 30 last as in the previous period, but war taxation calls for £385 more at £2,135, so that after setting aside a slightly smaller amount to depreciation there is £280 less at £8,880 available. This is almost sufficient to maintain the distribution on the ordinary at the previous year's rate, but shareholders only get 10s as against 15 per cent., £1,000 of the balance going to reserve as before, and £1,440 to increase the carry forward, which now amounts to £11,800. Stocks on hand are £10,000 down at £13,600, and cash is £12,000 up at £52,000. The liquid position seems to be quite satisfactory, for against current liabilities aggregating £8,000 there are trading assets amounting to £64,170.

## GRAND JUNCTION CANAL CO.

As a result of the building restrictions imposed by the Government a considerable falling off took place in the local traffic in the London district, and it is chiefly to this circumstance that the shrinkage of £3,190 in revenue is due. Fortunately, however, expenses were £1,310 down, and the amount available after providing for debenture interest and preference dividend is consequently only £1,880 lower at £14,380. This is not quite sufficient to provide for the dividend, which is maintained at 3 per cent.; £2,570 having to be withdrawn from the amount brought in for this purpose. There still remains, however, the substantial sum of £8,670 to go forward, and official intimation has recently been given to the effect that during the period of control by the Board of Trade there will be a guarantee of nett revenue equal to that of the undertaking for the year 1913. The present dividend of 3 per cent. seems, therefore, to be likely to be maintained.

## ANGOSTURA BITTERS (DR. J. G. B. SIEGERT AND SONS), LTD.

A heavy setback has occurred in this business, owing to conditions arising from the war. Restrictions and prohibitions are in force in many countries, and difficulties of transport have operated everywhere. Consequently, trading profits have dropped £9,000 to £15,750, and the nett are about £10,000 lower at £5,700. The preference dividend is paid in full, but the ordinary, which got 6 per cent. last year, receives nothing this time, and the carry forward is practically the same at £2,200. It is a poor showing, but the company's business is of such a peculiar type that these vicissitudes are inevitable.

## COMPANY MEETING.

## BUKIT TAMBUN ESTATES.

The second annual general meeting of the Bukit Tambun Estates, Ltd., was held on Wednesday at the offices, 65, Bishopsgate, Sir Gordon B. Voules (the chairman of the company) presiding.

The Secretary (Mr. E. F. Robson) having read the notice calling the meeting and the auditors' report,

The Chairman, in moving the adoption of the report and accounts, said they had made a profit for the past year of £550, as compared with £25 in the previous year. They had every reason to be satisfied with the yield of their estate. They had harvested 900,000 nuts, as compared with 527,000 in the previous year, and they had manufactured 165 tons of copra, all of which they had had to dispose of locally at an average price of £15 13s. 6d. a ton. The cost of production worked out at £9 per ton, which compared most favourably with the general standard of costs in the East. The fields had all been kept clean, and the growth all round was reported by their visiting agent as most satisfactory. Owing to the absence of shipping facilities, it had been impossible to secure any cargo space whatever for their copra, notwithstanding all their efforts. They had made frequent representations to the Government Departments concerned, both here and in the East, with a view to finding some solution to the difficulty. They had also endeavoured to find fresh markets in Japan, America, and Australia, but they had found themselves up against the same difficulty of want of shipping. It was very disappointing that after bringing the estate to its present condition they should be met with this difficulty of lack of freight, more especially at a time when copra was so urgently required in England for the manufacture of margarine. He felt sure that after the war there would be a continuous demand for copra, and there was every reason to expect that the company would then enjoy prosperous times. The area of the combined estates of Bukit Tambun and Sungei Kechil was 2,663 acres, of which 1,886 were cultivated and planted up with nearly 90,000 trees, and 802 acres were in bearing. The whole of the property was either freehold or held on long leases of 999 years at an annual rent of £200, which worked out at about 1s. 7d. per acre. The estimated crop for the current year was over 1,500,000 nuts, and it was to be remembered that less than 50 per cent. of their planted area was as yet in bearing. The acquisition of the new property would be very advantageous. The view of the board was that the larger the estate the better it was likely to pay. The board hoped shortly to be in a position to consult the shareholders in regard to the acquisition of another coconut property which could be run advantageously with their own. In the circular issued to the shareholders in June last with reference to the acquisition of the Sungei Kechil, it was stated that they proposed to increase the share capital by £45,000 to provide the 350,000 new 2s. shares, and to leave £10,000 available for further working capital. The Treasury would not allow them to issue any new capital until after the war, and as they were not pressing the sale of copra at the present low prices, the result was to call for remittances from this side to pay for the upkeep of the two estates. They had made satisfactory arrangements with their bankers to provide such funds as might be necessary.

Mr. C. Malcolm Cumming seconded the motion, which was carried unanimously, and the retiring director and auditors were re-elected.

The proceedings terminated with votes of thanks to the staff in the East and to the chairman and the directors.

## OILFIELDS PRODUCTION.

Anglo-Egyptian.—For week ended Dec. 30:—Gemsah, 664 tons, against 21 tons previous week; Hurghada, 3,549 tons, against 5,391 tons previous week.

Bibi Eibat.—Week ended Dec. 24, 662 tons.

Black Sea Amalgamated. Week ended Dec. 29, 310 tons.

Kerr River of California.—For Dec., 120,720 barrels (17,246 tons); including 65,139 barrels from the properties of the St. Helens Petroleum Co.

Lobitos.—For Dec., 7,591 tons.

New Schibaieff Petroleum.—For Nov. (gross), 5,665 tons. Net 3,253 tons.

United British Oilfields of Trinidad, Limited.—For week ended Wednesday, Jan. 2, 423 tons.

SOUTH AFRICAN RAILWAYS.—The railway earnings for the week ended October 6 amounted to £291,613, an increase of £26,684 compared with the corresponding week of last year. Passenger traffic contributed £84,320, an increase of £10,980; goods, £117,761, an increase of £16,374; and live stock, £12,950, an increase of £4,290; while the coal traffic returned £61,968, a decrease of £5,660.

The court of directors of the Chartered Bank of India, Australia, and China have appointed Mr. W. E. Preston to be manager in London, in conjunction with Mr. T. H. Whitehead and Mr. Thomas Fraser. Mr. James Semple Bruce has been appointed sub-manager in London.

## INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.				GROSS TRAFFIC TO DATE.			
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.	
Assam Bengal	Nov. 3	Rs. 1,23,535	— 28,726	1	Rs. 5,94,789	— 1,07,494	1	
Barisi	" 10	18,700	— 49,396	1	5,11,200	— 152,200	1	
Bengal & N.W.	" 3	3,28,680	— 46,046	1	15,01,660	— 1,64,616	1	
Bengal Nagpur	" 10	8,52,000	+ 1,76,000	1	3,26,43,358	+ 29,36,507	1	
Bombay, Baroda	Dec. 29	14,59,000	— 1,61,000	1	1,72,61,000	— 8,68,000	1	
Burma	Nov. 3	3,08,031	— 14,681	1	19,18,384	— 2,20,078	1	
Delhi Umballa	Dec. 29	72,203	— 19,008	1	12,00,386	+ 1,48,810	1	
East Indian	" 29	21,06,000	— 92,300	1	2,97,40,000	+ 13,41,000	1	
Gt. Indian Penin.	" 29	20,04,200	— 3,50,700	1	2,30,31,500	+ 6,11,215	1	
Lucknow-Bareilly	Nov. 3	35,738	+ 850	1	2,01,168	+ 23,801	1	
Madras and S.	" 10	9,50,000	+ 1,65,424	1	52,75,000	+ 3,02,400	1	
Mahratta	" 10	1,27,215	+ 37,761	1	6,96,899	+ 1,03,837	1	
Nizam's Gd. (Broad)	" 10	75,391	+ 4,836	1	3,68,778	— 8,789	1	
North Indian (Metre)	" 10	75,391	+ 4,836	1	3,68,778	— 8,789	1	
Rohilkund and	" 10	75,391	+ 4,836	1	3,68,778	— 8,789	1	
Kumaon	" 3	6,78,799	+ 4,247	1	1,99,458	+ 15,281	1	
South Indian	" 10	6,75,575	+ 73,277	1	37,34,214	+ 2,90,233	1	

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.	Dec. 21	Jan. 7	Dec. 29	Jan. 2	Jan. 6
Dublin United	7,009	+ 457	343,395	+ 33,285	
Hastings and Dist.	921	+ 133	921	+ 133	
Isle of Thanet	204	— 60	2,152	— 1,304	
Lancashire United	2,817	+ 703	916	+ 147	
Provincial	2,376	+ 250	32,291	+ 4,208	
Yorks. (West. Rdng.)	2,288	+ 453	2,288	+ 453	

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Oct. 26	Nov. 3	Dec. 31	Jan. 7	Jan. 12
Alabama Power	173,018	+ 22,072	12	1,253,083	+ 361,340
Anglo-Argentine	53,008	+ 1,079	1	53,008	+ 1,079
Auckland Electric	22,308	+ 880	a	92,118	+ 7,832
Brazilian Traction	M7,695,000	+ M535,000	11	M841,310	+ M655,800
Brisbane Elec. Inv.	33,580	+ 820	10	328,420	+ 2,000
British Columbia	141,369	+ 331,772	4	432,464	+ 29,124
B. A. Lacroze	39,629	+ 546	5	18,575	+ 1,214
Burmah Electric	Rs. 27,761	+ Rs. 937	—	82,884	+ Rs. 4,844
Calcutta	Rs. 76,984	+ Rs. 4,506	—	Rs. 34,118	+ Rs. 85
Carthage and					
Herreras	4,424	+ 2,025	*	49,566	+ 19,776
Cordoba Light					
P. & T.	12,481	— 1,052	7	95,376	— 2,640
Hongkong	12,308	— 55	7	622,320	— 40,243
La Plata	4,605	+ 169	12	48,962	+ 1,873
Lima	16,965	+ 1,998	11	159,413	+ 4,850
Madras Electric	Rs. 46,046	+ Rs. 5,876	—	Rs. 847,320	+ Rs. 70,442
Manila Electric	65,467	+ 4,667	8	547,492	+ 70,625
Mexico	215,256	+ 108,669	—	3,193,106	+ 192,247
Rangoon	5,438	+ 534	—	54,751	+ 1,509
Singapore Electric	12,357	+ 860	—	529,661	+ 12,549
Toronto	423,556	+ 8,753	11	5,032,176	+ 249,133
United of Monte V.	34,025	+ 2,661	2	65,085	+ 5,317
Vera Cruz	56,400	— 8	8	464,400	— 5,317
Winnipeg	88,888	— 14,744	11	748,976	— 327,782

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

NAME.	Jan. 7	Dec. 31	Nov. 3	Oct. 26	Jan. 7
Alcoyand Gandia	Ps. 6,000	— Ps. 2,570	1	Ps. 6,000	— Ps. 2,570
Antofagasta (Chili)	44,495	+ 135	1	2,236,925	+ 399,975
Arauco	3,600	+ 3,500	1	117,500	+ 21,200
Argentine N.E.	9,400	+ 3,000	1	213,000	+ 34,398
Bilbao R. and Canta	3,911	+ 1,426	10	35,861	+ 10,946
Bolivar	12,000	+ 4,820	5	55,005	+ 18,501
Brazil	M4,209,000	+ M208,171	1	M406,000	+ M457,452
Brazil Gt. Southern	M14,39,300	+ M2,080	1	M325,937	+ M43,467
B. Ayres & Pacific	106,000	+ 14,000	1	1,939,000	+ 354,000
Do. Central	26,190	+ 3,579	5	113,972	+ 14,222
Do. Gt. South'n	135,000	+ 28,000	1	2,558,705	+ 304,549
Do. Western	54,000	+ 11,000	1	1,95,000	+ 304,000
Central Argentine	129,000	+ 35,000	1	2,381,300	+ 590,000
C. Ur'g'ay of Mte V.	15,793	+ 1,127	1	475,998	+ 135,687
Do. East'n Ex.	4,828	— 322	1	127,499	+ 8,905
Do. North'n Ex.	2,682	— 82	1	80,753	+ 22,974
Do. West'n Ex.	2,562	+ 832	1	54,903	+ 3,534
Cordoba Central	37,000	+ 13,320	1	803,680	+ 6,085
Costa Rica	2,166	+ 2,643	1	61,644	+ 44,675
Cuban Central	14,243	+ 3,385	1	311,292	+ 71,787
Dorada Extension	8,000	— 300	1	98,700	+ 7,500
Egyptian Delta	10,177	+ 1,693	1	162,393	+ 28,492
Entre Rios	15,997	+ 5,000	1	354,300	+ 44,500
French Sante Fé	132,000	+ 29,099	6	900,316	+ 173,429
Gt. South. of Spain	Pa. 25,727	— Ps. 40,904	1	Ps. 404,779	+ Ps. 348,545
Gt. West. of Brazil	17,600	+ 4,300	1	13,000	+ 2,050
Havana Central	8,115	+ 1,493	1	14,563	+ 20,988
Inter. of C. Amer.	11,712	+ 5,238	1	240,451	+ 34,242
La Guaira and Car.	6,500	— 500	1	80,500	+ 4,750
Leopoldina	33,092	+ 12,502	1	23,366	+ 7,848
Midland Uruguay	15,743	+ 1,407	4	67,448	+ 7,537
Mogiana	M3,213,000	+ M526,674	6	M14,591,000	+ M40,707
N.W. of Uruguay	37,394	+ 8,165	1	159,682	+ 813,092
Nitrate	2,660	+ 900	1	775,205	+ 92,608
Paraguay Central	M4,904,000	+ M112,724	7	M19,990,000	+ M172,000
Paulista	S1,101,090	+ S110,248	5	S 6,083,270	+ S 582,778
Peruvian Corp'n	218,802	+ 12,300	1	450,826	+ 98,759
Salvador	M65,000	+ M45,000	11	M1,021,000	+ M66,000
State of Bahia S.W.	36,760	+ 15,054	1	36,760	+ 15,054
Sorocabana	M2,107,000	+ M224,206	7	M16,988	+ M173,520
Taital	29,108	+ 13,306	6	150,436	+ 38,295
United of Havana	56,416	+ 11,429	1	1,085,031	+ 2,8,922
West'n of Havana	8,079	+ 1,424	1	191,786	+ 38,261
Zafra and Huelva	10,538	+ 403	12	123,820	+ 3,332

\* Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

NAME.	Aug. 31	Dec. 31	Jan. 7	Jan. 12	Jan. 17
Belra	54,914	— 12,287	10	706,175	+ 4,297
Canadian Northern	886,100	+ 1,100	1	21,856,800	+ 225,300
Canadian Pacific	3,679,000	+ 614,000	1	15,244,500	+ 125,150,000
Gr. Trk. Main Line	172,388	+ 7,284	1	172,388	+ 7,284
Gr. Trk. Western	30,000	+ 3,802	1	36,000	+ 3,804
Detroit G. H. & M.	12,812	+ 2,003	1	12,832	+ 2,003
Gr. Trk. Pac. Prairie Sc.	39,062	+ 7,018	1	762,176	+ 166,018
Mashonaland	47,670	+ 9,630	1	47,670	+ 9,630
Mid. of West'n. Aus.	7,100	+ 931	4	25,356	+ 1,307
New Cape Central	2,071	+ 572	1	85,374	+ 13,277
Rhodesia	78,617	+ 11,622	12	1,011,161	+ 78,613

\* Months. † July 1. † Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.				NETT EARNINGS TO DATE.			
	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.	No. of Mths.	
Atchafalpa T. & S. Fé	Nov.	4,500,000	— 1,062,000	11	44,686,000	— 1,188,000	11	
Atlantic Coast Line	Sep.	757,000	+ 132,000	9	8,260,000	+ 337,000	9	
Baltimore & Ohio	Nov.	1,918,000	— 1,059,000	11	28,707,000	+ 2,260,000	11	
Canadian Northern	"	754,700	— 495,300	11	3,249,800	— 2,228,500	11	
Canadian Pacific	"	5,258,000	— 306,100	11	42,635,000	— 2,820,000	11	
Chesapeake & Ohio	Oct.	1,303,000	— 91,000	10	11,661,000	— 1,262,000	10	
Chicago & N.W.	"	2,747,000	— 527,000	10	23,230,000	— 3,025,000	10	
Chicago Burl. & Q.	"	2,943,000	— 1,365,000	10	29,640,000	— 1,925,000	10	
Chicago G.W.	"	355,000	— 178,000	10	3,193,000	— 836,000	10	
Chicago Mil. & S. P.	"	1,599,000	— 1,525,000	10	17,297,000	— 4,550,000	10	
Chicago, Rock I. & P.	"	2,128,000	— 224,000	10	17,285,000	— 2,801,000	10	
Colorado & Southern	"	536,000	— 116,000	10	4,875,000	+ 602,000	10	
Cuba ..	"	89,465	56,433	3	671,275	— 180,123	3	
Delaware & Hud. ..	"	489,000	— 246,000	10	5,491,000	— 1,130,000	10	
Denver & Rio Gran.	"	839,000	— 241,000	10	6,580,000	— 1,119,000	10	
Erie ..	"	1,246,000	— 392,000	10	9,340,000	— 6,269,000	10	
Gr. Tr. Main Line	Nov.	886,200	— 128,600	11	8,907,300	— 2,627,900	11	
Grand Trunk Westn.	"	615,650	— 1,950	11	4,335,450	— 1,361,450	11	
Detroit G. H. & Mil.	"	616,700	— 1,100	11	4,677,700	— 2,679,900	11	
Gt. Northern ..	Oct.	2,684,000	— 905,000	10	19,880,000	— 3,187,000	10	
Illinois Central ..	"	1,851,000	+ 135,000	10	16,072,000	+ 2,999,000	10	
Kansas City Southn.	"	351,000	+ 77,000	10	3,736,000	+ 583,000	10	
Lehigh Valley ..	"	737,000	— 474,000	10	8,613,000	— 2,034,000	10	
Louisville & Nashvi.	"	1,583,000	— 403,000	10	13,653,000	— 658,000	10	
Minn. S. P. (So.)	"	1,943,000	— 294,000	10	8,097,000	— 3,057,000	10	
Miss. K. & Texas ..	"	926,000	— 170,000	4	6,430,000	+ 2,171,000	4	
Missouri Pacific ..	"	2,122,000	+ 112,000	4	7,735,000	+ 2,244,000	4	
New York Cent. & H.	"	5,661,000	— 15,000	10	42,110,000	— 1,159,300	10	
N. Y. N. Haven & H.	"	1,875,000	— 133,000	10	18,128,000	— 1,057,000	10	
New York Ont. & W.	"	150,000	— 27,000	10	2,019,000	— 45,000	10	
Norfolk & Western.	"	1,991,000	— 135,000	10	16,570,000	— 8,375,000	10	
Northern Pacific ..	"	3,147,000	— 123,000	10	24,532,000	— 150,000	10	
Pennsylvania East and West Lines ..	"	8,433,000	— 1,600,000	10	81,101,000	— 13218,000	10	
St. Louis & San F.	"	1,875,000	+ 33,000	4	7,264,000	+ 1,447,000	4	
Seaboard Air Line ..	"	744,000	+ 61,000	10	6,113,000	+ 304,000	10	
Southern ..	"	3,104,000	+ 671,000	10	9,324,000	+ 1,748,000	10	
Southern Pacific ..	"	7,077,000	+ 1,673,000	10	51,111,000	+ 8,244,000	10	
Union Pacific ..	Nov.	3,961,000	— 668,000	11	39,694,000	— 2,312,000	11	
Wabash ..	"	1,234,000	— 134,000	11	10,269,000	— 166,000	11	

# The Investors' Review

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## CANADA. THE BANK OF BRITISH NORTH AMERICA.

Established 1836.

INCORPORATED BY ROYAL CHARTER 1840

PAID-UP CAPITAL .. £1,000,000. RESERVE FUND .. £620,000.  
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J. H. MAYNE CAMPBELL. F. LUBBOCK. G. D. WHATMAN.  
E. A. HOARE.

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Purchase of Stocks and Shares.

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LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

## THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £1,980,000; together £3,980,000

Reserve Liability of Proprietors..... 4,000,000

Total Capital and Reserves..... £7,980,000

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REST AND UNDIVIDED PROFITS .. .. \$3,600,000  
TOTAL ASSETS EXCEED .. .. \$100,000,000

The Bank has over 300 Branches in Canada, and Agents in the principal cities in America. GENERAL BANKING BUSINESS CONDUCTED.

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Capital Authorised	...	...	£1,500,000
Capital Issued	...	...	1,125,000
Capital Paid Up	...	...	562,500
Reserve Fund	...	...	600,000

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CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

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On current accounts interest is allowed at 2 per cent. per annum on daily balances.

# THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	...	...	Yen 48,000,000
Capital Paid Up	...	...	Yen 36,000,000
Reserve Fund	...	...	Yen 22,100,000

Head Office: YOKOHAMA.

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Changchun.	Kobe.	Peking.	Tientsin.
Dairen (Daini).	Los Angeles.	Rangoon.	Tokyo.
Fengtien (Mukden).	Lyons.	San Francisco.	Tsinanfu.
Hankow.	Nagasaki.	Seattle.	Tsingtau.
Harbin.	Newchang.	Shanghai.	

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

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K. TATSUMI, Manager.

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ASSETS EXCEED £24,000,000.

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The operations of the Company embrace all branches of Insurance.

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O. MORGAN OWEN, General Manager.

## NOTICE.

# CITY OF TOKYO 5 PER CENT. STERLING LOAN OF 1906 FOR £1,500,000.

NOTICE IS HEREBY GIVEN that the COUPON due 1st February, 1918, will be PAID on and after that date (Saturdays excepted), between the hours of 11 and 3, by the Yokohama Specie Bank, Limited, where lists may be obtained.

Coupons must be left three clear days for examination prior to their payment.

For the Yokohama Specie Bank, Ltd.,

K. TATSUMI, Manager.

7, Bishopsgate, E.C.,

17th January, 1918.

# FARROW'S BANK

Incorporated under the Joint Stock Companies Acts.

LIMITED

Authorised Capital, £1,000,000. Shares Issued, 700,000.  
Shareholders, 4,000.

Chairman - Mr. Thomas Farrow.

# EVERY DESCRIPTION OF JOINT STOCK BANKING TRANSACTED.

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A.H. & CO

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Head Office—71 Old Broad Street, E.C.

Subscribed Capital	...	...	£1,278,747 10 0
Paid up Capital	...	...	869,685 0 0
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## Passing Events.

Better and better grows the product of the National War Bond campaign, and cities and towns throughout the country are emulating each other under stimulus of the tank and other daring advertisement devices, as to which shall subscribe the most. Glasgow is making a strenuous effort to put London to shame, and possibly this rivalry may cause the influx of money to go on much longer than it otherwise might have done. At any rate, for the past week the subscriptions to the Bank of England issue beat all records at £33,172,946, and that sum was subscribed by 22,970 buyers, which brings out the average subscription at about £1,445. The total number of subscribers is, therefore, now 245,396, and the aggregate amount they have handed to the Treasury £253,890,064. For the Post Office issue there was also 27,200 applicants, who subscribed for £968,000, making the total number of applications through that channel 528,000 up to the end of last week, and the total amount furnished £12,584,000. Also the week seems to have been a record one for War Savings Certificates, for 2,385,241 were disposed of, making the aggregate sold to date 139,714,562 fifteen-and-sixpences. The week's addition to the cash from this source was £1,843,562, and the aggregate £108,279,000. Apparently, as Mr. G. A. Sutton, the Director of Publicity of the War Savings Committee, a very smart man indeed in the art of producing telling and stimulating advertisements, says, there were several causes tending to produce this fine result, the principal one being the reduction of interest on Treasury bills. Next to that came the Tanks, which last week brought in nearly £9,000,000 by the sale of National War Bonds. We hope this success will go on, and improve if possible, for notwithstanding the recoil in the outpourings from the Treasury last week, the necessities of the Government will for many months to come absorb every shilling obtainable from no matter what source.

Last week the disbursements on supply were only £34,095,432, and the total Exchequer payments under all heads came to only £35,163,000. This was as near as may be £5,023,000 per diem, and supply alone came to no more than £4,871,000 a day. We only wish these figures could be relied on to continue, but that

would be to expect too much. It may be, however, that the committee to be appointed to overhaul all channels of public expenditure will succeed in restraining the extravagance and incompetent handling of means so conspicuous everywhere. Also we trust that something like an overhaul, weeding out, and pruning down of the redundant personnel now mobbed together, one may say, in all departments will be seriously taken in hand. That, for instance, was a curious excuse given for the abandonment by the Government of that really shocking design to turn the British Museum into a rendezvous for "flappers," or, in other words, into the centre of the Air Board's operations. By looking into the matter, the public was blandly told, it was found that the Department could do with only half the staff it had been endowed with. Are there many other departments of which the same thing might be said? Probably there are, and certainly one of the essentials, the one effective agent in helping us to final triumph in the war, is thrift in the outlays of money. Most of those that have been drawn or hustled into the public services do not understand this imperative in the very slightest. To the majority the only thought seems to be "how much money can I get out of the Government?" They talk of money, and of spendings in this and the other direction, with a perfect unconsciousness of what money means and of the sources from whence the Government draws it.

Returning to the figures, we find that revenue from taxation and State monopolies was last week £20,370,286, and that of this figure no less than £16,279,000 came from excess profits duty, including munitions levy and property and income-tax, including super-tax. The amount received from income-tax alone, with super-tax, came to £12,636,000, and other sources of revenue were more or less insignificant, although estate duties did contribute £844,000 and Customs £1,579,000. The total expenditure, however, was £108,671,000. That was a decline of nearly £12,000,000 on the previous week's total, but still an amount much in excess of the actual revenue. Then the Government, in addition to finding £803,293 for interest on war debt and £264,194 to meet miscellaneous demands, had to repay £47,704,000 of due Treasury bills and £24,500,000 of temporary advances, besides £516,264 on account of "other" war debt. It found

this money by the help of £20,149,000 received from the sale of War Bonds, by the issue of £64,088,000 of new Treasury bills, by £2,600,000 proceeds of sales of War Savings Certificates, and £2,660,000, the product of "other" war debt. One or two other small items enter into the mixture, bringing up the total receipts of the week to £109,960,247. As these exceeded the payments by £1,289,339, that difference was added to the Exchequer balances, raising them to £17,673,163.

We have observed that amongst the many expedients upon which the benevolent amongst us have fallen in order to raise funds are gifts of jewels, old plate, curiosities of all kinds, heirlooms and gold oddments of every sort, now being accumulated to be offered for sale by Messrs. Christie, the proceeds to go to the British Red Cross Society and the Order of St. John. Daily lists are now issued by some of the newspapers, and show that the number of people who give generously is, one might say, inexhaustible, and this has set us thinking. Some long time ago it was suggested in these columns that the Government might draw a large amount of now useless gold into the Treasury if the people could be induced to hand over their gold watches and chains, with ornamental possessions, now wearing away in daily use. There are plenty of other articles in daily use, such as gold cigarette cases and dress ornaments of all kinds, which could well be spared. Nothing came of that suggestion, so far as we ever saw, and when it was put to the test, as it has been, there was no room for surprise that it had not "caught on." The Bank of England's statutory price for standard gold—that is to say, for 18-carat gold—is £3 17s. 9d. per oz. That is its minimum price. In times of pressure, when it may be necessary to buttress banking credit with gold in the face of adverse exchanges, the price may be more, but it is forbidden by statute to be less. Against this minimum the price of standard gold paid by the retail bullion dealers and pawnbrokers is only £3 per oz. These traders consequently put themselves in the position to nett a profit of 17s. 9d. per oz. on the 18-carat gold they buy, and the man who might desire to turn his gold watch and trinkets into War Savings Certificates, say, or into National Bonds, finds that he was mulct to the extent of nearly one-fourth of the value in his attempt to do so. Would it not be possible for the Government to intervene and do away with this robbery? It is not called upon to pass a law after the manner of Sir Albert Stanley's Non-Ferrous Metal Bill—a measure which looks to us more of a futility the more it is discussed—all that should be necessary is for the Treasury or the Bank of England to come to an arrangement by which certain gold-buying depôts would be opened or dealers appointed whose business it would be to act as buyers to the Bank at prices which would secure a reasonable payment to them for their trouble and at the same time be a just compensation to the seller. The idea seems to be worth consideration, for when the fashion of the tanks and big advertisements has worked itself out a new scheme will be required to draw savings from the people, perhaps half-a-dozen schemes, before the war is done with. For the sake of our growing fiduciary note circulation in the form of Treasury notes alone, we think it would be advisable to take active steps now in order to bring the idle and wasting gold, of which many millions must now be in the hands of the people, into use as active agents in the maintenance of our credit.

"If I had been a dictator at the beginning of the war, I would have paid workmen according to results." So said Mr. G. N. Barnes, M.P. and War Cabinet Minister, in a speech made this week at a luncheon of the Glasgow Rotary Club, and his words were received with cheers. But he also said—and it was creditable to his honesty to admit it—that much trouble had been caused by the "butting in" of the War Cabinet—in the disputes with workmen about pay—with a 12½ per cent. increase in wages to be paid indiscriminately to all workers in factories under the control of the Ministry of Munitions. There can be no doubt about

it that this action of the War Cabinet was a blunder, as Mr. Barnes also admitted, and a blunder committed, too, just when employers and employed seemed in a fair way to come to some agreement of their own. The Government's decision knocked all chances of saving the nation's money on the head, and plunged the industries of the country into a worse dilemma than ever. For the decision to grant this "flat" increase all down the scale could not possibly be limited in its effects solely to those employed under the Ministry of Munitions. It affected all employers of labour and all workmen the kingdom through. In fact, the action of the Government, in many instances besides this, has been of a kind calculated, not perhaps to make us lose the war, but to render the recuperation of our industries after the war extremely difficult. The cleavage between employer and employed has been widened by the Government, not in anywise reduced.

What is now happening in all directions? A clamorous insistence upon such increases in wages as are seen to have been granted to the favoured workmen under official control, and as will protect the worker from the consequence of high prices which their employers suffer from as much as themselves, has developed nearly everywhere, and the power of effective resistance has gone. The Government by its action has created a state of affairs bound to be inimical to our industrial strength and recuperative power at the end of the war. It has launched the labourer on the wrong path. Instead of wisely appealing to his acquisitive instincts by promising high pay proportioned to the quality and quantity of the work produced, it has coddled the inefficient and demoralised all ranks of labour by bribes and surrenders.

As Mr. Barnes very justly observed, this sort of treatment of labour in the off-hand manner of the official mind without business experience is "absolutely against the principle of payment by results." The 12½ per cent. increase flung off-hand to all and sundry did not satisfy the workers to whom it was conceded; inequalities persisted amongst them after the pay was raised, as before, and the Government has had to wrestle ever since with the discontent of the really skilled worker almost more than before. A committee has been set up specially to try and smooth away differences and arrange wages adjustments, and it will have its work cut out for it, because labour in the main was probably never so pampered as it is now, and, therefore, never more unreasonable. The time worker is persuaded that it is to the good of his class that he should do as little work for his pay as possible. That gives more of his comrades a chance to work, he has been told, and a chance to live, whether he deserves to live or not. The piece worker is consequently held back by the "ca' canny" time worker, and the whole output reduced, to the impoverishment in ordinary times of all concerned. The men should have been told flatly from the beginning that there is no prosperity so sure as the prosperity that comes from steady labour, and that the more their output, the higher their pay would be. They were not told that, so they go on in their present listless fashion, and the discontent smoulders in most workshops at least as perniciously after each concession as before. Can we look to the War Cabinet to change its system or the Ministry of Munitions? We cannot. In the course of political nature we are too near a General Election. The moral is that officialism and politics alike should be banished from the field of industry. Masters and workmen should draw together, and treat their relations as purely matters of business, wherein each side has a partner's interest in the results.

The Coal Mines Control Bill, which has still to pass the House of Lords, certainly seems ingenious, but how it will meet the difficulties of the situation remains to be seen. The Bill embodies an agreement between the Controller and the representatives of the colliery owners, the Mining Association, in respect to the

financial aspect of Government control. Under the Bill the collieries are guaranteed the pre-war rate of dividend plus 5 per cent. of any excess profits that may be made, subject to the provision that the output, unless for a satisfactory reason, is maintained. In effect, the collieries give up 95 per cent. of their excess profits as against the 80 per cent. claimed under the Finance Act. The extra 15 per cent. goes to a special fund for the purpose of compensating those collieries which may be unable to earn their pre-war dividends, the idea being that enough will be obtained to permit of the payment of the guaranteed pre-war dividend to all collieries without encroaching upon the Exchequer.

In the past Argentina has relied for her revenues mainly upon import duties, and up to quite recently this source has proved adequate for requirements, but the present abnormal situation has rendered necessary some other source of income. Almost all the products of Argentina are subject to competition in the world's markets, and, considering the great distance she is from the chief consuming centres, it is not unnatural that for many years the Government rigorously set its face against imposing a tax on the chief exports for the purpose of producing Government revenues. However, exceptional times necessitate exceptional measures, and, after a great deal of delay and not inconsiderable opposition from many quarters, the Chamber has voted the tax on exports. Several alternative schemes were, we understand, proposed, but under the circumstances the plan adopted was, perhaps, the wisest one. The Government, doubtless, feel convinced that in the conditions which exist at present the demand for Argentina's produce will support the increased cost. Anyway, new and increased taxes and exports are, it is understood, expected to yield \$150,000,000. The Budget for 1918, we learn, fixed its expenditure at \$382,386,000 m/n, and estimated the revenue at \$382,400,000 m/n. Whether or not the yield from the new taxes comes up to expectations, it will materially augment Government resources.

Although the political situation in China still leaves a great deal to be desired, the finances of the Republic are in better shape than appeared likely some years ago. Not one of the least encouraging signs of the times is the recently published Maritime Customs statement for the year 1917, which shows an increase of 400,000 Haikwan taels over that for 1916. This bears, it is true, only a comparatively small proportion to the total collection, which, in round numbers, is reported to amount to 38,177,000 taels, but it is to the good, and, considering the conditions obtaining, exceedingly satisfactory. As the average rate of exchange came out at 51½d. against 39½d., the total collection, converted into sterling, amounted to £8,241,857, as against £6,264,496. This is a very substantial increase, and the Government are able to announce that all foreign obligations are fully met to December 31, 1917. This year the Customs tariff will have the benefit of the recently sanctioned increase of 5 per cent., and the large sum of money which will accrue to the Government from the suspension of the Boxer Indemnity payment will further increase the revenue of the country.

Bank balance-sheets and reports for the past year cannot fail to excite more than usual interest in present circumstances and to reveal new developments worth discussion. We shall leave this, however, until all of them are issued, and be content meanwhile with noting the changes in each bank's exhibit as they come. One of the earliest is that of Barclays Bank, Ltd. It makes a very fine display for the year. The aggregate of the balance-sheet, for example, has risen by as much as £21,066,780 to £138,013,481. Profits have also been good, but the increase, though good, is nowise excessive. Gross profit was £2,562,200, or £279,267 more than for the preceding year, and the balance of £120,938 brought forward was £48,328 larger, so that altogether the bank earned £2,683,139 gross compared

with £2,355,044 twelve months ago. This was an increase of £320,095. But working expenses, including income-tax and staff bonus, absorbed £199,391 more, directors' remuneration rose £12,872, reserve for staff bonus was doubled at £40,000, and although only £350,000 was placed to contingency account against £500,000 put to investment reserve a year ago, this was all but offset by the assignment of £100,000 to lay the foundation of a staff widows' fund, so that when the dividends and bonus have been paid at the same rate as a year ago the balance left to carry forward was only £66,435 larger at £186,373. The humane thoughtfulness of the board in putting aside £100,000 to form a pension fund is timely, for the report states that 100 additional members of the staff died in the service of their country last year, making 188 in all lost since the war began. The balance-sheet shows an increase of £21,777,071 in the liabilities on current and deposit account, &c., raising them to £129,067,902, but there is a reduction of £720,292 in the cross entry of endorsements and acceptances, now £2,151,136. Some notable and, from the comparative statistician's point of view, highly commendable changes are shown on the assets side. For the first time "cash in hand and with the Bank of England" is shown separately, and amounts to £24,526,865, an increase of £543,627 on the figures of a year ago, notwithstanding that balances with other banks were then included in the cash. This time these balances are now stated separately, combined with cheques in course of collection, and reveal a total of £4,251,563. Call and short notice money is £394,000 up at £5,920,400, and the three items—cash, floating money, balances with banks, &c.—added together show an increase of £10,189,000 over the condensed exhibit of the similar aggregates of a year ago. Bills discounted are £11,205,769 up at £28,089,055, this heavy total no doubt including Treasury bills. The fixed investments of the bank, which amount in all to £26,266,878, have not changed much. They are, however, £774,526 down. Advances, including stock-brokers' loans under the Treasury minute of October 31, 1914, are only £5,997,420 larger at £44,201,242.

In the past six months the Bank of Ireland made a gross profit of £332,500, an increase of £22,500, and the nett profit of £213,400 is £9,000 higher, while £6,800 more was brought in. After again placing £100,000 to the Rest, and repeating the dividend of 10 per cent. per annum, the carry-forward is increased by £15,800 to £42,050. Notes, &c., and post bills in circulation have risen £2,230,000 to £11,925,000, Government deposits are £465,000 up at £2,868,000, and other deposits £1,930,000 at £15,429,000. Cash has increased £2,420,000 to £9,536,000, but money at call, &c., is £284,000 lower at £2,350,000. Treasury bills are up £2,522,000 at £3,344,000, and advances, &c., £247,000 at £7,791,000, while investments are slightly lower at £7,797,000. The balance-sheet totals at £33,838,000, an increase of close on five millions, but the business has a rather sluggish appearance.

Within the past year the London County and Westminster Bank, Ltd., acquired the Ulster Bank, but its accounts are not included in the balance-sheet. Its own business has been stupendous enough, for gross profits amounted to £6,110,539, an increase of no less than £1,070,476 on 1916. More than half of this additional gain, however, was swept away by the interest paid to customers, which took £2,761,917, or £588,330 beyond the similar draft for 1916. Current expenses, including income-tax, also took £200,117 more at £1,884,340, and thus the nett revenue, including £182,291 brought forward, which was £20,706 more, is only £222,067 up at £1,453,358, but this warrants the board in increasing the final dividend to 10 per cent. for the half-year, making with the interim payment of 9 per cents 19 per cent. in all for 1917, as compared with 18 for the previous year. Proportionate payments are made on the amounts paid up on the new shares. Then the contingency fund for investments and foreign

accounts gets £460,500, against £319,000 assigned a year ago to meet depreciation of investments, and bank premises again receive £100,000. This will leave £184,599, or £2,308 more than a year ago, to be carried forward. To pay for the Ulster Bank, as explained below, 129,778 £20 shares, £5 paid, of the London County and Westminster Bank, Ltd., have been issued and added to the capital account. The premium on these shares, after deducting the amounts written off, leaves a balance of £725,948, which has been added to the reserve. Accordingly, the paid-up capital stood on December 31 at £4,138,005, and the reserve at £4,725,948. The liability on current and deposit accounts increased last year by £24,985,245 to £142,267,949. Circular notes, letters of credit, &c., show an increase of £1,409,269 at £4,394,675. Acceptances, on the other hand, are down £1,169,646 at £5,375,652. Cash in hand and at the Bank of England shows a reduction of £7,187,000 at £25,197,729, but money lent at call and short notice is up £19,112,115 to £26,983,538, making the total of these two items, £52,181,265, larger by £11,924,000. Changes in fixed investments are not important, their aggregate of £34,987,945 being only £757,109 lower, but there is an increase of £200,000, making it £400,000, in the share capital of the London County and Westminster Bank (Paris), Ltd., and advances to customers are £4,682,829 larger at £40,800,159. Bank premises, too, shows an increase of £79,976 at £1,789,279, and the balance-sheet aggregate is £26,413,508 higher at £161,757,143. As regards the Ulster Bank, the summary balance-sheet accompanying the London County and Westminster's report shows liabilities of £14,914,000 on current and deposit accounts, and of £3,569,379 on notes to bearer and post bills in circulation. These are the liabilities. Amongst the assets are £3,900,000 of Treasury bills and £2,028,000 in various War Loans. Also the bank holds £1,541,802 of Colonial Government and Indian guaranteed stocks, making its investments of this description altogether £8,299,459. Its assets in the form of bills of exchange, advances, &c., came to an additional £6,324,075, and its cash in hand and with London bankers to £5,097,059. The London County and Westminster Bank paid £12 3s. 4d. per share for the 194,666 (out of a total of 200,000 issued) it bought, or £2,368,436 in all, and has written £506,942 of that off, so that the shares stand in the balance-sheet at £9 11s. 3d. each, or £1,861,493 in all.

Beyond the bare mention of the fact and the statement, which we can well believe, that the amalgamation of the Union of London and Smiths Bank, Ltd., with the National Provincial Bank of England, Ltd., as from January 1 is an arrangement which the directors "are confident will be of great advantage to both the shareholders and customers," no information is given about this important step, but it will doubtless be fully dealt with at the forthcoming special general meetings. For the year just closed the Union of London and Smiths' gross profits were £363,422 up at £2,606,423, but of this larger profit £323,157 was drawn away by the additional interest allowed to customers, the total of which was £1,340,165. It thus appears that depositing customers get the best of the deal with the banker. He does all the work, and has to be satisfied with the minor share of the profits. The balance brought forward was £65,209 lower at £82,543, and as the nett profit of £593,369 was itself £17,108 less, it follows that the entire amount available for distribution was £82,317 less at £675,912, but the dividend is maintained at 10 per cent. for the year by a final payment at that rate, all subject to income-tax. Then £200,000 is set aside for contingencies, or half the amount devoted to writing down investments a year ago, and it follows that the balance of £209,304 left to carry forward is £126,761 up, which shows satisfactory conservatism. Current and deposit accounts aggregate £62,818,388, an increase of £7,586,525. This total is divided into £43,651,176 of current accounts, which is £3,702,569 increase, and

deposit accounts £19,167,212, which are £3,883,958 up. Acceptances are £1,795,573 down at £1,756,124. Other changes amongst the liabilities are of no particular weight. Amongst the assets, cash in hand is up £254,535 to £4,445,516, and balances at the Bank of England are £640,849 down at £9,096,931, so that the two items taken together, as they almost invariably are by other banks, show a reduction of £386,314 at £13,542,447. Call and notice money is £4,277,072 up at £14,312,239. There are sundry changes in the fixed investments, which in the aggregate reduce them by £941,881 to £13,906,749. Bills discounted show an increase of £2,197,150 at £6,082,658, and loans and advances are £3,232,074 larger at £18,562,871. Other changes are all insignificant, but the total of the balance-sheet is £6,583,390 higher at £71,340,856.

Parr's Bank has increased its dividend for the past year. It paid 9 per cent. for the first half and pays 10 per cent. for the second, so that the total return on its shares will be 19 per cent. for the year. This, however, is what the bank paid for a good many years previous to the war, and the available nett profits for 1917 were £207,824 larger at £760,086, although the balance brought forward and included in that total was £109,719 lower at £184,180. But the bank has no writings off or down to do this time, and after paying the dividend the balance of £384,733 left to bring in to the new year is £200,553 larger than that brought in. The most conspicuous change in the balance-sheet is an increase of £7,930,859 in the liabilities on current, deposit and other accounts, making them £68,631,321. Acceptances are up £579,375 to £8,414,336. Drafts current, which figured a year ago in the balance-sheet for £1,274,744, is an entry now omitted. Cash is £543,299 down at £12,713,526, and money at call and short notice is £7,972,901 up at £20,029,668, making the combined items £7,449,872 larger at £32,743,195. The investments in fixed securities are down £1,265,952 to £15,603,087, both the War Loan stock held and the miscellaneous investments being valued at less. War Loan and other British Government stocks alone account for £316,486 less. Bills, loans, &c., have risen £657,559 to £24,171,450, and bank premises are also slightly higher, so that the total of the balance-sheet is £7,459,601 up at £82,252,192.

The London Joint Stock Bank, Ltd., earned gross £138,633 more last year at £1,346,641, but the balance of £50,324 brought forward was £19,952 less. Current expenses, including directors' fees and superannuation allowances, rose £30,734 to £531,440, and after paying interest on rebate, £203,096, and adding £200,000 to the reserve fund, besides £20,000 each to the superannuation fund and in reduction of premises account, the board pays the usual 10 per cent. dividend, with £125,428 remaining to carry forward, or £75,104 more than was brought in. This shows prudent conservatism. It has not been necessary this year to apply any of the profits towards meeting depreciation, whereas a year ago £271,600 was thus swept away. Changes in the balance-sheet are comparatively unimportant for these days, although liabilities on deposit, current accounts, &c., are £9,059,680 up at £57,979,280, but there is a decrease of £635,594 in the acceptances, now £2,947,106. Cash in hand and at the bank is £1,696,451 larger at £11,087,649, and call and short-notice money is £107,464 up at £2,150,393. The holding of Treasury bills is this time stated separately at £18,352,400, and that alteration brings down the ordinary bills discounted to £1,527,750, a decrease on the year of £14,647,776. Loans, advances, &c., are £1,894,554 up at £15,468,529.

We are glad to see that the London and South-Western Bank, Ltd., winds up its career as a separate entity in excellent style. Gross profits for the past year amounted to £1,490,275, an increase of £244,000

over the previous twelve months, which in turn scored a gain of £231,000. But interest and expenses also marched forward, and the nett profit is only £4,000 higher at £312,000. A larger balance was brought in, and after repeating the dividend of 17 per cent., it is possible to set aside £160,000 for contingencies, against £150,000 written off for depreciation last year, and to carry forward only £1,100 less at £54,400. Of course, with a staff that is to a very large extent only partly trained it is inevitable that expenses should increase at the very least side by side with the expansion of business; otherwise the nett results would doubtless have shown up to even greater advantage. Current and deposit accounts have increased £8,000,000 to £38,664,000, and acceptances are £1,200,000 higher at £2,356,000. Cash in hand is up £1,200,000 at £7,648,000, and money at call, &c., has risen £1,800,000 to £5,183,000, the former item representing very nearly 20 per cent. of the liabilities to the public. Bills discounted have increased £4,000,000 to £6,690,000, but there is little change in investments at £5,958,000 or loans and advances at £15,170,000. The balance-sheet totals at £43,700,000, an increase of £8,000,000, and we ought to mention that the reserve fund of £1,350,000 exceeds the paid-up capital by £150,000.

In the past year the London and Provincial Bank, Limited, secured an increase of £175,000 in gross profits, following a gain of £187,000 in 1916. The total is now £1,369,000, but expenses required £70,000 more at £492,100 and interest £100,000 more at £573,520. Including a slightly larger balance brought in, the balance is £6,000 up at £345,850, out of which £150,000 is set aside for contingencies, as against a similar amount written off for depreciation of investments a year ago. The dividend of 19 per cent. is repeated, and £11 more, at £53,350, remains to be carried forward. Current and deposit accounts increased £5,450,000 to £35,960,000, and acceptances £125,000 to £425,000. Cash in hand is £500,000 higher at £7,438,000, and money at call, &c., is up £1,500,000 to £6,470,000. Investments are a little higher at just over 7 millions, while discounts and advances (including 4 millions of Treasury bills) are up £3,600,000 at £18,240,000. The balance-sheet total shows an increase of £5,700,000 at £39,883,000, and, with the present addition, reserves will amount to £2,300,000 against a paid-up capital of one million.

Following a gain of £73,000 in gross profits a year ago, Williams Deacon's Bank, Ltd., shows a further improvement of £70,000 for 1917 at a total of £579,900. Salaries and other charges, however, required £52,000 more, and the nett profit comes out £18,000 better at £297,915. This time £100,000 is placed to reserve (raising it to £750,000), as against a similar amount written off for depreciation last year, and in addition £20,000 is placed to the credit of bank premises. With about £5,000 more brought in, it is possible to repeat the dividend of 14 per cent., and to carry forward £2,000 more at £20,810. It is stated that the holdings of Government stocks stand at cost in the balance-sheet, and the other investments have been written down below current market prices, so that the position in this respect is all that could be desired. Current and deposit accounts show an increase of £4,000,000 at £28,444,000, and acceptances are £120,000 higher at £1,416,000. Cash in hand is up £270,000 at £6,193,000, and money at call, &c., has increased £610,000 to £2,542,000. Investments are £380,000 less at £11,200,000, but loans and advances have increased £3,640,000 to £10,180,000, and the balance-sheet total is £4,225,000 higher at £32,048,000. All the figures indicate alert and vigorous management. Sympathetic reference is made in the report to the loss the bank sustained by the death of the late chairman, Mr. Charles Sumner Hoare, and to the losses of many members of the staff at the front. Mr. John Craig also has retired from the position of joint general manager after 39 years' service.

The directors have appointed Captain Gerard Powys Dewhurst as chairman, and Mr. Benjamin G. Wood as deputy-chairman, to fill the vacancies created.

Following the practice which is becoming general, the Manchester and Liverpool District Banking Co., Ltd., now makes up its accounts annually instead of half-yearly. Nett profits for the past twelve months amounted to £441,640, and with £45,000 less brought in, there is an available balance of £521,700. This allows of a dividend of 17½ per cent. being again paid, while £50,000 is placed to reserve, as against £70,000 written off for depreciation, and the balance forward is increased by £38,000 to £139,900. A year ago £110,000 was taken from reserve to provide for depreciation of securities. Deposit and current accounts have increased £5,200,000 to £40,593,000, and acceptances are £470,000 higher at £3,262,000. Cash has risen £860,000 to £6,185,000, but money at call, &c., is £1,200,000 down at £3,034,000. British Government securities have fallen £400,000 to £7,445,000, and other securities £550,000 to £1,498,000, but discounts have increased £4,400,000 to £11,075,000, and advances £2,200,000 to £14,608,000. The balance-sheet total is now £47,607,000, an increase of £5,800,000, and everything looks flourishing.

Business keeps remarkably steady in the Australasian States, and also profitable. This is a reasonable inference from such data as we find in the report of the Bank of New South Wales for the half-year ended September last. Its profits, after deducting rebate, reducing the valuation of bank premises, allowing for bad and doubtful debts, fluctuation in the value of investments, &c., were £26,159 higher than in the corresponding half-year at £274,602. The balance of £114,827 brought forward was also £25,878 up on a like comparison. Consequently the directors had altogether £389,430 at their disposal, or £52,037 more. It takes a little additional money now to pay the dividend, which, as usual, was declared at the rate of 10 per cent. per annum, because the paid-up capital has been increased £199,500 in the course of the year, and is now £3,904,860. The chairman, indeed, told the shareholders at the meeting in Sydney that had "the London embargo" been lifted the full £4,000,000 would have been paid up by now. As it is the dividends for the year take £195,242, compared with £180,133 12 months ago, but it was easy for the board to cover this additional charge and to add £75,000, or £25,000 more than was done a year ago, to the reserve fund, with still £119,187 left to carry forward. Business, the chairman remarked in his address, was good throughout the half-year, although imports had fallen off somewhat, bringing a reduction in the drawings on London and other centres to pay for them. But high prices and freights have largely compensated for reduced quantities. In all probability this peculiarity will continue while the war lasts, and may involve considerable anxiety everywhere when the end comes in order to avoid losses, for prices are then almost certain to slump. The fall, however, may be less abrupt than many now anticipate. It is useless to form conjectures and lay plans beforehand. All that is possible for the wise and prudent is vigilance in dealing with each day's business as it comes. Changes in the balance-sheet compared with a year ago are insignificant except at one or two points. The aggregate of the balance-sheet, indeed, is only £1,655,524 higher than it was a year ago at £55,640,935. This is the total, exclusive of the cross entry of "letters of credit," &c., which, at £1,512,493, is almost identical with the figure of 12 months ago. The only conspicuous difference in the balance-sheet is the appearance for the first time of £3,000,000 of short-dated British Treasury bills among the assets, but in spite of this large item the holdings of the bank in British and Colonial Government securities has gone up £1,498,580 to £7,414,265. The agglomerate "bills discounted, loans and advances" are now £25,608,533,

an increase of only £1,033,223 on the year. Coin, bullion, and cash balances also show a change of only £73,687 on the year, they being that amount down at £10,581,668.

Evidently the National Discount Co., Limited, had a very prosperous year, as the gross profits show an advance of £100,000 at £513,700, following a gain of £68,000 in the previous 12 months. Expenses took only a trifle more, but reserve for rebate of interest increased £83,000, and, including a rather larger sum brought in, the balance is £16,000 higher at £115,580. The dividend is raised from 10 per cent. to 11 per cent., and the carry forward is increased by £12,000 to £47,740. A year ago £55,000 was taken from reserve to provide for depreciation of investments, but there are no special appropriations on this occasion. Deposits, &c., have increased £4,350,000 to £21,141,000, and bills re-discounted are £2,240,000 up at £9,597,000. Cash is £163,000 higher at £653,000, investments have increased £115,000 to £1,153,000, loans £433,000 to £2,393,000, and bills discounted almost 6 millions to 28 millions. The total of the balance-sheet is £32,524,000, an increase of £6,700,000. Reference is made to the loss sustained by the company through the death of Mr. Edmund T. Doxat, who had been chairman for over 15 years, in which position he is succeeded by Mr. S. F. Mendl.

As might have been expected, business was good for the Manchester and County Bank, Ltd., last year, and the nett profits were £14,000 higher at £210,050, but the amount brought in was smaller, and the balance of £270,250 shows an increase of £6,500. The directors raise the bonus to the staff by £4,000 to £12,100, and the dividend by 8d. to 11s. 4d. per share, but they write off £40,000, or £10,000 less, for depreciation, and increase the carry-forward by £3,000 to £63,440. A year ago £100,000 had to be taken from reserve to meet depreciation, and the year before £150,000, so that it might have been more conservative to replace some of this before increasing the dividend. However, it only requires £9,000 additional, and we need not boggle at it. Deposits have risen £1,400,000 to £14,505,000, and cash balances are up £250,000 at £4,340,000. War Loan and other advances have increased £800,000 to £1,022,000, and general advances are nearly a million higher at £5,470,000, but investments are £350,000 lower at £3,745,000. The balance-sheet total has increased £1,050,000 to £17,652,000.

Highly satisfactory progress is shown by the Lancashire and Yorkshire Bank, Ltd., in the results for the past year. Profits were £53,000 higher at £221,160, but £20,000 more had to be allowed for rebates, and the amount brought in was £5,000 less, so the available balance is up £28,000 at £217,700. In addition to the dividend of 32s. per share (16 per cent.) a bonus of 2s. 8d. is recommended, absorbing £11,500, while the allocation to reserve is doubled at £10,000, and £31,500 more at £58,170 is carried forward. A year ago £20,000 was written off for depreciation, and in the previous year £100,000 was taken from reserve for that purpose. Deposits have risen £2,300,000 to £18,045,000, but acceptances are £300,000 down at £204,000. Cash is £270,000 lower at £4,593,000, and investments have been reduced £370,000 to £4,347,000, but bills (including Treasuries) have increased £2,500,000 to £3,587,000, and advances £450,000 to £6,755,000. The balance-sheet totals at £19,870,000, an increase of two millions.

Nett profits of the Sheffield Banking Co., Ltd., for the past year amounted to £84,850, an increase of £9,400, and £7,300 more was brought forward, so that the available balance is £16,700 higher at £102,250. After repeating the dividend of 15 per cent. and the bonus of 1 per cent., £10,000 is added to the surplus fund, £2,000 against £1,500 is written off premises and £6,200 more at £23,600 is carried forward. Notwithstanding the large withdrawals for investment in

War Loans deposit and current accounts have increased £400,000 to £6,034,000. Cash balances are up £108,000 at £2,090,000, investments £31,000 at £2,574,000, and advances, &c., £568,000 at £1,904,000. It has not been necessary to provide any further sum for the depreciation of investments, and it is mentioned that the bank has acquired an interest in the British Trade Corporation formed to provide special financial facilities for trade after the war.

Further substantial progress is shown in the report of the African Banking Corporation, Limited, for the year to September 30. Gross profits amounted to £274,950, an increase of £41,000, which follows a gain of £26,000 in the previous 12 months. Expenses were £11,500 higher, and rebate on bills required £4,000 more, leaving a nett profit of £80,000. After placing £30,000, against £10,000, to reserve, the dividend is raised from 6½ per cent. to 7½ per cent. (of which 3½ per cent. has been paid as interim), and the balance remaining to be carried forward is practically the same at £28,740. Note circulation has expanded £107,000 to £332,000, and deposits, &c., have increased £986,000 to £6,722,000, but acceptances have been reduced by £190,000 to £176,000. Coin and notes have increased £326,000 to £1,078,000, and cash-at-call is £146,000 up at £652,000. Investments are £140,000 lower at £784,000, but bills purchased are £782,000 higher at £2,070,000. Discounts and advances are roughly the same at £3,450,000, and the balance-sheet total of £8,415,000 shows an increase of £920,000. The increase in the note circulation and in deposits, &c., indicates that business conditions in South Africa are steadily improving.

For the second year in succession the Australian Pastoral Co., Ltd., has had a very prosperous season, and the gross profits to June 30 last amounted to £275,450, an increase of £22,000, following a gain of £50,000 in the previous twelve months. Moreover, it was found possible to reduce expenses, rents and taxes by £31,000, and the nett profit is £53,000 higher at £127,000. Out of this, £47,000 against £13,000 is placed to reserve, and £5,000 is again set aside to stock reserve, raising these funds to £400,000 and £75,000 respectively. The dividend is then increased from 6 per cent. to 8 per cent., and the balance forward is practically the same at £2,840. It is stated that the season has been an excellent one, the rainfall having been satisfactory and well distributed over all the company's properties. Substantial sales of both sheep and cattle have been made at good prices, and the lambing has given fair increases. Changes in the balance-sheet are unimportant except that while wool unsold has fallen £116,000 to £33,500, investments have increased £102,000 to £307,680, and cash is up £17,000 at £62,240. The directors express themselves as well satisfied with the terms on which the Imperial Government bought the entire wool clip of 1916-17 and 1917-18.

Lennards, Ltd., the boot and shoe manufacturers, of Bristol and elsewhere, again did well last year, the trading profit showing an increase of £5,500 at £61,400, after setting aside a special reserve of £3,000 for dilapidations and alterations, which are postponed owing to difficulties created by the war. Expenses showed little change, but £4,000 more at £14,000 is set aside for excess duty, and the nett profit is £1,400 up at £39,860. The dividend of 10 per cent. is repeated, and as £7,000 more was brought in, the sum carried forward, after minor adjustments, is increased by that amount to £27,260. Under the exceptional difficulties created by the war, the directors deem it advisable to carry forward the whole of this balance, instead of placing part to reserve. Evidently the financing of the increased business has put some strain on the company's resources, as there is now a bank overdraft for £45,940, and cash balances have been reduced by £25,000 to £9,000. On the other hand, £14,700 has been spent on premises, fittings,

&c., and stocks have increased £76,000 to £265,000. There are no trade creditors, and the position is perfectly sound.

During the past year the gold production of all the principal fields decreased to an appreciable extent, the falling off in the Transvaal being in excess of one million, and in Rhodesia, West Africa, India, and Australia the decrease was proportionate. There were three causes of this diminution—the increased cost of working, shortage of labour, and scarcity of supplies necessary for mining operations. Owing to the fact that the price of gold is fixed, every increase in the cost of obtaining it reduces the profits of the mines, and in the case of the low-graders the increase has been big enough either to wipe out the margin of profit altogether or to reduce very nearly to vanishing point. Some of the mines have already closed down in consequence, and others will have to follow their example shortly unless relief is forthcoming in some shape or form. As regards the Rand, Mr. E. A. Wallers, President of the Transvaal Chamber of Mines, has stated that the difficulty is only surmountable with Government assistance, and says that the Union Government is now conducting an inquiry with a view to finding a solution of the difficulties of the low-grade mines, which contribute 25 per cent. to the output. We believe discussions have taken place on the subject with the Imperial Government, for bankers are urging that it is vitally necessary not only to prevent any falling off in production, but, if possible, to increase the output, in order that the basis on which rests the enormous creations of credit shall be broadened to meet the exchange situation which will assert itself after the war. This matter is eminently a subject for the new Currency and Exchange Committee, of which Lord Cunliffe is chairman, to consider.

What precisely Messrs. Bowerman and Henderson expect to accomplish by the circular they have drawn up and addressed to those now in power in Russia we do not venture to guess. That their intentions are most honourable and worthy is obvious, but their phraseology seems hardly to indicate that they are well qualified to speak on the vital questions of war or peace. They address the Russian workmen, and through them the German, as if all were on the same moral plane, possessed of the same ideals, and endowed with an equality of culture and intelligence. Now, nothing would be more erroneous than assumptions of this description, and some of the statements are all generosity towards our most ruthless enemies, which will try the patience even of the working man. "We see no evidence," they say, "that German administration in tropical Africa has been so much worse than that of other European Governments that the Peace Conference would be justified in singling it out for special treatment." What is the business of these two gentlemen with a question of this kind at the present time? Where is their evidence upon which a statement of this kind can be founded? That is only one example, but going through the manifesto almost every sentence is dipped in the same fat, compounded of benevolent sentimentality and goody-goody mush coloured by ignorance. If we may judge, and not misjudge, a document of this kind is a direct product of the peace programme campaigning of the Prime Minister, and whether or not, it is premature altogether. The working men had much better leave that job alone and get on with their work. Their appeal to Russia is likely to meet with but a scanty response, if any. Germany is in no condition to understand it, and in other directions the move it represents looks altogether premature.

It is impossible to make an exact comparison of the results of the Frederick Hotels, Ltd., as an alteration has been made in the form of presenting the profit and loss account, but there is no question about the company having had a very prosperous year. Compensation for the occupation by the Government of the Hotel

Great Central and the Harbour Refreshment Room at Folkestone accrued to June 30 last is included in the trading profit, but the amount is not separately stated, and details of the business done are now withheld. Nett profits amounted to £69,580, an increase of £30,000, and after providing for debenture interest a full year's dividend is paid on the preference shares, leaving arrears as from January 1, 1916. There remains a balance of £28,720, an increase of £5,000, which it is proposed to carry forward. Changes in the balance-sheet are mostly unimportant, but investments have increased £10,000 (in War Loans), and cash is up £23,000, so the position is becoming more comfortable. The French Government has not yet agreed the company's claim for the occupation of the Hotel Bristol, Beaulieu-sur-Mer.

### Our Foreign Trade in December.

It is difficult to take a very cheerful view of the figures given in the Board of Trade returns for the closing month of last year, more especially as those for November also showed a decidedly backward tendency. Indeed, the nett increase of £9,415,000 in imports is more than accounted for by an advance from £1,365,000 to £11,855,000 in miscellaneous articles of which no details are given, but they presumably represent goods imported on public account which were not previously included in the returns. In this connection it may be well to repeat that since July last the accounts include merchandise imported and exported in public as well as in private ownership except exports for the use of H.M. Forces on active service. The figures for earlier months include, in the case of imports, foodstuffs but not other goods which at the time of importation belonged to H.M. Government or the Governments of the Allies. In the case of goods exported the figures up to June included articles bought in the United Kingdom on behalf of the Allies, but not those taken from British Government stores or bought by H.M. Government, and shipped on Government vessels. Consequently, no exact comparison can be made with the earlier returns, but the totals probably conceal a more reactionary tendency than appears on the surface. However, the figures for the month and the year, as they stand, are as follows:—

	December, 1917.	Compared with 1916.	Compared with 1915.
Imports .....	£ 84,756,512	+ 9,415,206	+ 14,469,597
Exports .....	37,140,514	— 2,787,946	+ 3,192,995
Re-exports .....	3,179,587	— 2,839,046	— 4,522,314

#### TWELVE MONTHS.

Imports .....	1,065,256,407	+ 116,749,915	+ 213,363,057
Exports .....	525,308,991	+ 19,029,284	+ 140,440,543
Re-exports .....	69,552,241	— 28,013,937	— 29,509,940
Excess of imports ....	470,395,175	+ 125,734,568	+ 102,432,454

Imports last month show an increase of 12.4 per cent., and that, curiously enough, is also the percentage for the whole year. The decline in exports is almost 7 per cent., but for the 12 months there is an advance of 3.7 per cent. Re-exports, owing to the scarcity of tonnage, make the most unsatisfactory showing, with a drop of 47 per cent. last month and of 28½ per cent. for the year. It will be noted that the excess of imports reached the formidable total of over 470 millions, or nearly 126 millions more than in 1916. Looked at from any standpoint, it is a stiff bill to settle, and unfortunately there is no immediate prospect of material improvement. At the same time, we cannot view without a certain amount of misgiving the fall in last month's imports of foodstuffs from 34½ to 27 millions. Grain and flour dropped £2,892,000, or 28 per cent., and other non-dutiable articles £3,648,000, or 40½ per cent., while dutiable articles fell £1,456,000, or 20½ per cent. We do not get details as to quantities, but having regard to the rise in prices, these figures must represent a very serious shrinkage in supplies. Raw materials increased £3,580,000, to which cotton contributed £1,293,000, or 13½ per cent., but the quantity was actually 35 per cent. smaller. Oil seeds, oil, &c.,

increased £1,584,000, and we received nearly three times the amount of petroleum at a little over twice the cost, but the weight of cotton seed fell from 30,450 tons to 12,750 tons, while the value was just halved, and linseed fell from 103,500 qrs. to 67,800 qrs., and the cost was only 20 per cent. less. Hides and skins increased £865,000, or about 80 per cent., and the value of flax rose from £43,000 to £1,444,000. Iron and steel advanced 11 per cent. in value, but the amount received was 21½ per cent. less, and in the majority of cases the tale is one of smaller quantities and higher prices. As already mentioned, the principal increase in manufactured articles is one of 10½ millions in the unenumerated group, but imports of chemicals, dyes, &c., more than doubled at £3,200,000, and there was an increase of £1,600,000, or nearly 50 per cent., in metal manufactures.

Exports were the lowest for any month last year, with the single exception of April, but December is usually a rather poor month for foreign trade, owing to the holidays and other causes, and the decline by itself would not be of much significance. Unfortunately, with the exception of October, which gave a total of 50½ millions, the returns have been steadily declining since July, notwithstanding the inclusion of public owned goods and the not inconsiderable effect of rising prices. Last month there was a decrease of £852,000, or 44 per cent., in foodstuffs, but with so much scarcity at home that may be regarded as satisfactory rather than otherwise. Raw materials were a trifle lower on balance, and manufactured articles fell £1,742,000, or 5½ per cent. Cotton yarn showed an increase of 13½ per cent. in value, but a decrease of 28½ per cent. in quantity, while the corresponding figures for cotton piece goods are 5½ per cent. and 29½ per cent. respectively. Woollen goods, on the other hand, gained 45 per cent. in value and 6 per cent. in amount. Practically every other leading line shows a decrease—coal 14½ per cent., iron and steel 25½ per cent., machinery 26 per cent., apparel 16 per cent., and linen piece goods 27 per cent.

Turning to the figures for the whole year we find an increase of £36,145,000 in food and drink. Grain and flour advanced £41,640,000, meat £8,420,000, and other non-dutiable articles £2,795,000, but there was a decrease of £13,250,000 in dutiable (principally tea and sugar), and of £3,460,000 in tobacco, the latter representing 47 per cent. Most raw materials advanced, but there was a decline of £14,516,000, or 30 per cent., in wood and timber, while the quantity fell 55 per cent. Raw cotton increased £25,860,000, or 30 per cent., but the amount dropped 25 per cent. Very similar movements occurred in wool and other textile materials, but we received a considerably larger amount of hides and paid 35 per cent. more for them. Among articles classed as manufactured the only important increase is in metals—principally copper and tin—which have risen £4,576,000. On the other hand, cotton tissues have fallen £4,447,000, silk £1,728,000, other textile materials £3,070,000, leather £5,081,000, earthenware £2,400,000, and paper £4,137,000. The nett increase of £29,290,000 in this group is due to an advance of £48,000,000 in unenumerated articles, no doubt mainly representing Government purchases.

With regard to exports, food and drink show a falling off of £13,118,000. Among raw materials oil seeds, oils, &c., account for an increase of £3,438,000, or nearly 80 per cent., while the other movements are mostly unimportant. We received, however, £670,000 more for 3,350,000 tons less coal and coke. The only important gains in manufactured articles are £27,700,000 in cotton goods and of £5,658,000 in woollens. Iron and steel manufactures fell £11,825,000, other metals £2,425,000, cutlery, &c., £1,700,000, electrical goods £1,131,000, machinery £790,000, apparel £1,174,000, chemicals £3,898,000, and paper £2,000,000, but there was an increase of £20,820,000 in unenumerated articles. It is not a very cheerful record, but with so much of the energy of the nation concentrated on the production of munitions we ought to be gratified that it is not a great deal worse.

With the elimination of the figures for sugar, the stocks in bond of the principal articles cease to have any particular interest or significance. The position with regard to tea is still unsatisfactory, as the stock during last month fell 400,000 lbs. to 37,192,000 lbs., in spite of promises that there would be a substantial improvement. But, as we said before, once a panic is created it is by no means easy to allay it, and more than six weeks' supply will have to be visible before the tendency to hoard is uprooted. Cocoa and coffee both show substantial reductions, partly as they have been used as substitutes for tea, and partly because imports have been restricted. However, there is plenty of both articles in hand for well over twelve months' consumption. Spirits and wine are also abundant, and why profiteering in these articles should be encouraged to the extent that has been the case recently is inexplicable. Stocks of tobacco are beginning to decline rather rapidly, but here also there is sufficient for requirements a long time ahead. That could have been said as regards tea a few months ago, and we hope that the danger-point will not be reached in this case also.

### Peace, Peace—when there is no Peace.

Altogether absorbing becomes the tragic comedy now being played in the sight of the world at Brest-Litovsk. As far as the facts are allowed to appear, the Prussian delegates seem to be twisting Trotsky and his companions round their fingers. At first he stood out for the removal of the seat of parleying to Stockholm or Berne. The German said "no," and he gave way. Then he put forward proposals calculated to secure the freedom of the provinces now in German occupation to decide what their form of government was to be. Germany acquiesced in form and completely denied in substance, and so it goes on. Now the talks are adjourned *sine die*. It looks comic to a high degree in spite of the tragedy behind, and not least comic because the Germans are really being foiled by their own insane arrogance; but the lesson their conduct offers for the world's edification is surely impressive enough to warn off politicians of the *Entente* from falling into the same trap. How would it be possible for any honest, sane-minded representative of democracy to enter into serious negotiations with insolent bullies like those put forward by the Prussians to beguile or to overbear the Russians? You could not believe a word these men said. They do not use language to convey honest conceptions of policy. Language is to them a machine for securing victory just the same as a mitrailleuse or a monster gun; it is used to coerce the foe they think in their power. It is only their inconceivably exaggerated conceit, their belief in their own perfections, which saves the world, one may say, from being ensnared. After nearly three and a-half years of war the German appears to be just as full of belief in his own perfections, as confident that force is the only test of moral right, as he was when he first entered Belgium to play the unentrammed beast at the beginning of August or end of July, 1914.

Mr. Gibson, the Secretary to the American Embassy in Brussels, tells us in his interesting little book, "A Diplomat's Diary," of a conversation he had with a German officer who was busy superintending the looting, butchery, and destruction at Louvain and also in protecting the conveyance of the loot the soldiers were busy collecting. This German, a Hamburger, spoke English perfectly, for he had been thirty years resident in this country. One would have thought, therefore, that he might have acquired something of the humanities that have saved us from becoming victims of the Teutonic side of our national character, as well as given him a certain respect for other human beings. Nothing of the sort. He stood calmly smoking a rank cigar, giving his orders and looking on while houses were being gutted, blown up, or set fire to, and remarked to Mr. Gibson and his companions, "We shall make this place a desert. We shall wipe it out so that

it will be hard to find where Louvain used to stand. For generations people will come here to see what we have done, and it will teach them to respect Germany, and to think twice before they resist her. Not one stone on another, I tell you. *Kein stein auf ein ander.*" There you have the Pan-Germanic spirit, whose God is brute force, the spirit which Prussia has cultivated to such perfection that each German soul appears to be cased in it as in one of Hindenburg's concrete "pill-boxes" on his lines of defence. So complete was the panoply of self-glorification which encased this man's mind that he was altogether oblivious to the irony of Mr. Gibson's assent when he remarked that "people would indeed come in after days to see the ruins of Louvain."

Now a little story of this kind is full of illumination as to what is to be expected when the *Entente* Powers are frapped into insane negotiations for peace.

Peace! peace! everybody seems to be talking of peace just now, and if we were to listen to what goes on in political circles at present we should be disposed to think that a hollow peace is indeed to be coopered together within the next two or three months. If you ask the reason why people are so confident of peace, you cannot get any intelligible answer. They simply say, "Peace is coming." Labour wants peace, finance wants peace, and a peace feeling is asserted to be growing "to an uncontrollable extent" within Germany itself. The military faction and its loot-lusting capitalist industrials may resist, are resisting, like the ruthless demons they are, but they will be beaten.

Now, so far as Germany is concerned, we know nothing of the truth, and believe as little of what we read coming from German sources. It is presumable, because in accordance with human nature, that the ruck of the German plebs are quite as tired of the war as our traitor pacifists can be, as many of the noisy kind of political murmurers and shirkers in all Allied countries are never tired of saying they are. But they may grumble and splutter impotent rage with a loudness proportionate to the extent of their misery, and it does not follow that there is any democratic feeling behind it all, any sympathy with the harassed democracies of other countries, any moral horror awakened for the infamies of which they have been gloatingly guilty for years. Let those who doubt what we say get hold of the translation of that admirable book by Gaston Riou, which came out quite early in the war, the story of his imprisonment in Germany, and read what he says about the quality of German patriotism and the roots of animal selfishness in which it finds nourishment. We need not repeat the passage again because we have given its substance long ago. The book has been translated since then, and is now accessible to everybody. Its title is, "The Journal of a Simple Soldier." The German mob is selfish now as it was in 1914-15, selfish and mean, a deluded horde of serfs. You cannot, let us repeat, enter into negotiations with people of a mentality so topsy-turvy, so perverted, as even the best and most high-minded of German people have proved to be whenever tested. They are still in their own idea superior to all the world. They have still a belief in their invincible force, and consequently abate none of their claims. The negotiations with Russia reveal that as much as the unabashed demands for annexations still clamoured for by the capitalist iron-masters and war-profiters: They boast in Russia and advance demands as arrogant conquerors, although the men who lead them must know as well as we do that they did not conquer Russia in open fight any more than they have conquered Belgium or subdued the hearts of the Alsations with six-and-forty years of loutish oppression. They have succeeded in disintegrating Russia, in breaking up her armies, and in overrunning her Western provinces, not because of their military prowess, but through their persistence in infamous intrigue. Yet they now claim the districts they have overrun and squatted down on as conquered territory; and in the same manner they seek to adhere to every foot of ground they have swarmed down upon in the Balkans, in Rumania, in Italy, and in the Northern Provinces

of France. Even when they conceded by way of political manoeuvre that Belgium must be given her freedom, their determination to retain the coast of Belgium is clung to by such influential mouthpieces of Pan-German dementia as old Admiral von Tirpitz.

As we look at the picture it is all a phantasmagoria of wild insanity, incessantly testifying to the subervience of the German mind to an inhuman ideal. Yet there are many amongst us who would enter into negotiations with these greed-consumed and treacherous barbarians to-morrow, men who invite us to believe that if we only signed a treaty with William and his nefarious gang all would be well. It is impossible for us to commit any such crime and betrayal, and well it is for the Allies that it should be so, for here in the United Kingdom especially we are nearing a most dangerous juncture in our affairs. We are in the hands of the "strategic politician" who sees a General Election near at hand. That event cannot, indeed, be now postponed beyond autumn, since the Peers, as we expected, have surrendered over the question of the women's vote, and already the marshalling of forces and elaboration of tactics to capture that vote have begun. "Labour," too, is putting forth its claims and gathering together its Parliamentary candidates. Other segments of the community will soon be in the field, all struggling to capture that women's vote.

What the result will be we have no idea, but one thing ought to be said: women are not the sentimental fools and gullible creatures that they are currently assumed to be. Let a man but review his own experience in life and say whether he has not found amongst his acquaintance as many wise women as he has men; women capable of exercising swift judgment, and no more liable to be swept away by mere sentiment and the fashionable shibboleth of the moment than the men. Women can form ideals as humane and enlightened, and cling to them as loyally as men. An aged lady, an old subscriber whom we have never seen, whose memory goes back years beyond our own,

#### PUBLIC LIBRARIES OF LONDON

A1

PL<sup>1</sup>

#### No. 4.—The Central Library, Fulham.

This library, in the Fulham Road (near Parson's Green Lane), is a model among municipal libraries, not so much by reason of the selection of books it contains, as by their accessibility to the public. The Reference Library, or Students' Room, contains about 5,000 volumes, arranged under the sections of History, Biography, Geography, the Fine and Useful Arts, Natural History, Science, Languages, Law, Political Economy, Social Science, Religion, Philosophy, and General Literature; supplemented by dictionaries and encyclopædias. The Scientific and Technical section is kept well up to date. The open access system in force affords speedy reference to the particular volume it is desired to consult; it also brings to the notice of students many other works with which they were hitherto unfamiliar. The leading reviews, with files of back numbers, are also in the Students' Room.

The News Room, in addition to newspapers, etc., has a Quick Reference case of Directories and Annuals, and files of back numbers of periodicals.

Hours of Opening: 9 a.m. (Students' Room, 11 a.m.) to 10 p.m.

By Route No. 14 to the Library; Nos. 11, 11A, 28, to Walham Green, walking thence west along Fulham Road; No. 22 to Parson's Green Lane.



sometimes sends this writer cheering letters of a great charm. In one but lately received she speaks of her early enthusiasm for noble ideals, "full of glorious dreams inspired by the marvellous doings of the mid-nineteenth century. . . . I still cherish my youthful enthusiasms, but know that they are further than ever from realisation." Who among men that are old can say as much?

It is certain that the entrance of millions of women voters cannot take place without bringing changes impossible to imagine beforehand in the structure and orientation of our political aims. All is so dark that the bids for the new vote are likely to be wild, wide of the mark, and often unprincipled, but we at least do not believe that the women will plump for peace.

Now, one thing that the strategic politician seems to be sure about in his own mind is that the women will do just that. Consequently, there is already far too much peace chatter afoot, spates of oratory ominous of a coming betrayal. What has thus far come of the formulæ put forward by Mr. Lloyd George and Dr. Woodrow Wilson? Have their efforts contributed to draw the Allies closer together, to cheer up the weak amongst them, and give them greater confidence in the completeness of our prayed for victory? Perhaps; we dare not be sure. But, assuming it to be so, they have also here and there come precious near exciting doubts and prompting cleavage. Mr. George's speech especially has hurt Italy, damped the hopes of the Bohemians, of the Yugo-Slavs, of the Rumanians, Serbians and Greeks. There can be no doubt about that, although diplomatically as little is said on the subject as possible. For humanity's sake, let us have done with this kind of thing. If persevered in, these explainings, draftings of peace aims, and so forth will almost certainly end in producing open breaches between us and some of our Allies. Alas! when a General Election looms near we may remonstrate and protest until out of breath, the talk is likely to go on, even though we keep repeating, "The war must be won; nothing short of complete victory will serve." That is true; all definitions of after-war plans are idle wind without that. Why, then, waste time in bellows-blowing? In one important sense we have won the war long ago, the condition of the foe proves it; but the Prussian military caste of savages has not yet been destroyed. It is *in extremis* probably, judging by its lying and threats. Why pause then, and surrender on the eve of triumph? Peace now would leave betrayed mankind at the door of hell.

### Premium Bonds and Misplaced Religiosity.

We have not yet seen the report of the committee appointed to examine the premium bond method of procuring money with which to carry on the war, but the always careful and well-informed Parliamentary correspondent of the *Daily Chronicle* says its decision is adverse, and based on the following reasons:—1. Because of the hostility of powerful banking and financial interests. 2. Because of the prejudice of religious bodies, who feel that there is a gambling taint about them. 3. Because, before an issue could be made, legislation would be necessary, and any Bill for the purpose would be strongly resisted in the House of Commons.

Of these three reasons, the first alone is of weight, if true. The second and third are, in the slang of the racing stable, "foals by Ignorance out of Cant." In the days of the mad gamble of the "Kaffir Circus" on the Stock Exchange we came across not a few pious people—or professedly religious, at least—dissenting and other, who plunged and lost by plunging in its maelstrom. That was "gambling," if you like, gambling of the most unprincipled description, because a player was ever tempted by it to stake his all on a mere chance, nay, often on the throw of loaded dice. Yet we never heard winners in that unwholesome centre of hazard utter a word in condemnation of the demoral-

isation it undoubtedly spread through all ranks of the community, no matter how "pious" said winner might be. Now, compared with that maddening play, the premium bond is purity and righteousness itself, and in no sense a gambling counter. The investor does not risk the loss of his money in buying, he cannot well "sell a bear" of the bonds, nor can he plunge beyond his means. He is offered no temptation to, even if a few of the prizes or bonuses are large, because the chance of great gain is too remote, and most of the bonuses too insignificant. There is nothing deceiving either in the mode of issue, and you do not require to warn the buyer not to allow "his bank balance to fraternise with the Kaiser," as one of Sir Robert Kindersley's National War Bond advertisements recently did—droll idea the compiler of that advertisement must have had of what may constitute a "bank balance"—nor is touting of any kind needed to tempt the mob to come and buy. All is straight and above-board throughout.

The *Daily Chronicle* correspondent goes on, apparently on his own account, to draw a picture of the demoralisation produced by the "lottery loans" fashionable in this country at the beginning of last century, when money had to be obtained anyhow to enable us to beat Bonaparte. It is not a fair comparison, because in those lottery loans the player staked and lost his money, and might stake more than he had in his eagerness to capture an immediate great prize. He was also the victim of endless rogueries. In the premium bond, as issued on the Continent, there is no loss of money nor any temptation to gamble thus, but only, at worst, a reduction in the interest the money invested may earn, and no trickery of any description. To say, therefore, as Mr. Harry Jones does in the *Daily Chronicle*, that "not only would British credit be depreciated throughout the world by a return to the bad old practices, but the State, becoming the patron of gambling, would no longer be in a position to suppress those newspaper and magazine lotteries which have been condemned by Parliament and the judges and magistrates repeatedly," is to exhibit the dogmatism of prejudice and ignorance. He is without knowledge of that on which he affects to speak with authority.

This journal has advocated issues—not merely one issue, but a series of issues—of premium bonds mainly for these reasons:—(1) That much money now wasted would thereby be drawn into the Exchequer which it could not otherwise get at; (2) that this money could be borrowed on the average, and bonuses or premiums allowed for, at rates generally quite sensibly lower than the Government has otherwise to offer and pay; (3) that by means of these bonds—sold in units ranging from £1, say, up to £20—hundreds of thousands (probably some millions, even) in the country would become personally interested in the maintenance of our public credit in a way and to a degree calculated to protect us against efforts at debt repudiation; and (4) because only thus can the "sporting instincts" and habits of the people—even of the pious, as witness the charity raffle—be utilised for the nation's benefit in its sore need. As we now go on, will as many as 2,000,000 separate individuals out of our 45,000,000 be directly interested in keeping British credit inviolate when the after-the-war pressure of debt falls upon nation and Empire? We gravely doubt it, and the number of subscribers to the current modes of loan-raising reinforce that doubt. How are those who have going to buttress themselves against the assaults of those who have not when the pressure of taxation engenders discontent among the masses? Is there not already talk of "capital conscription," even in high places?

The death of Mr. T. A. Welton, of the firm of Messrs. Welton and Bond, chartered accountants, has left Mr. R. C. Martin as the sole partner. We are informed that an arrangement was concluded on Thursday for the business of that firm to be assumed immediately by Messrs. Deloitte, Plender, Griffiths and Co., of 5, London Wall Buildings, E.C. 2, Mr. Martin becoming a partner in Messrs. Deloitte and Co.

## By-the-Way War Notes.

"Nothing going on at the front" thinks the casual reader, and passes on to read about the latest murder, burglary, or divorce case. There could be no greater mistake. Except when, as now, "General Winter" smothers the land in a mantle of snow or drowns it in cascades of rain there is everything going on. Day and night operations never cease along that thousand-mile front from Venice to Ostend. In Macedonia, too, activity of one sort or another is incessant, and it must not be assumed because there is no news that there is nothing going on. In the air and among the batteries of guns the siege progresses. The wearing down, the exhaustion of the enemy, is proceeding continually and effectually, as one can tell by his screaming and fevered dodgery. Never since the war began has such restlessness, such whirl of comings and goings been seen in Berlin. It would be irresistibly droll to watch the fellows at the scuttle and scheming had we no wholesale killing on hand to be accomplished. As it is, what we are told by the venal and tame Press of Germany at best hardly lets us see a fraction of the play now staged there. Great antagonism is said to have developed between the neck and noose military party and the various shades of "independent" groups of politicians. It is annexationists *versus* non-annexationists, and the former are said to have won, in the arrangement of a compromise. Hindenburg is to be allowed a free hand to smash the Allies in the West, and drive the English into the sea. He is naturally certain he can do that still, in spite of the defeats he and his predecessors have suffered and the millions of his fellow-men sacrificed in previous efforts, in spite also of the degeneracy among his troops. On the other hand, Kühlmann in the East is to be at liberty to befuddle the Russians to the utmost of his skill as a "confidence trick" man—provided he gives nothing away, not even occupied territory indubitably Russian, and can degrade Russia to the position of vassal.

We wait with considerable interest to see these "engineers" "hoist with their own petards," and while waiting ask readers to note how almost every assertion, every move made by these Prussian boars at bay, is directed towards one definite end, which is to induce a similar state of scaredness and divided counsels here with regard to that "great and triumphant assault" which, we are day by day assured, is about to be launched against the Allied front in the West. There must be a feverishly longed-for result expected from all this expenditure of boasts and menacing language. The incessantly advertised preparations now alleged to be making for our destruction must have some hidden design behind them other than mere murder. What is it? An assault in Rumania, on the Italian lines? Against the Anglo-French lines in Macedonia? In Palestine or Mesopotamia? We do not know in the least or care much. All are improbable because difficult. Our duty is to be ready everywhere to be in a position to give the enemy the reception he deserves. We only wish he would come out and on with his tremendous forces and war material and give us the chance to end him. But he won't, and the louder, the more menacing his threats the more we suspect him of lying. The internal condition of Germany cannot be improving, even though war work is still plentiful—in foundries and poison and explosives factories at least—for most German industries that were useful and sources of profit to the bankers, capitalists, and workmen before William and his gang ordered the war have been living in idleness for years. With little food in their stomachs or clothing on their backs the multitude of the deluded poor is, we can well understand, becoming an object of the keenest apprehension to the Junker mind. We have here, in short, another source of the Hindenburg-Ludendorff-Bülow-Hertling-Kron-Printz activity in flying peace kites and concocting fairy tales to beguile. What if the gun-pulp on legs took to shooting their masters? Even slaves so abject might one day.

But where is the Kaiser and his "God"? William's

"beloved people," whom he is obligingly sending to us on all fronts to be killed or starved, are cold. Can not the "indubitable" ally of that God William patronises keep them warm? From his character and antecedents we should judge him to be particularly well qualified to do that. If not, then we fear the mad, deformed little monster who arrogates to himself the position and absolute power of a Roman Kaiser—he himself is only a German pinchbeck one—may soon find neither a God nor a people to lean upon. In fact, even now his life must be pretty miserable, in spite of all that his ally among the deities of Hades or Walhalla can do to keep him up. But he is still the "all highest war lord"—to himself.

But the war is not over, or nearly, never forget that. It is all very well, and a relaxation at times, to watch the conceit-putrid Prussian at his diplomacy, for his cunning sometimes fascinates, but never forget that while he splutters around mouthing bastard humanitarianism, well seasoned with the bitter almonds of "reservations," and hedged by conditions impossible of fulfilment, he continues to sink our ships—including hospital ships, to send his cowardly submarines to bombard our defenceless towns—as witness Yarmouth this week—and generally to play at murder like a savage beast all through the war arena. We have got to defeat and disarm the ruffian, and dare not turn to the right or to the left until that supreme duty has been fulfilled. More men are wanted for this work, Sir Auckland Geddes tells us, and they must be forthcoming, can easily be found if our captains of industry are left at liberty to deal with their workmen in their own way, if our bureaucracy is cleaner and reorganised as a bank or merchant's office is, if the military pundits can learn sense. Remember it is not mere armies we have to defeat, it is a nation in arms, mad with debased lusts and besieged.

Last week only four British merchant vessels of 1,600 tons and over were sunk by this brutal foe. "Only," say the newspapers, but the number is four too many. We welcome the decrease, however, from the 17 sunk in each of the two previous weeks as earnest of what the changes at the Admiralty and the sea command may do. In all, six are returned as sunk or lost, but one was actually sunk in the week ended December 22 and one in that ended January 5. Of the two smaller vessels also returned as sunk, one belongs to the week ended November 4, so that only five ships of all sizes were lost last week so far as is known, exclusive of one fishing vessel, out of two returned, the other having been sunk a month ago. In all, therefore, only six British ships of all sizes fell victims to the cowardly pirates last week, and on three vessels out of five returned the attacks failed; of the other two returned as having been successful in escaping, the one beat the enemy off three weeks, and the other a fortnight since. Last week, 2,106 ships of all sizes and nationalities arrived and 2,184 left our ports, or 4,290 altogether. The average weekly losses for the 35 weeks, March to October, were 18 big ships, 6.4 small, and 14.6 escapes. For November the averages fell to 9.4 big, 4.6 small, and 6.4 escapes. But for December the averages rose to 14.25 large, 5 small, and 9.47 escapes. Doubtless the long, dark nights and foul weather helped the sly foe much, but he has got to be beaten all the same. And he will be; never doubt the capacity of our Navy. But what of new ships to take the place of the ones lost? Well, they are coming along, but coming much more slowly than if the responsibility for their production had been laid upon those in the trade to organise that part of our defence. How much money and what proportion of the available labour are still being absorbed by the Government on the construction of monster ships of war—on ghastly death-traps, as helpless against the mine and torpedo, and in submarine warfare as now waged by the Prussian, so many floating gasometers?

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## BALANCE-SHEET, December 31st, 1917.

LIABILITIES.					ASSETS.				
	£	s.	d.			£	s.	d.	
Capital: 156,250 £50 Shares .. .. .	7,812,500	0	0		Cash on hand and at the Bank of England..	6,193,198	16	6	
Of which paid up £8 per Share .. .. .	1,250,000	0	0		Money at Call and at Notice .. .. .	2,541,770	10	7	8,734,969 7 1
Reserve Fund .. .. .	750,000	0	0		British Government Securities .. .. .				5,289,478 16 9
Unpaid Dividends .. .. .	1,780	8	7		Indian and Colonial Government Securities, English Railway and Municipal Stocks, and other Investments .. .. .				841,165 6 0
Dividend, December, 1917 .. .. .	87,500	0	0		Bills of Exchange, including Treasury Bills .. .. .				5,100,815 19 1
									£19,966,429 8 11
Amount due on Current, Deposit, and other Accounts .. .. .	28,443,615	18	3		Advances on Current Accounts and Loans on Security	10,179,795	17	11	
Acceptances and Credits Opened on behalf of Customers .. .. .	1,416,374	19	5		Acceptances and Credits Issued on behalf of Customers, as per contra .. .. .				1,466,374 19 5
Foreign Bills Negotiated .. .. .	26,783	15	7		Foreign Bills Negotiated, as per contra .. .. .				26,783 15 7
Rebate Account .. .. .	50,947	18	4		Bank Premises in London, Manchester, and elsewhere .. .. .				458,430 6 3
Balance of Profit and Loss carried forward .. .. .	20,811	7	11						£32,047,814 8 1
	£32,047,814	8	1						

## REPORT OF THE AUDITORS.

WE REPORT TO THE SHAREHOLDERS that we have examined the Accounts and verified the Investments of the Bank, also that we have compared the Balance Sheet in detail with the Books at the Head Office and with the Certified Returns from Branches, and have obtained all the information and explanations we have required. In our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us (including those expressed in the Report of the Directors to the Shareholders) and as shown by the Books of the Company.

MANCHESTER, 10th January, 1918.

ASHWORTH, MOSLEY & CO.,

Chartered Accountants, AUDITORS.

Every Description of British and Foreign Banking Business transacted.



• THE •  
**DISTRICT BANK**  
 The Manchester & Liverpool District  
 Banking Company Limited



	£
Paid-up Capital .. .. .	1,896,000
Reserve Fund .. .. .	1,250,000
Deposits .. .. .	40,592,887
Cash, &c., and Bills .. .. .	20,293,964
Investments .. .. .	8,942,617
Advances .. .. .	14,608,120

31st December, 1917.

Head Office: Spring Gardens, Manchester.

London Office: 75, Cornhill, E.C.

Liverpool Office: Water Street

and 216 Branches and Sub-branches in Lancashire, Cheshire, Staffordshire, Shropshire, Yorkshire, Derbyshire, Cumberland, Westmorland and North Wales.

Applications received at every office for

## NATIONAL WAR BONDS.

Bank of England issue in multiples of £50.

Post Office issue in multiples of £5.

Nominative Bonds £5 each issued in exchange for cash.

# The Investors' Review.

## Money and Credit Notes.

**BANK RATE 5 PER CENT.** (Reduced from  $5\frac{1}{2}$  per cent. on Thursday, April 5, 1917.)

*Norfolk House, Friday Evening.*

One of the most interesting points about the officially induced reduction in the rate of interest allowed on Treasury bills is the effect it may have on foreign exchanges. Below we summarise the influences that have recently tended to turn these exchanges less in our favour, but, in addition to these, the current value of credit in the open market must exercise some influence. It cannot have any effect of a seriously disturbing kind, and may do good if it eases the current financing of our more heavily weighted Allies. Therefore, we are disposed to welcome more than ever the lowering of the rate paid on Treasury bills. Money during the week has been in fair demand, but there is never more than a fluctuation of  $\frac{1}{2}$  per cent. or so in the price of day-to-day money. Sometimes it is down to 3 per cent. as an over-night rate, perhaps, but usually the quotation is  $3\frac{1}{2}$  per cent. and  $3\frac{1}{2}$  to  $3\frac{3}{4}$  for seven-day loans. All discount quotations are as they were a week ago, and as set forth in our table. The French Treasury bills which fell due this week were renewed with no difficulty or disturbance to the market whatsoever, and anxiety has also been removed, as noted below, with regard to the Russian bills whose term had expired.

Changes in the Bank return were much less stupendous this week than last. The largest movement was a gain of £3,518,000 in the public deposits. This money was found by drawing £1,944,000 off other deposits and by the borrowing of £1,617,000 on other securities by the market. The note circulation has shrunk £378,000, and the coin and bullion is £311,000 less, so that the diminution in the notes afloat increased the reserve by £67,000. Owing to the nett increase in the liabilities on deposits, however, the proportion of reserve to liabilities is about  $\frac{1}{2}$  per cent. down at  $19\frac{1}{2}$  per cent.

There have been several interesting movements in the foreign exchange market this week. The franc has continued to improve in value, owing to the advances made by the United States, and the Paris Exchange touched 27 fr. to the pound on Wednesday for the first time since August, 1915. The Swiss exchange has risen 5 to 21.25 fr., and the Spanish to 19.50 p. in the expectation of arrangements being made to regulate them in the near future. Scandinavian rates have relapsed rather sharply on fading hopes of an early peace, Stockholm being quoted at 14.41 $\frac{1}{2}$  kr., Christiania at 14.95 kr., and Copenhagen at 15.57 $\frac{1}{2}$  kr. Petrograd has declined 10 to 362 $\frac{1}{2}$ , Montreal has risen further to \$4.81 $\frac{1}{2}$ . Buenos Ayres, on the publication of the details of the Argentine credit, fell 1 $\frac{3}{8}$  to 51 $\frac{1}{4}$ d. For the purposes of the Allied credit the sterling exchange has been fixed at 50d. to the dollar.

Although there was, not unnaturally, a slight delay in meeting the coupons which fell due on Tuesday on the Russian Government  $4\frac{1}{2}$  per cent. loan of 1909, funds were duly provided during the course of the day, and payments were immediately begun by the issuing house. On the same day coupons fell due on four Russian municipal loans, those of Baku, Kieff, Nicolaef, and Saratof. No funds or instructions were forthcoming on that day, but there is no reason to suppose that payment will not be made after the usual slight delay which occurs in meeting nowadays Russian obligations. With regard to the Russian credit bills and Treasury bills which mature this month, the

Chancellor of the Exchequer announces that he has made arrangements to take up these bills in exchange for 12-year Exchequer bonds at par, the present price being about 82. The amount involved is £17,500,000, but the Government had no option in the circumstances but to come to the rescue of the purchasers of the bills.

An official announcement will shortly be made granting a valuable concession to holders of War Savings Certificates. These 15s. 6d. certificates become redeemable in five years from the date of purchase at £1, which is equivalent to compound interest at £5 4s. 7d. per cent. The interest, however, is free of tax, so that the gross yield is really equivalent to £6 19s. 5d. per cent. On account of their exemption from taxation, and in view of the fact that they are repayable at any time on demand, these certificates are the war investment *par excellence*. These attractions, however, are to be still further increased by giving an option to a holder to postpone the redemption of all his certificates to five years after the date of the purchase of his last certificate, the individual's holding being restricted to £500. Thus, if a holder purchased 499 certificates in February, 1916, when they were first issued, and purchased the remaining certificate now, he can postpone the redemption of the 499 certificates from February, 1921, to January, 1923, and receive interest during the period of extension of 1d. per month per certificate, which is equal to 5 per cent., free of tax. This concession will undoubtedly stimulate sales of these certificates.

### SILVER.

All has been quiet in the Silver market, the price of the metal being steady at 45 $\frac{1}{2}$ d. per oz. until Tuesday, when it dropped to 44 $\frac{1}{2}$ d., and on Thursday it receded still further to 44 $\frac{1}{2}$ d. The China exchange, Mocatta's circular tells us, has shown an easier tendency, and this encouraged sellers in America to reduce their holdings of the metal, hence the weakness of the market. To add to this the Indian currency returns show a heavy drop in the reserve of rupees. It has declined more than six crores during the last month, and now stands at less than 18 crores, so that much silver must have come out from that reservoir. The United States Government continues to pay high prices in order to secure silver for subsidiary coinage, the same circular tells us, but there is little doing in America beyond that. The stocks of silver are given in Montagu's circular at 3,700 bars in Bombay, unchanged, and at 25,500,000 ozs. in sycee and \$13,000,000 in Shanghai, an increase of 1,000,000 ozs. in sycee, and a decrease of \$200,000.

Applications for the Rs. 60,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,19,55,000. Of these Rs. 55,49,000 were allotted in deferred transfers, and Rs. 4,82,000 in immediate transfers. Tenders for bills and deferred transfers at 1s. 4 29-32d. and for immediate transfers at 1s. 5d. received about 27 per cent. Since April last Rs. 38,60,00,000 have been sold, realising £26,455,684. Next week 60 lakhs will again be offered.

### BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, January 16, 1918.

#### ISSUE DEPARTMENT.

Notes Issued .. ..	£ 76,075,670	Government Debt .. ..	£ 11,015,100
		Other Securities .. ..	7,434,900
		Gold Coin and Bullion ..	57,625,670
		Silver Bullion .. ..	—
	£ 76,075,670		£ 76,075,670

#### BANKING DEPARTMENT.

Proprietors' Capital ..	£ 14,553,000	Government Securities ..	£ 56,768,151
Reserve .. ..	3,362,587	Other Securities .. ..	92,278,457
Public Deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts) ..	41,416,146	Notes .. ..	30,750,290
Other Deposits .. ..	121,580,360	Gold and Silver Coin ..	1,142,438
Seven Day and other Bills ..	18,243		
	£ 180,939,336		£ 180,939,336

Dated January 17, 1918.

J. G. NAIRNE, Chief Cashier.

## BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. Jan. 17.		Jan. 9, 1918.	Jan. 16, 1918.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,396,934	Rest ..	3,360,805	3,362,587	1,782	—
51,324,995	Pub. Deposits ..	37,898,589	41,416,146	3,517,557	—
137,699,276	Other do. ..	123,533,523	121,589,360	—	1,944,163
25,327	7 Day Bills ..	8,989	18,243	9,254	—
	Assets.			Decrease.	Increase.
133,833,190	Gov. Securities.	56,868,170	56,768,151	100,019	—
37,381,804	Other do. ..	90,661,200	92,278,457	—	1,617,257
35,733,648	Total Reserve ..	31,845,536	31,892,728	—	67,192
				3,628,612	3,628,612
£		£	£	Increase.	Decrease.
38,831,646	Note Circulation	45,703,130	45,325,380	—	377,750
56,115,288	Coin and Bullion	59,078,666	58,768,118	—	310,558
18.9 p.c.	Proportion ..	19.7 p.c.	19.6 p.c.	—	1 p.c.
5 1/2 "	Bank Rate ..	5 "	5 "	—	—

## PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended Jan. 12.)

REVENUE.	EXPENDITURE.
£	£
Customs .. .. . 1,579,000	National Debt Service .. 2,342,934
Excise .. .. . 348,000	Inter. st. &c., on War Debt .. 803,293
Estate, &c., Duties .. 844,000	Development & Road Impvt .. —
Stamps .. .. . 364,000	Payments to Local Taxation .. 36,522
Land Tax and House Duty .. 100,000	Other Consolidated Fund .. —
Property and Income Tax .. 12,636,000	Charges .. .. . 227,672
Excess Profits Tax .. .. 3,643,000	Supply Services .. .. 34,095,432
Land Values .. .. . 40,000	Bullion Advances .. .. 100,000
Post Office .. .. . 600,000	For Advance for Interest .. —
Crown Lands .. .. . —	on Exchequer Bonds under .. —
Sundry Loans .. .. . —	Capital Expenditure .. —
Miscellaneous .. .. . 126,286	(Money) Act, 1904 .. .. —
Bullion advances repaid .. 100,000	For Treasury Bills .. .. 47,704,000
For Treasury Bills for Supply .. 64,088,000	War Loan and Exchequer .. —
5% Exchequer Bonds, 1922 .. 39,000	Bonds .. .. . 637,725
6% Exchequer Bonds, 1920 .. 48,000	Other Debt under War Loan .. —
National War Bonds .. .. 20,149,000	Acts, 1914-16 .. .. . 516,264
War Expenditure Certificates .. —	For Exchequer Bonds under .. —
War Savings Certificates .. 2,600,000	Section 61 of Finance Act, .. —
4% War Loan, 1929-1942 .. —	1916, and Section 34, 1917 .. —
5% War Loan, 1929-1947 .. —	Under Telegraph (Money) .. —
Other Debts created under .. —	Act, 1913 .. .. . —
War Loan Act, 1915, and .. —	Under Post Office (Lon- .. —
Finance Act, 1916 .. .. 12,660,021	don) Railway Act, 1913 .. —
Telegraph Money Act, 1913 .. —	Under Military Works Acts .. —
Under Post Office Rly. Act, .. —	Under Housing Act, 1914 .. —
1913 .. .. . —	Public Buildings Expendi- .. —
Under Military Works Act, .. —	ture Act, 1903 .. .. . —
1897-1903 .. .. . —	Old Sinking Fund, 1907-8 .. —
Under Public Buildings .. —	Sinking Fund, 1914 .. .. —
Under Housing Act .. .. . —	China Indemnity .. .. . —
Repayment of Advance for .. —	Conard Agreement Act .. .. —
Interest on Exchequer .. .. . —	Depreciation Fund .. .. . —
Bonds .. .. . —	Suez Canal Drawn Shares .. .. —
China Indemnity .. .. . —	Temporary Advances Repaid .. 24,500,000
East Africa Loan repay- .. —	Increase in Exchequer .. —
ments .. .. . 5,940	balances .. .. . 1,289,339
Suez Canal Drawn Shares .. —	
Ways and Means Advances .. —	
Decrease in Exchequer .. —	
balances .. .. . —	
£109,900,247	£109,960,247

\*Excluding sales through banks which have not yet been brought to account.

## CURRENCY NOTES.

Return of Currency Notes for the week ended January 16, 1918.

	Issued.	Cancelled.	Outstanding.
£1 notes .. .. .	3,110,211	3,578,933	152,364,225
10s. notes .. .. .	870,393	1,340,355	36,877,169
Note certificates .. ..	300,000	450,000	21,500,000
Previous total .. .. .	803,047,258	591,219,180	211,828,078
	807,327,863	596,586,469	210,741,394

Ratio of gold held against notes, this week. 15.06 p.c.; last week 14.97 p.c.

## LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
December .. .. .	1,439,206,000	1,204,438,000	234,768,000	£
Total .. .. .	19,121,196,000	15,275,040,000	3,846,156,000	—
January 2 .. .. .	1918.	1917.		
" 9 .. .. .	400,652,000	389,111,000	11,541,000	—
" 16 .. .. .	455,056,000	376,702,000	78,354,000	—
" 16 .. .. .	400,636,000	350,063,000	50,573,000	—
Total .. .. .	1,254,344,000	1,115,876,000	140,468,000	—

## NEW YORK STATE BANKS &amp; TRUST COMPANIES (dollar at 4s.).

	Jan. 12, 1918.	Jan. 5, 1918.	Dec. 29, 1917.	Jan. 13, 1917.
Loans .. .. .	160,592,000	163,090,000	164,770,000	151,054,000
Specie .. .. .	3,432,000	3,672,000	3,852,000	12,526,000
Deposits .. .. .	167,292,000	168,514,000	167,976,000	161,376,000
Legal Tenders .. ..	15,558,000	15,428,000	15,292,000	2,122,000

## FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Dec. 14, 1917.	Dec. 7, 1917.	Dec. 15, 1916.
Gold coin and certificates ..	100,568,000	100,131,200	51,283,600
Gold Settlement Fund ..	78,762,000	75,355,600	35,408,200
Gold with foreign agencies ..	10,500,000	10,000,000	—
Total gold held by banks ..	189,830,000	185,486,800	86,751,800
Gold with Federal Res. Agent ..	1,617,257	1,367,800	54,634,000
Gold Redemption Fund ..	3,542,000	3,407,000	303,600
Total gold reserves ..	330,447,600	326,271,600	141,715,200
Legal tender notes, silver, &c. ..	10,029,200	10,394,800	1,581,400
Total reserves ..	340,476,800	336,666,400	143,296,600
Bills discounted—Members' ..	147,686,200	137,380,400	7,549,600
Bills bought in open market ..	50,883,600	38,116,400	24,583,600
Total bills on hand ..	193,571,800	175,516,800	32,133,200
U.S. Gov. long-term sec. ..	10,754,800	9,839,600	8,529,600
U.S. Gov. short term sec. ..	9,600,200	10,084,800	2,223,400
Municipal warrants ..	198,800	182,800	2,239,000
Loans on gold coin and bullion ..	—	—	—
Total earning assets ..	214,134,600	195,624,000	45,135,200
Due fm other Fed Res. bks—n. ..	6,298,800	5,266,400	9,517,200
Uncollected items ..	63,931,200	62,114,400	—
Total deducts. fm gross dep. ..	70,230,000	67,380,800	84,000
5% Red. Fund ag Fed. Res. bks ..	107,400	107,400	84,000
All other resources ..	561,000	591,600	931,200
Total resources ..	625,110,800	600,367,200	198,964,200
Capital paid in ..	13,888,000	13,809,600	11,146,200
Government deposits ..	25,857,000	33,713,600	5,752,400
Due to members—Res. account ..	309,806,000	287,424,800	—
Due to non-mbrs—clearing ac. ..	—	—	128,627,200
Members' bank deposits—net ..	39,353,400	37,972,200	—
Collection items ..	2,856,400	3,117,200	—
Total gross deposits ..	377,872,800	362,237,800	134,379,600
F.R. notes in actual circulat'n ..	230,677,000	222,107,400	53,475,200
F.R. bk nts in circn—net liab. ..	1,600,000	1,600,000	—
All other liab. in for Gov. rds ..	1,073,000	612,400	163,200
Total liabilities ..	625,110,800	600,367,200	198,964,200
Gold res. ag net deposit liab ..	61.7%	63.1%	69.5%
Gold & lawful money reserve ..	65.0%	66.6%	71.7%
against net deposit liabilities ..	60.8%	63.2%	103.2%
Gold res ag F.R. nts in act circ ..	—	—	—

## NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Jan. 12, 1918.	Jan. 5, 1918.	Dec. 29, 1917.	Jan. 13, 1917.
Loans .. .. .	818,168,000	825,988,000	825,760,000	672,916,000
Reserve held in own vaults ..	4,074,000	3,990,000	4,036,000	102,906,000
Reserve held in Fed. Res. Bk. ..	106,406,000	104,616,000	104,862,000	36,508,000
Cash in own vaults ..	23,334,000	22,466,000	21,846,000	—
Reserve held in Other Depos. ..	1,790,000	1,776,000	1,680,000	10,666,000
Net Demand Deposits ..	737,986,000	720,240,000	702,458,000	684,694,000
Net Time Deposits ..	39,582,000	38,566,000	38,548,000	32,308,000
Circulation ..	6,806,000	6,810,000	6,806,000	5,766,000
Excess Lawful Reserve ..	13,852,000	14,324,000	16,346,000	32,524,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

## BANK OF FRANCE (25 francs to the £).

	Jan. 10, 1918.	Jan. 3, 1918.	Dec. 27, 1917.	Jan. 11, 1917.
Gold in hand ..	132,816,320	132,736,360	132,576,640	136,237,160
Silver in hand ..	9,844,360	9,873,120	9,906,280	11,495,880
Bills discounted ..	38,328,680	41,929,920	36,478,480	27,829,960
Advances ..	48,807,240	48,825,160	48,476,960	57,806,320
Note circulation ..	919,311,680	911,564,920	893,471,960	684,201,560
Public deposits ..	6,260,560	13,464,160	10,074,360	1,371,920
Private deposits ..	107,879,200	111,068,840	116,549,640	88,726,800
Foreign Bills ..	191,963	123,760	251,920	224,240

Proportion between bullion and circulation 24.38 per cent. against 24.58 per cent. last week. Advances to the State £500,000, unchanged. The adjourned payments of drafts in Paris on account of the moratorium, £20,153,120, decrease £80,760, and at the branches £25,240,160, decrease £33,120.

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	Jan. 7, 1918.	Dec. 31, 1917.	Dec. 22, 1917.	Jan. 6, 1917.
Total Coin & Bullion ..	125,878,150	129,396,800	128,468,650	126,871,000
Treasury Notes ..	66,951,650	65,239,500	57,840,550	13,670,900
Bills discounted ..	658,320,900	729,805,300	630,907,800	437,381,900
Advances ..	334,650	255,550	335,550	441,000
Note circulation ..	567,168,250	573,387,450	551,301,850	399,294,750
Deposits ..	341,520,750	402,514,450	331,752,500	188,453,500

Clearing House return during December £487,637,765, against £424,889,795 in November.

## BANK OF NORWAY.

	Dec. 31, 1917.	Dec. 22, 1917.	Dec. 15, 1917.	Dec. 31, 1916.
Gold .. .. .	6,414,000	6,274,000	6,296,000	6,790,000
Balance abroad and ..	—	—	—	—
Foreign Bills ..	4,844,000	4,816,000	4,676,000	4,735,000
Gov't Securities ..	717,300	717,000	717,000	707,000
Discounts & Loans ..	22,388,000	21,095,000	20,696,000	8,910,000
Notes in Circulation ..	17,985,000	18,330,000	17,516,000	13,866,000
Deposits at notice ..	12,179,000	11,069,000	11,311,000	4,420,000

## NETHERLANDS BANK (12 Florins to the £).

	Jan. 5, 1918.	Dec. 29, 1917.	Dec. 22, 1917.	Jan. 6, 1917.
Gold and Silver ..	58,676,750	58,771,666	58,805,332	49,773,583
Bills and Advances ..	16,149,333	16,442,250	14,143,500	14,244,416
Note circulation ..	74,825,000	74,486,750	72,452,834	62,965,833
Deposits ..	3,603,416	4,469,333	4,129,750	5,497,833

## SWISS NATIONAL BANK (25 francs to the £).

	Jan. 7, 1918.	Dec. 31, 1917.	Dec. 24, 1917.	Jan. 6, 1917.
Gold and silver ..	16,433,020	16,378,976	16,345,072	15,913,456
Bills .. .. .	13,007,840	14,485,488	10,468,664	8,514,452
Note circulation ..	26,385,904	28,092,708	25,541,104	20,259,430
Current and deposit ..	5,779,560	5,492,160	3,782,408	5,679,760

## BANK OF SPAIN (25 pesetas to the £).

	Jan. 5, 1918	Dec. 29, 1917	Dec. 22, 1917	Jan. 6, 1917.
Gold .. .. .	78,680,107	78,672,630	78,670,148	50,468,518
Silver .. .. .	28,294,329	28,421,539	28,589,309	29,575,236
Foreign Bills .. .. .	3,532,389	3,575,603	3,588,975	3,578,394
Discounts and Short Bills .. .. .	29,529,743	29,051,306	29,199,801	27,576,401
Treasury Account, &c. .. .. .	26,801,509	26,801,704	25,088,171	28,666,801
Notes in Circulation .. .. .	112,543,176	111,313,516	110,216,963	95,217,005
Current Accounts, Deposits .. .. .	38,680,377	38,046,135	37,576,726	30,196,954
Dividends, Interests, &c. .. .. .	2,582,760	1,000,547	956,048	2,294,866
Government Securities .. .. .	2,025,557	2,854,481	3,383,557	2,079,861

## STATE BANK OF RUSSIA (10 roubles to the £).

	Oct. 29, 1917.	Oct. 20, 1917.	Oct. 13, 1917.	Oct. 29, 1916.
Notes in reserve .. .. .	15,780,000	10,310,000	11,600,000	10,510,000
Gold .. .. .	129,520,000	129,560,000	129,650,000	155,880,000
Gold in reserve abroad .. .. .	230,860,000	230,860,000	230,860,000	205,500,000
Loans and Discounts, including Treasury Bonds .. .. .	1,718,120,000	1,761,770,000	1,607,840,000	600,350,000
Circulation note issue .. .. .	1,856,210,000	1,785,890,000	1,729,010,000	784,490,000
Deposits, including Treasury deposits .. .. .	345,550,000	344,910,000	344,270,000	22,373,000

## BANK OF ITALY (25 lire to the £).

	Nov. 30, 1917	Nov. 20, 1917	Nov. 10, 1917	Nov. 30, 1916
Total cash .. .. .	46,332,200	43,990,800	45,405,560	42,747,360
Inland Bills .. .. .	33,507,760	32,650,720	28,871,520	19,431,160
Foreign Bills .. .. .	884,400	884,040	883,640	833,390
Advances .. .. .	23,505,720	24,584,160	23,656,720	7,847,800
Government securities .. .. .	8,788,960	8,792,080	8,774,680	8,981,320
Circulation .. .. .	253,520,080	249,420,640	239,434,880	150,096,360
Deposits at notice .. .. .	33,894,120	34,028,960	34,130,160	16,705,200
Current accounts .. .. .	18,024,760	17,610,300	15,634,540	13,233,360

## BANK OF SWEDEN.

	Dec. 22, 1917.	Dec. 15, 1917.	Dec. 8, 1917.	Dec. 23, 1916.
Gold .. .. .	13,014,000	12,831,000	12,591,000	10,146,000
Balance abroad and Foreign Bills .. .. .	6,973,000	6,934,000	6,796,000	8,454,000
Swedish and Foreign Govt. Securities .. .. .	4,440,000	4,440,000	6,381,000	3,525,000
Discounts and Loans .. .. .	16,146,000	14,200,000	12,094,000	9,008,000
Notes in circulation .. .. .	31,037,000	29,564,000	29,321,000	22,133,000
Deposits at notice .. .. .	10,232,000	9,562,000	9,292,000	7,731,000

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	Jan. 15, 1918.		Jan. 17, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam .. .. .	Cable transfers .. .. .	10.95	11.00	10.83	10.93
Paris .. .. .	Three months' bills .. .. .	11.10	11.20	11.00	11.10
.. .. .	Cable transfers .. .. .	27.13	27.18	27.07	27.12
.. .. .	Three months' bills .. .. .	27.50	27.60	27.45	27.55
Switzerland .. .. .	Cable transfers .. .. .	21.20	21.30	20.95	21.70
.. .. .	Three months' bills .. .. .	21.55	21.65	21.30	21.45
Petrograd .. .. .	Cable transfers .. .. .	360	370	363	368
Genoa, &c. .. .. .	Cable transfers .. .. .	39.95	40.15	39.90	40.05
Spain .. .. .	Cable transfers .. .. .	19.48	19.58	19.62	19.72
.. .. .	Three months' bills .. .. .	574	584	574	584
Lisbon and Oporto .. .. .	Cable transfers .. .. .	294	304	294	304
Copenhagen .. .. .	Cable transfers .. .. .	15.30	15.40	15.15	15.25
Christiania .. .. .	Cable transfers .. .. .	14.62	14.72	14.48	14.58
Stockholm .. .. .	Cable transfers .. .. .	14.08	14.18	13.93	14.03

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques .. .. .	Francs to £1 .. .. .	25.224	27.20	27.10
Amsterdam, cheques .. .. .	Florins to £1 .. .. .	12.107	11.00	10.80
Italy, sight .. .. .	Lire to £1 .. .. .	25.224	39.75	39.95
Madrid, sight .. .. .	Pesetas to £1 .. .. .	25.224	19.55	19.80
Lisbon, sight .. .. .	Pence to milreis .. .. .	532d.	30d.	294d.
Switzerland, sight .. .. .	Francs to £1 .. .. .	25.224	21.324	21.024
Christiania, sight .. .. .	Kroner to £1 .. .. .	18.159	14.724	14.50
Stockholm, sight .. .. .	Kroner to £1 .. .. .	18.159	14.724	13.95
Copenhagen, sight .. .. .	Kroner to £1 .. .. .	18.159	15.55	15.224
Petrograd, sight .. .. .	Roubles to £10 .. .. .	94.57	370	365
Alexandria, sight .. .. .	Piastres to £1 .. .. .	974	974	974
Bombay, T.T. .. .. .	Sterling to rupee .. .. .	1/4	1/4 1/2	1/4 1/2
Calcutta, T.T. .. .. .	Sterling to rupee .. .. .	1/4	1/4 1/2	1/4 1/2
Hong Kong, T.T. .. .. .	Sterling to dollar .. .. .	—	3/02	3/02
Shanghai, T.T. .. .. .	Sterling to tael .. .. .	—	4/5	4/4 1/2
Singapore, T.T. .. .. .	Sterling to dollar .. .. .	—	2/4 1/2	2/4 1/2
Yokohama, T.T. .. .. .	Sterling to yen .. .. .	21.58d.	2/16	2/16
New York, cable .. .. .	Dollars to £1 .. .. .	4.864	4.768	4.768
Buenos Aires, T.T. .. .. .	Pence to dollar .. .. .	47.58d.	52d.	51d.
Valparaiso, 90 days .. .. .	Pence to peso .. .. .	—	14.5d.	13 1/2d.
Montevideo, T.T. .. .. .	Pence to dollar .. .. .	51d.	60d.	58d.
Rio de Janeiro, 90 days .. .. .	Pence to milreis .. .. .	16d.	13 1/2d.	13 1/2d.

## OPEN MARKET DISCOUNT.

	Last week.	This week.
Thirty and sixty day remitted .. .. .	3 1/2	3 1/2
Three months .. .. .	4 1/2	4 1/2
Four months .. .. .	4 1/2	4 1/2
Six months .. .. .	4 1/2	4 1/2
Three months fine inland bills .. .. .	4 1/2	4 1/2
Four months .. .. .	4 1/2	4 1/2
Six months .. .. .	4 1/2	4 1/2

## BANK AND DEPOSIT RATES.

	Last week.	This week.
Bank of England minimum discount rate .. .. .	5	5
.. .. . short loan rates .. .. .	—	—
Bankers' rate on deposits .. .. .	3 1/2	3 1/2
Bill brokers' deposit rate (call) .. .. .	3 1/2	3 1/2
.. .. . 7 and 14 days' notice .. .. .	3 1/2	3 1/2
Current rates for 7 day loans .. .. .	3 1/2	3 1/2
.. .. . for call loans .. .. .	3 1/2	3 1/2

## The Week's Stock Markets.

Under any circumstances it would require a great deal of encouragement to put much life into the Stock markets at present. Comparatively few things except of the most speculative character give a return that is, at all events to the small investor, appreciably higher than can be obtained from War Savings Certificates and other War Loans. And the people who have been in the habit of placing most of their spare money in foreign securities are not having such a good time as to attract a new crowd to take over their commitments except at a ruinous sacrifice. Argentine securities, for instance, might have been regarded as among the most promising in the present world-welter, because the country is far removed from the war area and produces mainly what Europe most requires. But between drought, locusts, Luxburgism, and industrial insanity (the two latter being probably co-related) Argentine investments have suffered as much as our own hopelessly unfashionable Home Railway market. Similarly with Russians. Through good and evil report, Russia has always honourably paid interest on her debts, and we have no doubt will continue to do so, although there may be temporary lapses. But it is unsettling to hear of the *de facto* Government threatening to repudiate all foreign debts whatsoever, and if timid holders are frightened, or must get into stocks that yield some income, the heavy fall in values which has taken place is not surprising. In any case, of course, it was inevitable that our Government should take responsibility for the Russian bills issued here, and we are glad that a timely announcement has been made on the subject. Of course, the coupons which fell due recently are now being paid, but that is under arrangements previously made with the financial agents of the old Government, who could not possibly take care of all the floating liabilities which have been incurred in the past three years. Russia is a black cloud on the horizon at present, but the silver lining will appear if we have faith and patience.

Business on the Stock Exchange has been considerably interrupted by the extremely severe weather, which has stopped communication with the provinces to an extent which has not been experienced for a long time past. Both the telegraphic and telephonic services were at some periods out of commission, and the mails were greatly delayed. At the same time the general feeling was fairly confident, and dealings started at a fairly average level, but afterwards dropped back to a much lower point than the "House" appreciates. Nothing of any importance has occurred to stimulate markets, and the comparative stagnation which has been in evidence during the past few days is probably the result of the beginning of active income-tax collections, which always take a large amount away from the dabbler in stocks and shares. Consols began the week with a show of considerable strength, but afterwards fell back, and Local Loans also receded. On the other hand, the 3 1/2 per cent. War Loan, India 3 1/2 per cent., and Bank stock all received a fair amount of support. Colonial stocks began well, and most of the leading issues gained 1/2 or more, but afterwards the whole section fell into neglect. In the Foreign division the outstanding feature has been the persistent weakness in Russian securities, which have fallen day by day points at a time on the reported determination of the Bolshevik Government to repudiate all foreign loans. Japanese issues showed some strength, and Cuban Ports and Peruvian Corporation preference were exceptionally well supported.

Home Railways opened firm, but there was extremely little doing, and the market became dull, and continued weak almost right up to the finish. In the American market the only interest centred in International Mercantile Marine preference, which, after gaining 3, fell back sharply, but closed above the worst. Canadian Pacifics and Grand Trunks were scarcely mentioned, as there is still some doubt as to the increase of freights which seemed to be definitely promised some time ago. Mexicans have been in better favour, and prices generally have advanced. Argentine Rails have been rather irregular, because it is not yet by any means certain that the labour difficulties have been satisfactorily settled. We know that Buenos Ayres Great Southern has had a strike, and the effect is evidenced by a traffic decrease of about £10,000, while Central Argentine secured an increase of £37,000, and Buenos Ayres and Pacific was marked £16,000 up. Movements, however, are at the present moment of practically no significance.

Apart from an exceptional increase of 3 points in Hongkong and Shanghai, nothing much has occurred among Bank shares, but the general tendency has been good. Brewery shares have continued to receive support, and Allsopps, City of London, and Watney deferred were all conspicuous at one time or

	Last Week	This Week		Last Week	This Week
Consols.....	52 1/2	53	N.S.W. 4 1/2% 5 yr. bds.....	95	98 1/2
War Loan 3 1/2%.....	86	86 1/2	" 4 1/2% 1922-7.....	90	90
" 4 1/2% 1920-17.....	99 1/2	99 1/2	" 5% 1921-3.....	95	95
" 5% 1920-17.....	93 1/2	93 1/2	" 5 1/2% 1920-2.....	99	97
" 4 1/2% 1919-24.....	101 1/2	101 1/2	New Zealand 4% 1929.....	85 1/2	85 1/2
India 3%.....	55 1/2	55 1/2	Queensland 4%.....	80 1/2	80 1/2
" 3 1/2%.....	64 1/2	64 1/2	" 4 1/2% 1920-5.....	92 1/2	93
Australian 5 1/2% 1920-22.....	97 1/2	97 1/2	Union of S. Africa 4 1/2%.....	91	91
Canada 4% 1940-60.....	81 1/2	81 1/2	1920-5.....	91	91
" 4 1/2% 1920-5.....	93	93	Victoria 4 1/2% 1920-5.....	92 1/2	93
N.S.W. 4% 1933.....	81 1/2	81 1/2	Westn. Aus. 4%.....	79	79
Argentina 4% 1900.....	67	67	French War Loan, 5%.....	79 1/2	79 1/2
Belgian 3%.....	62 1/2	63	Japan 4 1/2% (1st), 1905.....	98 1/2	99
Brazil, 1913.....	70 1/2	70	" 5% 1907.....	91	91 1/2
" 5% 1914.....	81 1/2	80 1/2	Mexican 5% 1909.....	59 1/2	60
Chinese 1896.....	92	94	Russia 4%.....	45 1/2	41 1/2
" 1912.....	83	83	" 4 1/2% 1909.....	48 1/2	42
Egypt Unified 4%.....	85	85	" 5% 1906.....	57	51 1/2
Caledonian defd.....	9	9	London and N.-W.....	93	92 1/2
Gt. Central pf.....	13 1/2	13 1/2	London and S.-W. dfd.....	24 1/2	24 1/2
" dfd.....	6 1/2	6 1/2	Do red. pf. 1914.....	94	94
Gt. Eastern.....	36 1/2	36 1/2	Metropolitan.....	23 1/2	23 1/2
Gt. Northern dfd.....	38 1/2	37 1/2	Do. 5% pf.....	77	77
Gt. Western.....	80 1/2	80	Met. District.....	13 1/2	13 1/2
Land. and Yorks.....	66	66	Midland dfd.....	58 1/2	58 1/2
London Brighton dfd.....	60	60	Nth. British dfd.....	14	13 1/2
London Chatham ord.....	8 1/2	8 1/2	Nth.-Eastern.....	9 1/2	9 1/2
" Sth.-Eastern dfd.....	30 1/2	30 1/2	Chesapeake.....	56	56
Canadian Pacific.....	159 1/2	160	Erie.....	21	21 1/2
E. Indian Guar. 4 1/2% debts.....	84	84	Southern.....	26	26
Grand Trunk ord.....	9 1/2	9 1/2			
Do. 1st pf.....	53	53	Cent. Argentine ord.....	60	59 1/2
Do. 3rd pf.....	21 1/2	21 1/2	Leopoldina.....	37 1/2	38
Antofagasta dfd.....	131	132	Mexican ord.....	19 1/2	19 1/2
Brazil Common.....	5	5	San Paulo (Brazilian).....	181	181 1/2
B. A. & Pacific.....	40	39 1/2	United of Havana.....	75	75
B. A. Gt. Southern.....	74 1/2	74 1/2	London & S.W.....	13 1/2	13 1/2
B. A. Western.....	71	70 1/2	London City & Midland.....	8	8
Anglo-South American.....	7 1/2	7 1/2	London County & West.....	15 1/2	15 1/2
Bank of Australasia.....	116	117	London Joint Stock.....	25	24 1/2
Bank of N.S. Wales.....	35 1/2	35 1/2	Nat. Prov. of Eng. (£100 pd).....	27	26 1/2
Barclay & Co. "A".....	7 1/2	7 1/2	Do. (£12 pd).....	31	30 1/2
Do. "B".....	11 1/2	12 1/2	Parr's.....	30	31
Capital & Counties.....	24	25	Standard of S.A.....	10 1/2	11
Chartered of India.....	68 1/2	68 1/2	Union Discount.....	10 1/2	10 1/2
Hongkong & Shanghai.....	85	88	Union & Smiths.....	27 1/2	27 1/2
Lloyds.....	25	25			
London & Provincial.....	17 1/2	17 1/2	Kynochs.....	38 1/2	36 1/2
London & Brazilian.....	23 1/2	24	Mond Nickel ord.....	32	32
Armstrong, Whitworth.....	42 1/2	42	South Durham Steel.....	39 1/2	40 1/2
Birmingham Small Arms.....	54	54 1/2	Thornycroft.....	40 1/2	40 1/2
Cammell-Laird.....	6 1/2	6 1/2	Vickers.....	43 1/2	43 1/2
Cargo Fleet.....	22 1/2	24 1/2	Pine Cotton Spinners.....	35 1/2	37
Dorman, Long.....	46 1/2	45 1/2	Forestal Land.....	47 1/2	48 1/2
Associated Cement.....	38	38	Furness, Withy.....	60 1/2	60 1/2
Borax dfd.....	37 1/2	39 1/2	Harrods Stores.....	28	28
Bovril.....	20 1/2	20 1/2	Hudson's Bay.....	7 1/2	7 1/2
Brazil Traction.....	46 1/2	46 1/2	Imperial Tobacco 'C' pf.....	33 1/2	33 1/2
British Amer. Tobacco pf.....	18 1/2	18 1/2	Lever Bros. 'C' pf.....	19 1/2	19 1/2
British Aluminium.....	33 1/2	33 1/2	Lyons, J.....	34 1/2	34 1/2
British Oil & Cake.....	31 1/2	31 1/2	Marconi.....	34 1/2	34 1/2
Brunner, Mond.....	48	48	Maypole Dairy dfd.....	20 1/2	20 1/2
Castner-Kellner.....	3 1/2	3 1/2	National Steam Car.....	18 1/2	17 1/2
Coats.....	6 1/2	6 1/2	Pears, A. & F.....	18 1/2	18 1/2
Courtaulds.....	6 1/2	6 1/2	P. & O. dfd.....	34 1/2	34 1/2
Cunard.....	42	42 1/2	Royal Mail.....	125	125
Dennis Bros.....	35 1/2	35 1/2	Underground Inc. Bds.....	82	82
Eastern Telegraph.....	15 1/2	15 1/2			
Eastmans.....	9 1/2	9 1/2	North Caucasian.....	18	16 1/2
English Sewing Cotton.....	56 1/2	56 1/2	Roumanian Cons.....	9 1/2	9 1/2
Anglo-Egyptian "B".....	27 1/2	28 1/2	Royal Dutch (100 gulden).....	51	51
Baku (10s).....	27 1/2	27 1/2	Shell.....	5 1/2	5 1/2
Burmah.....	7 1/2	7 1/2	Spies (10/-).....	7 1/2	7 1/2
Libos.....	2 1/2	2 1/2	Ural Caspian.....	1 1/2	1 1/2
Maikop Pipeline.....	3 1/2	3 1/2			
Mexican Eagle pf.....	63 1/2	63 1/2	Perak 2/-.....	8 1/2	7 1/2
Allagar 2/-.....	3 1/2	3 1/2	Port Dickson 2/-.....	4 1/2	4 1/2
Anglo-Java Rub. 2/-.....	7 1/2	7 1/2	Rub. Estates Johore £1.....	45 1/2	43 1/2
Anglo-Malay 2/-.....	14 1/2	14 1/2	Rub. Estates Krian 2/-.....	4 1/2	4 1/2
Ayer Kuning £1.....	52 1/2	51 1/2	Rubber Trust £1.....	29 1/2	29 1/2
Batang Malaka 2/-.....	5 1/2	4 1/2	Sampang (Java) 2/-.....	2 1/2	2 1/2
Bekoh 2/-.....	4 1/2	4 1/2	Sapumalkande £1.....	27 1/2	27 1/2
Brit. N. Borneo Trust £1.....	16 1/2	16 1/2	Seaport £1.....	28 1/2	28 1/2
Bukit Cloh 2/-.....	5 1/2	5 1/2	Selangor.....	35 1/2	35 1/2
Bukit Kajang £1.....	75 1/2	76 1/2	Sengat 2/-.....	3 1/2	3 1/2
Bukit Mertajam 2/-.....	49 1/2	49 1/2	Seremban £1.....	45 1/2	45 1/2
Bukit Sembawang 2/-.....	3 1/2	3 1/2	Shelford £1.....	39 1/2	45 1/2
Carey United £1.....	46 1/2	46 1/2	Sialang £1.....	70 1/2	70 1/2
Ceylon Para 2/-.....	10 1/2	10 1/2	Singapore Para 2/-.....	4 1/2	4 1/2
Chersonese.....	3 1/2	3 1/2	Singapore United 2/-.....	3 1/2	3 1/2
Chevi. 2/-.....	6 1/2	6 1/2	Soembar Ajo 2/-.....	3 1/2	3 1/2
Dalkeith 2/-.....	3 1/2	3 1/2	Stagbrook £1.....	33 1/2	33 1/2
Eastern Invest. Trust £1.....	27 1/2	27 1/2	Straits Bertam 2/-.....	7 1/2	6 1/2
Grand Central £1.....	27 1/2	28 1/2	Sumatra Para 2/-.....	9 1/2	9 1/2
Gula Kalumpung £1.....	35 1/2	35 1/2	Sungei Bahr £1.....	40 1/2	39 1/2
Highlands £1.....	61 1/2	61 1/2	Sungei Kapar 2/-.....	11 1/2	11 1/2
Java Investment £1.....	31 1/2	31 1/2	Sungei Krut £1.....	56 1/2	56 1/2
Java Para £1.....	32 1/2	32 1/2	Taipang 2/-.....	4 1/2	4 1/2
Johore Rubber Lands £1.....	35 1/2	35 1/2	Tali Ayer £1.....	37 1/2	38 1/2
Kamunin 2/-.....	4 1/2	4 1/2	Tanjong £1.....	9 1/2	9 1/2
Kinta Kellas 2/-.....	4 1/2	4 1/2	Tanjong Malim £1.....	31 1/2	31 1/2
Kuala Kubu 2/-.....	3 1/2	3 1/2	Tebrau £1.....	65 1/2	65 1/2
Labu 2/-.....	10 1/2	10 1/2	Telogedjo £1.....	47 1/2	47 1/2
Langen Java £1.....	45 1/2	45 1/2	Tempeh 2/-.....	2 1/2	2 1/2
Linggi 2/-.....	28 1/2	28 1/2	United Serdang 2/-.....	11 1/2	11 1/2
London Asiatic 2/-.....	9 1/2	8 1/2	United Sumatra 2/-.....	8 1/2	8 1/2
Malacca £1.....	5 1/2	5 1/2	Val d'Or 2/-.....	4 1/2	4 1/2
Malayalam £1.....	41 1/2	41 1/2	Vallambrosa 2/-.....	24 1/2	24 1/2
Merlimau 2/-.....	5 1/2	5 1/2	Way Halim 1 1/2 pd.....	2 1/2	2 1/2
Padang Java 2/-.....	3 1/2	3 1/2			
Pataling 2/-.....	46 1/2	44 1/2	Gt. Boulder (2/-).....	13 1/2	13 1/2
Abbottiakoon (10/-).....	4 1/2	4 1/2	Kyshtim.....	1 1/2	1 1/2
Bechuana Exp.....	7 1/2	7 1/2	Mashonaland Agency.....	7 1/2	6 1/2
Brakpan.....	58	58	Meyer & Charlton.....	58	58
Broken Hill Prop. (8/-).....	55 1/2	57 1/2	Modder "B".....	8 1/2	8 1/2
Cam & Motor.....	10 1/2	11 1/2	Do. Deep.....	7 1/2	7 1/2
Central Mining (£12).....	6 1/2	6 1/2	Mysores.....	3	3
Chartered.....	15 1/2	15 1/2	Rand Mines (5/-).....	3	3
City Deep.....	38 1/2	38 1/2	Rio Tinto (£5).....	64 1/2	64 1/2
Cons. Gold Fields.....	11	35 1/2	Russo-Asiatic.....	3 1/2	3 1/2
Cons. Langlaagte.....	20 1/2	20 1/2	Spring Mines.....	3 1/2	3 1/2
Crown Mines (10/-).....	2	2 1/2	Tanganyika.....	3 1/2	3 1/2
De Beers dfd. (£2 10s).....	13 1/2	13 1/2	Tanayik.....	1 1/2	1 1/2
East Rand.....	5 1/2	5 1/2	Van Ryn Deep.....	3 1/2	3 1/2
Eduld.....	2 1/2	2 1/2			
Gov. Areas Mod.....	3 1/2	3 1/2			

another, but in one or two cases prices gave way towards the finish. Egyptian securities have been in good demand, and all the leading shares are higher. Iron and Steel shares as a rule have received a generous amount of support, but the only conspicuous changes are a sharp advance in Otis Steel, and an equally heavy decline in Canadian Car and Foundry. Land shares have been steady, but nothing particular has happened, except that Hudson's Bays have advanced a good fraction, and Nitrate shares also have been in better demand than for some time past. Shipping shares, under the lead of P. and O. deferred, showed considerable strength, but later the tendency was distinctly dull, and Indo-China fell a point. Textile shares have shown strength, with Coats, Fine Spinners, and Courtaulds all gaining ground almost daily. Among Miscellaneous Industrials, Cements have been particularly prominent, and Borax Consolidated, British American Tobacco, Liptons, and a few others have also been in demand.

Oil shares generally have been weak, with Russian concerns almost at nominal values. The only point of interest was the conclusion of the deal between the "Shell" Co. and Venezuelan Concessions, but the latter has already had most of its legitimate advance, and the news had little effect. Rubber shares have been much quieter than for some time past, but a little sensation was caused by an unexplained advance in United Malaysian from 6d. to 3s. Of course, these flutters are inevitable from time to time, but they require close watching. The higher-priced Rubbers seem to have been most attractive, and they are probably the best worth following.

## LONDON PRODUCE MARKETS.

SUGAR.—Market remained unchanged.

COFFEE generally quiet, but prices steady for all desirable qualities. At public sale, good to fine bold sizes of Costa Rica sold, 114s. 6d. to 117s. 6d.; ditto, Nairobi, 98s. to 109s.; Santos, quay terms, 72s. 6d. The market for future delivery remained in a dull and featureless condition.

Cocoa dull, and the small supply offered at public sale was mainly bought in. Some Guayaquil-Ariba sold, 112s.; good St. Lucia, 87s.; West Coast African, 70s.

SPICE.—Pepper market remained steady, but buyers were again reserved. Singapore black, basis fair, spot, sold, 1s. 2 1/2d.; Tellicherry, 1s. 4d.; and Muntok, 1s. 7 1/2d. Cloves dull. Fair Zanzibar, spot, 3s. 1d., 1s. 9d. Demand for tapioca keeps slow. Fair flake, spot, 7d.; fair Penang seed pearl, 67s. 6d.; and medium, 65s.

RICE.—There is a sustained demand, and offers are sparingly made. A good inquiry is still in force with regard to beans and peas.

SHELLAC.—Only limited spot sales were transacted on the basis of 365s. for fair free second orange. Forward positions were very unsettled. T.N. March and also May sold 360s. to 350s. and 365s., closing at 370s.

RUBBER quiet and easier, but steadier since, with a fair demand. Plantation, spot standard crepe, sold, 2s. 5d. to 2s. 4 1/2d.; April-June, 2s. 6d. to 2s. 5 1/2d.; July-December, 2s. 6 1/2d. Ribbed smoked sheet, spot, done, 2s. 4 1/2d. to 2s. 4d. Fine hard Para, spot, sellers, 2s. 8d.; soft fine, 2s. 4d.; ball, 1s. 7d.

CORN (Mark Lane).—There was no fresh feature to report this week, the tone being firm for all cereals, and offerings cleared to a good demand at full rates. Quotations:—Wheat: English whites and reds, 74s. 6d. per qr. (504 lbs.). Of imported grades, No. 1 Northern Manitoba, 81s. 6d. to 82s. 3d.; No. 2, 80s. to 80s. 9d.; Australian, 83s. 6d. to 84s. 3d.; and Plate, 81s. 6d. to 82s., all landed per 496 lbs. Flour maintained. English, town and country (G.R.), quoted 44s. 3d. per sack, ex mill; and Canadian export, 51s. 9d., ex warehouse per 280 lbs. Barley: English milling, 62s. 9d.; and Californian, 93s. per 448 lbs., landed. Oats: English, 45s. 3d. per 336 lbs.; and American white clipped, 61s. to 62s., landed, per 320 lbs. Maize continues nominal owing to paucity of available supplies.

COTTON (from our Manchester correspondent).—The market has been dull throughout the week, and it is impossible to record any improvement in the amount of business passing. Owing to producers having plenty of work to go on with, there is a good deal of indifference as to the recent quiet state of affairs; but unless more orders come round before very long, weak places will begin to show themselves. Mixed reports have been received relating to the raw cotton situation, and there is a fear in many directions of a slump in values, although there are few indications at the moment of any such thing taking place. It is said that certain firms are not carrying out the regulations of the Control Board with regard to the restriction of output very accurately, and the Board has issued a warning that prosecutions will take place if defaulters are found. The Board of Trade returns for the past year show that in values our shipments of yarn and cloth created a record; the total exports amount to nearly £130,000,000. The cloth markets through the week have been featureless. Reports from India and China have not been at all encouraging, and fresh business has been at a very low ebb. A sorting-up trade has been put through for certain minor outlets, without the turnover being at all important. Some necessary buying has transpired in home-trade fabrics, and also in goods suitable for our Government and the French Government. Most manufacturers continue very busy, and there is no running after fresh orders. American yarns have been firm in quotation, but

many spinners have not been thoroughly tested. There is evidence of re-sales taking place, which, if continued, may have some effect upon the level of prices. Business on ordinary

## CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING JANUARY 18, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt.	£ s. d.	£ s. d.	<b>Wool</b> —per lb.	£ s. d.	£ s. d.
duty 14, 98 %			Australian		
polarisation			Scoured Merino	nom.	nom.
Tate's Cubes ..	2 13 9	2 13 9	Scoured Cr'ssbr'd	nom.	nom.
Crushed ..	2 13 9	2 13 9	Greasy Merino ..	nom.	nom.
Granulated ..	2 6 9	2 6 9	Greasy Crossbred	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	New Zealand		
Foreign granu-			(scoured) Merino	nom.	nom.
lated, first marks			Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	Cape snow white	nom.	nom.
German Cubes f.o.b.	nom.	nom.	<b>Indiarubber</b> —lb.		
French Cubes			Plantation, Spot		
prompt	nom.	nom.	Crepe ..	0 2 4 1/2	0 2 4 1/2
Crystallised, West			<b>Coal</b> —per ton		
India ..	2 6 9	2 6 9	Durham, best ..	nom.	nom.
Beet, 88% f.o.b.	nom.	nom.	Seconds ..	nom.	nom.
<b>Tea</b> —per lb., duty	s. d. s. d.	s. d. s. d.	East Hartlepool	nom.	nom.
1/2 lb.			Seconds ..	nom.	nom.
Indian Pekoe ..	nom.	nom.	Steams, best ..	32 6	32 6
Broken ..	nom.	nom.	Seconds ..	29 6	29 6
Orange ..	nom.	nom.	<b>Lead</b> —per ton.	£ s. d.	£ s. d.
Broken ..	nom.	nom.	English Pig ..	nom.	nom.
Pekoe Souehong	nom.	nom.	Foreign soft ..	£ 29 1/2-£ 28 1/2	£ 29 1/2-£ 28 1/2
Ceylon Pekoe ..	nom.	nom.	<b>Quicksilver</b> —per		
Broken ..	nom.	nom.	bottle first hand	nom.	nom.
Orange ..	nom.	nom.	<b>Tin</b> —per ton		
Pekoe Souehong	nom.	nom.	English Ingots	£ 300	£ 297-300
<b>Cocoa</b> —per cwt.	s. d. s. d.	s. d. s. d.	Do. bars	£ 301	£ 298-301
duty 6d. per lb.	87 0-99 0	87 0-99 0	Standard cash ..	£ 95	nom.
Trinidad—per cwt.	85 0-98 0	85 0-98 0	Tin Plates, per bo.	nom.	nom.
Grenada ..	68 0-77 0	68 0-77 0	<b>Copper</b> —per ton.		
West Africa ..	77 0-94 0	77 0-94 0	English, Tough.	nom.	nom.
Ceylon Plantation	105/-109/-	110/-112/-	per ton ..	nom.	nom.
Guayaquil Ariba.			Best Selected ..	£ 119-£ 123	£ 119-£ 123
<b>Coffee</b> —per cwt.			Sheets ..	£ 147	£ 147
duty 42/- per cwt.			Standard ..	£ 110-110 1/2	£ 110-110 1/2
East India ..	97 0 116 0	97 0 116 0	<b>Provisions</b> —		
Jamaica ..	77 0-120 0	77 0-120 0	Native firsts for		
Costa Rica ..	97 0 116 0	97 0 118 0	shipment	nom.	nom.
<b>Provisions</b> —			<b>Oils</b> —		
Butter, per cwt.			Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Australian finest	252/-	252/-	Rape, refined ..	£ 71	£ 71
Argentine ..	252/-	252/-	" crude ..	£ 66	£ 66
Irish Creameries	nom.	nom.	Cott'n Seed, crude	£ 60	£ 60
Dutch ditto ..	nom.	nom.	Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
Russian finest	nom.	nom.	Petroleum Oil, pe		
Paris baskets ..	nom.	nom.	8 lbs.	1 7 1/2	1 7 1/2
Danish finest	nom.	nom.	Water White ..	1 8 1/2	1 8 1/2
Brittany rolls ..	nom.	nom.	Oil Seeds, Linsee.		
doz. lb. ..			Calcutta—per ton		
<b>Bacon</b> —per cwt.			Spot	29 15 0	29 15 0
Irish ..	172/-	172/-	Rape ..	£ 29-10 £ 30	£ 29-10 £ 30
Continental ..	172/-	171/-172/-	<b>Iron</b> —per ton		
Canadian ..	172/-	171/-172/-	Cleveland Cash ..	nom.	nom.
American ..	172/-180	172/-180	<b>Tobacco</b> —duty		
<b>Hams</b> —per cwt.			unmanufactured		
Irish ..	203/-	203/-	7/4 to 8/0 per lb.		
Canadian ..	162/-165/-	162/-165/-	Maryland & Ohio	nom.	nom.
American ..	125/-165/-	125/-165/-	per lb. bond ..	0 8-2 1	0 8-2 1
<b>Cheese</b> —per cwt.			Virginaleat.	0 7-0 11	0 7-0 11
Dutch ..	129/6-160/-	129/6-160/-	Kentucky leaf ..	2 0-5 0	2 0-5 0
Canadian ..	nom.	nom.	Latakia ..	1 6 6 6	1 6 6 6
English Cheddar	142/-	142/-	Havana ..	nom.	nom.
White loaf ..	nom.	nom.	Manila ..	2/- upds.	2/- upds.
New Zealand ..	nom.	nom.	Cigars, duty 10/-		
<b>Rice</b> —per cwt.			per lb. ..	2/- upds.	2/- upds.
Japan ..	43 0-45 0	44 0-45 0	<b>Timber</b> —Wood.		
Rangoon 2 stars ..	26 3	26 3	Pitch Pine ..	300/-400/-	300/-400/-
<b>Eggs</b> —per 120.			Indian Teak ..	380/-700/-	380/-700/-
English ..	43 0-45 0	44 0-45 0	<b>Turpentine</b> —		
Irish ..	40 0-41 0	40 0-41 0	American Spot ..	124/-	127/-
Danish ..	nom.	nom.	<b>Copra</b> —per ton		
<b>Spelter</b> —			Malabar ..	46 0 0	46 0 0
G.O.B. as to position			Ceylon ..	46 0 0	46 0 0
..	£ 54-£ 50	£ 54-£ 50	F.M.S. Singapore	45 10 0	45 15 0
<b>Flour</b> —per sack.			F.M. Straits ..	45 10 0	45 10 0
Country Straight					
Runs ex Mill ..	44/3	44/3			

lines has been of limited dimensions. Some small lots have been put through in fine counts for India. Bolton spinings have moved off slowly at late rates.

## The Russian Kaleidoscope.

Are the Germans behind this movement to repudiate the public debts of the submerged Romanoff Empire? Probably enough they may be. Certainly the hard, purely materialistic revolutionary social creed of that able and tortuous minded German Semite, Karl Marx, seems to govern the aims of the Bolsheviks, who at present are, so far as we can discern, masters of Russia's fate. It seems equally certain that the decree to repudiate the public obligations of the State would be regarded as astute policy by the Pan-German mind. "Cease to pay interest on the Russian debt, and the

Allies will be crippled in their financial resources," they would argue.

"But how about the German resources?"

"Oh, they will be looked after, and even if for a time our German banks and capitalists suffer in pocket through Russia's default, we shall have ample compensation in the new territories annexed. Why, the minerals in Poland alone, added to those we take from Belgium and France, will make us supreme for ever."

Doubtless it is also hoped, and may even be already planned, that the humble-minded Russian will assent to proposals whose effect would be to secure Germany's financial claims while repudiating all others. Something of that sort looks quite likely to represent an outline at least of the motives animating the German intriguers now pervading Russian life as dry rot pervades damp and airless flooring, that and the hope so to discredit Russia as to prevent her from obtaining help from any source should she attempt to throw off the shackles now being bound upon her.

"Are we therefore to despair of Russia's resurrection, and give up all hope of seeing better influences coming to prevail?"

No, surely it would be a mistake altogether to despair even at the blackest hour because the more fully Marxism, with all its ruthless animosity towards capital, is allowed free play in its effort to build up an ordered and just civilisation on altogether new foundations, the more conspicuous will probably be the failure. And out of the failure of Lenin and his associates may come Russia's salvation.

Sir George Buchanan, the British Ambassador in Petrograd, nevertheless, did wisely in trying, when passing through Stockholm, to disabuse minds in this country about the standing and present hold of the Bolsheviks over at least northern Russia. They are strong enough for the present to be able to have their own way. For how long they may remain no one, least of all they themselves, can say, but meanwhile,

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under their anarchic domination, Russia is splitting into fragments. Any section of the country which raises clamour about becoming a State apart, free and independent, is allowed to go its own way. Sub-division renders easier the infamy contemplated in the repudiation of the debt.

But in proportion to the thoroughness of the immediate success in these directions will be the reaction and the punishment. Even if no civil war—and we hope there will be none of magnitude—leads to the emergence of some commander powerful enough and sagacious enough to lay his hand upon the elements of disorder and bring the country anew into obedience to law and public right, the various “free states” into which the country is being divided up will soon find it impossible to live side by side devoid of all credit, public or private; with no means of transacting business the one with the other; with a currency that is worth nothing; with all banks shut or crippled because exchange facilities are completely denied them; with no markets outside to which they can sell, because anarchy has destroyed the capacity to produce; and, as one promise after another made by the enthusiasts is falsified, as living becomes harder instead of more facile, the discontent will grow to such proportions as must undermine the sway of the idealists and bring the Russian people to its senses. In the meantime, the all-grabbing Prussian seems not unlikely to be foiled by the very completeness of his temporary success.

From German sources it was reported in the middle of the week that “conferences” had been resumed between the Leninites and the German emissaries. The news also came that Lenin himself had been shot at, but, if true, that may have been merely a demonstration to try and galvanise his waning popularity. In fact, everything about the present aspect of Russian affairs, so far as they are allowed to be visible to the world outside, appears to us to indicate that behind the parade of antagonism between Russian anarchists and Prussian thieves, there must be a more or less well-organised mass of men drawn from the ranks of the dispossessed Prussianised bureaucracy of the old Empire. Just look at the way in which Lenin is acting towards Rumania. Could any Prussian bully of them all, Hindenburg himself, act with greater arrogance towards a country deemed weak than Lenin is doing toward Rumania? He arbitrarily arrested and flung into prison the Rumanian representative in Petrograd, with several of his staff, and when remonstrated with released his victims, in anything but an apologetic mood. He proceeded to utter threats of instant war against Rumania unless its Government submitted and obeyed his behests within 24 hours. William Hohenzollern himself could not have shown greater insolence, and it may well be that the whole Brest-Litovsk babblement is merely a sort of foxy farce got up to befool the world by the Germans and Germanised Russian bureaucrats acting in secret concert. From that point of view, for which there is much to be said, true Russians of all classes deserve our sympathy. At the same time, as Mr. Balfour intimated, it is prudent that we should maintain informal relations with the extremists who are now playing havoc with a defenceless land.

[The latest report is that Lenin has “ordered” the King of Rumania to be arrested and sent to Petrograd.]

### American Business Notes.

From New York we are told by the American correspondents of our newspapers that the Chamber of Commerce in that city have started a movement on a national scale aiming at the establishment of a world-wide boycott of Germany, if after the war that country retain its present form of Government. The object, as explained by the Chamber, is “not a boycott of revenge or punishment, but is based upon the logic that only through industrial intercourse with the United States can the military party of Germany get

the sinews with which to precipitate a second great world war.” Accordingly a circular has been sent by the Chamber to 500,000 business men representing every industrial and commercial firm of any importance in the country. In this circular, after various statements emphasising the militarism of Germany, and explaining the menace in it to the world's peace, the Chamber goes on to unfold its scheme, which is briefly to adopt a policy based upon the institutions which may be evolved in Germany as a consequence of this war. It is proposed that the industrial leaders of Germany, who with the military party constitute the most powerful caste in the Empire, shall be “bluntly told that Germany must choose a responsible Government to conclude a just peace or suffer the consequences of outlawry after the war. She will be denied economic intercourse with her best customer—the United States.” “No democratic constitution, no intercourse,” in other words, is the watchword, and it is thought by the Chamber of Commerce that this blow directed by American business at German business “will supplement the steps already taken to bring home to different classes in Germany the purpose and will of America to establish conditions which will eliminate as far as possible factors which would disturb again the peace of the world.”

We shall be very interested to hear what the response to this circular is, although we do not think that the Chamber of Commerce quite grasps the intricacies of the problem, or strikes the true note. It is carried away by its reverence and respect for democratic institutions as familiar within the North American Republic, and therefore puts what may be called a “fetish” democracy to the forefront as the one test of worthiness to be applied to candidates for admission, or readmission, into the comity of civilised peoples. In the long run this may, perhaps, be the best test. We cannot be sure, but much has to be done before it can be applied to Germany with any approach to confidence in its efficacy. There are democracies and democracies in the world. Next door to it the Republic of the United States has a “democracy” of an altogether different type from its own. Mexico has an excellent paper constitution which is as worthless for any practical purposes in creating and maintaining order and developing civilisation as a treaty with Germany would be in guaranteeing peace. Is there any surety that, supposing the rulers of Germany, labelled “democratic,” thought they could hoodwink mankind by playing up to the high ideals of free and enlightened democracies with all manner of sweet beguiling words they would hesitate to do so? They could elaborate a perfectly modelled paper constitution in Germany we feel quite sure by help of their multitude of men learned in the law and experts in political mystification, but such constitution could be used, just as the Reichstag has so often been, to mask designs of the vilest description against the liberties and property of envied neighbours.

Might we, therefore, venture to recommend to the excellent gentlemen who compose this Chamber another and more effective method of dealing with German obliquity? It is one often outlined in these columns, and which has had the support more or less hesitating of the statesmen responsible for affairs in all the countries of the Entente. This plan briefly is that before Germany can be restored to the commercial and industrial fellowship of nations it must make reparation for the crimes and devastations it has outraged humanity by, under the impelling savagery of its Prussian military tyrants, and also make restitution as far as possible of the property it has stolen or destroyed. That is the one practical test of reparation and repentance to be applied to the Germans. If they do not honestly respond, if they try to shuffle out of their liabilities towards Belgium, towards Northern France and Alsace-Lorraine, towards Serbia and Poland, towards Russia also, and towards all neutral countries whose shipping has been ruthlessly sent to the bottom of the sea, as well as towards the Allies

also whose merchant marine has suffered the like fate, and if they refuse to disgorge the stolen property of all kinds, then disabilities must be imposed, and kept in active force against them; so that, from the minerals extracted to the furniture, habiliments, &c., burgled by prince and clohopper, they may suffer until they yield, and make full reparation. There is really no other way when you come to think it over. Political formulæ are no good whatever as tests of a nation's moral quality or intention, and equally futile will it be to elaborate trap tariffs in order to put disabilities on the German manufacturer or trader, so as to mulct him of his profits. Boycott Germany, starve it, and shut it in upon itself until it pays back. And in the word "Germany," Austria, the equally base tool, is embraced.

Let United States men of business, who are amongst the keenest and most practical in the world, unite, then, with their confrères in Europe, and endeavour to draw up a scheme of commercial policy founded on this rule which all can adhere to, and that will put Germany in a dependent but not wholly impotent place until she has obeyed the judgment to be pronounced against her for the crimes she has committed. We shall require the products of German labour for many a year to come to help us to overcome and liquidate the dead weight of obligation Prussian schemes of world conquest have compelled us to assume in self-defence, and no peace which does not bring home their guilt to the degraded instruments of Prussian ambition by compelling them to work for us, to liberate the races they have enslaved and to hand back all that has been thieved, will be worth the bones of Bismarck's "Pomeranian grenadier." There is no room for princely obsequiousness or diplomatic staging in the peace we must secure.

### Insurance News.

A fresh record has been set up by the Century Insurance Company, which during the past year issued 927 new policies for £411,000, an increase of 149 in number and of £11,000 in the amount, the new annual premiums being £18,600, as contrasted with £18,200 in 1916. No particulars are yet available as to the amount re-assured, which in 1916 came to £48,900. In the case of the National Benefit Life and Property Assurance Company, the 1917 figures also disclosed an improvement on the previous year's total, the amount being £150,000, an increase of £52,700; this is the most satisfactory showing made since the life business was begun in 1912.

A well-known figure in the insurance world retires next month, when Sir David Paulin, who for 37 years has been manager of the Scottish Life Assurance Company, hands over the duties to the present secretary of the company, Mr. Lewis P. Orr; Mr. Alex. Fraser, the actuary, becomes secretary and actuary. Sir D. Paulin joins the board of directors.

According to an interesting table given in the *Policy*,

there has been a very substantial increase of late years in the proportion of assets invested in British Government securities by the great insurance companies; in fact, war finance has worked almost a revolution in this respect. Owing to the small interest yield, coupled with heavy depreciation, the proportion of total assets so invested had declined steadily, so that in 1913 the amount represented only about 1 per cent. of the companies' investments. As is now well known, since the outbreak of hostilities the companies have given every assistance to the Government in the shape of large contributions to the various war loans, with the result that by the end of 1916 an average of 13 per cent. of the total assets was represented by British Government securities. Since that date the ratio has been raised to over 19 per cent. of the 1916 total assets as the result of last year's great response to the 5 per cent. War Loan, and now there has to be added the amounts of War Bonds taken up.

An increase of £5,749 to £97,099 is shown in the ordinary premium income of the Salvation Army Assurance Company for the year to June 30 last, while in the industrial department there was an increase of £19,369 to £344,440. War claims paid in both sections came to £37,758, bringing up the total disbursed since the beginning of the war to £65,093, of which £58,129 related to industrial policies. By an addition of £118,613 the total funds were raised during the year £1,326,159.

### Tribunals and Men.

Sir Donald Maclean deserves thanks for his instructive and courageous speech on the Man Power Bill on Thursday in the Commons. It is all right to call for men—we must have them, our military authorities say—but there are ways and ways of getting them, and hitherto there has been shameful waste in the getting, and often disgusting misuse of the men when obtained. Take these extracts from Sir Donald's admirable speech:—

He had not the slightest doubt that the nation would gladly give authority for the large number of additional men asked for if it were reasonably convinced that they were going to be rightly used. (Cheers.) That was the difficulty of the whole situation. Unless some drastic action was taken men would continue to be placed in the Army under conditions which could have no other result than that they would break down physically. A case came before his tribunal a little time ago of a skilled electrician who was engaged in a factory where Army rations were made. It was represented that this type of man was badly wanted in the Flying Corps. Ultimately it was decided that he was of no use to the Flying Corps, and he was advised to return to civil life; but he was enlisted by a zealous sergeant, and was afterwards discovered in khaki washing dishes. Another man said he was a skilled electrician, with 17 years' practical experience, and that his physical defects were rupture and acute gastritis. At the commencement of the war he took up an appointment in connection with the production of explosives. He contracted T.N.T. poisoning, and whilst he was convalescent he was enlisted in the Army. He wrote to say that he had been put into the motor transport, and was there engaged in nothing but mere labouring work, such as picking up paper and cleaning

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windows. A man came before him two weeks ago who had been combed out from one of the arsenals. He was 32 years of age, had six children under 12 years of age, and had been working three years in the most dangerous part of the arsenal. Everybody wanted that sort of thing stopped. He feared the result of the grave statement that the Army wanted 450,000 men would be that tribunals would be inclined to send almost every man they could into the Army, and almost the majority of the men they were dealing with would be men who were unfit for the Army.

He would suggest that the practice should be set up which quite recently had been set up in regard to the London Tribunal: it was within the powers of the tribunals all over the country. If it was considered that a man in this classification ought not in the national interest to go into the Army, they said he must do some work of national importance, and adjourned the case for evidence that this course was being taken. They then gave exemption for about three months, and kept the case well in hand, so that there could be little opportunity of abuse. If that practice were widely extended, the tragedy which now went on would be prevented. Seven times out of ten these men who were taken from civilian life were over 35 years of age, and the sickness casualties in the Army in the cases of men between 35 and 40 were nearly 250 per cent. more than in the case of men between 28 and 35. They took a man of this sort from his civilian life and put him in the Army. He broke down and was pensioned. Up to the present, of the pensions already granted 15 per cent. were in respect of sickness and disease. A large proportion of the men were physically fit, and had contracted sickness in the field no doubt; but a very large and preventible proportion was in the case of men who never ought to have gone into the Army at all. From the point of view of the man's own domestic circle this was pitiable enough; but there was the national point of view. These men were derailed, and it would cost the nation a lot of money and time to get them going on the rails again, if they ever did. In making this appeal he believed he was speaking the real desire of every man in the House. If they were dealing with malice they would know where they were; but they were dealing with colossal stupidity.

### The Week in Mines.

There has been marked activity in the mining markets this week, and there have been several spectacular spurts in prices. The predominant feature was a rise of no less than 21s. in Gaika Gold, a Rhodesian property which has reported the strike of a rich body of ore in the south section of the mine. Other Rhodesian shares also advanced sharply. Broken Hill and British tin shares have been active and buoyant.

#### SOUTH AND WEST AFRICANS.

In the South African market a good deal of support has been forthcoming for Gold Fields, which have risen 4s. 3d. to 35s. 3d., and Gold Mines Investment have advanced 1s. to 17s., and Gold Trusts 1s. 3d. to 24s. 3d. in sympathy. East Rands have improved to 6s. 9d., and Randfontein Estates have risen 1s. to 16s., and Goerz 1s. 3d. to 15s. 9d. on dividend hopes. Gedulds have been notably firm at 2½, but provincial selling has caused City Deeps to decline 7-32 to 3½. Among Rhodesian shares, Gaika Gold was very actively dealt in up to 32s. 6d., but profit-taking caused a relapse to 27s. 6d., which, however, shows a rise of 21s. on the week. Gold Fields Rhodesian, which controls the Gaika, have risen 1s. to 8s. 3d., and Lonely Reefs have spurted to 34s. 6d. on a good development report. There was active buying of Eldorados and Planet Arcurus on a report that an agreement has been made between them by which the latter will take over the plant of the former when its mine is exhausted. Eldorados have risen 3s. to 10s. 6d., and Planets 3s. to 6s. 3d. Bwanas, on the reported signing of the agreement with the Minerals Separation Co., rose 1s. to 6s. 3d. Diamond descriptions have weakened slightly, De Beers deferreds being quoted at 13½. West Africans show little change.

#### COPPER AND MISCELLANEOUS.

Copper shares have been in request, particularly Mount Elliotts, which have risen ½ to 4½, and Mount Oxides, which have jumped from 7s. to 10s. Broken Hill shares show a general advance. Proprietaries have risen 3s. 3d. to 57s. 6d. on the announcement that Lysaghts are erecting a galvanised iron plant in connection with the Proprietary's iron and steel works at Newcastle. South Silvers have risen ½ to 9½, Block Tens 1s. 9d. to 26s. 9d., and British 1s. 3d. to 37s. 6d., ex dividend. Helped by the firmness of the metal market, tin shares have been prominently active and firm. Rumours of encouraging developments on the rich Rogers lode have stimulated purchases of East Pools, which have risen 4s. 3d. to 22s., and of South Croftys, which are 2s. 9d. higher at 24s. 9d. Gopengs at 1½ and Tronoh Souths at 10s. are also appreciably higher. Mexican shares have been in request, and Camp Birds at 8s. 6d. and Esperanzas at 8s. 6d. show rises of 1s. A number of low-priced shares of various descriptions have been galvanised into life, but there is every reason why the public should not participate in these gambles. Indian shares have attracted some attention, including Burmas, which are ¾ higher at 4½.

### MINING NEWS.

**TRANSVAAL GOLD PRODUCTION.**—The production of gold in December amounted to £3,068,639, a decrease of £221,066 on the same month of last year. The following table shows the monthly production since January, 1912:—

Month.	1912.	1913.	1914.	1915.	1916.	1917.
January ..	£ 3,130,830	£ 3,353,116	£ 2,708,470	£ 3,037,058	£ 3,144,948	£ 3,324,418
February ..	2,989,832	3,118,325	2,660,186	2,872,406	3,201,063	3,063,976
March ....	3,528,688	3,358,050	2,917,346	3,202,514	3,384,121	3,343,363
April .....	3,133,383	3,334,358	2,904,924	3,160,751	3,205,643	3,155,121
May .....	3,311,794	3,373,998	3,059,340	3,243,347	3,303,377	3,310,618
June .....	3,202,517	3,173,382	3,049,558	3,208,224	3,235,767	3,227,101
July .....	3,255,198	2,783,917	3,111,398	3,272,258	3,232,891	3,219,094
August .....	3,248,395	3,092,754	3,024,037	3,307,975	3,318,116	3,214,079
September ..	3,176,846	2,999,686	2,982,630	3,269,423	3,277,408	3,135,837
October .....	3,265,150	3,051,701	3,116,754	3,388,122	3,365,642	3,191,279
November .....	3,216,955	2,660,788	3,040,677	3,317,534	3,326,233	3,070,426
December .....	3,297,962	2,857,938	2,952,755	3,317,949	3,289,705	3,068,639
Total ..	38,757,560	37,358,040	35,588,075	38,627,461	39,484,934	38,323,921

The total for the year was £38,323,921, a decrease of £1,161,013 on the record figure for 1916.

**NATIVE LABOUR RETURNS.**—For the first time since last February an appreciable improvement is shown in the labour supply. The total shows an increase of 3,692, the gold mines getting 3,657 more labourers.

Month.	Natives on Gold mines.	Natives on Coal mines.	Natives on Diamond Mines.	Total natives.
December, 1916.....	191,547	11,487	5,194	208,228
January, 1917.....	188,624	11,611	5,591	205,826
February .....	191,095	11,798	6,268	209,161
March .....	190,028	11,494	6,620	208,142
April .....	185,975	11,435	6,314	203,724
May .....	180,168	11,432	5,895	197,495
June .....	175,727	11,758	5,369	192,854
July .....	171,653	11,381	5,223	188,257
August .....	170,817	11,401	5,028	187,246
September .....	171,334	11,601	4,791	187,726
October .....	170,331	11,841	4,620	186,792
November .....	169,083	11,633	4,620	185,336
December .....	172,740	11,695	4,593	189,028

**EASTERN SMELTING.**—The nett profits in the year ended August 31 amounted to £49,932, as against £21,395. The property account, which originally stood at £23,201, and was reduced to £16,182 by the end of 1916, has now been entirely written off. It is proposed to pay a balance dividend at the rate of 10 per cent. on the preferred shares, and to pay a dividend of 10 per cent., or 5 per cent. more, on the ordinary shares, and to carry forward £21,691, against £25,017.

**ZAAIPLAATS TIN.**—The report for the year-ended July 31 states that 21,132 tons were milled for a return of 355 tons of tin concentrates, assaying 70.2 per cent. Towards the end of the year it was decided to extend prospecting and exploration work, and a series of boreholes are being put down in unknown ground. The working profit amounted to £1,562, and the nett profit to £950, against £3,290. During the first five months a loss of £3,800 was incurred. The appropriation account shows that £6,000 in reserve has been appropriated for current expenditure. The average price realised from sales of concentrates was £198 9s. per ton of metal, as compared with an average of £168 6s. 6d. In future the board has decided to convert all concentrates into refined ingot tin. No dividend has been paid since 1914-15, when 35 per cent. was distributed.

**RAND MINING LEASES.**—A new Mining Leases Bill will be introduced in the Union House of Assembly this session. It provides for the creation of a board for granting additional ground under lease to Mynpacht holders, and amends the Gold Law of 1908. The passage of the Bill—two previous measures of the kind have failed to pass—would enable the development and exploitation of the Far Eastern Rand to be proceeded with more rapidly than in the past. Several properties, including the Grootvlei and Rand Collieries, are lying idle, because the existing areas are too small to enable the properties to be worked profitably.

### MINING RETURNS FOR DECEMBER.

Ashanti.—10,195 tons; value, £41,261 (Nov., £40,750).  
Aurora West.—14,600 tons; profit, £3,160 (Nov., £3,078).  
Balaghat.—Output, 2,073 ozs. fine gold (Nov., 1,897 ozs.).  
Bantjes.—20,170 tons; profit, £19.  
Brakpan.—55,300 tons; profit, £39,934 (Nov., £40,075).  
Cam and Motor.—11,474; profit, — (Nov., £798).  
Champion Reef.—30,236 tons; 7,863 ozs. fine gold (Nov., 7,824 ozs.).  
City and Sub.—20,800 tons; profit, £6,879 (Nov., £8,013).  
City Deep.—62,500 tons; profit, £54,378 (Nov., £48,482).  
Cons. Langlaagte.—41,550 tons; profit, £15,013 (Nov., £15,225).  
Cons. Main Reef.—25,520 tons; profit, £11,898 (Nov., £11,756).  
Crown.—157,000 tons; profit, £44,005 (Nov., £37,324).  
Durban Road Deep.—25,200 tons; profit, £7,038 (Nov., £2,841).  
East Rand Prop.—131,000 tons; profit, £12,762 (Nov., £13,301).

Ferreira Deep.—42,300 tons; profit, £16,799 (Nov., £16,896).  
 Geduld.—39,000 tons; profit, £19,758 (Nov., £20,078).  
 Geldenhuis Deep.—51,200 tons; profit, £3,062 (Nov., £3,545).  
 Ginsberg.—13,100 tons; profit, £1,530 (Oct., £1,539).  
 Glencairn.—20,350 tons; profit, £512 (Nov., £1,248).  
 Glynn's Lydenburg.—4,010 tons; profit, £3,034 (Nov., £2,344).  
 Gov. Areas Mod.—101,000 tons; profit, £58,550 (Nov., £58,534).  
 Ivanhoe G. Corp.—18,613 tons; profit, £9,004 (Nov., £9,002).  
 Jupiter.—22,300 tons; profit, £4,505 (Nov., £4,365).  
 Knight Central.—25,796 tons; profit, £500 (Nov., £103).  
 Knight's Deep.—93,500 tons; profit, £5,004 (Nov., £2,006).  
 Langlaagte Estate.—41,540 tons; profit, £9,512 (Nov., £8,068).  
 Lonely Reef.—5,100 tons; profit, £11,471 (Nov., £9,776).  
 Luipaards Vlei.—20,020 tons; profit, £18 (Nov., £307).  
 Main Reef West.—25,570 tons; profit, £2,988 (Nov., £3,402).  
 Meyer & Charlton.—12,670 tons; profit, £29,424 (Nov., £28,024).  
 Modder "B".—41,600 tons; profit, £57,339 (Nov., £57,258).  
 Modder Deep.—41,500 tons; profit, £47,394 (Nov., £48,897).  
 Mysore.—27,376 tons, 17,868 ozs. fine gold (Nov., 16,523 ozs.).  
 New Goch.—17,560 tons; profit, £1,440 (Nov., £2,279).  
 New Heriot.—12,600 tons; profit, £5,484 (Nov., £3,761).  
 New Kleinfontein.—60,780 tons; profit, £16,485 (Nov., £15,353).  
 New Modder.—54,000 tons; profit, £65,656 (Nov., £65,516).  
 New Primrose.—18,000 tons; profit, £1,802 (Nov., £1,808).  
 New Unified.—13,360 tons; profit, £3,274 (Nov., £3,486).  
 N. Anantapur.—1,800 tons; 1,124 ozs. fine gold (Nov., 1,125 ozs.).  
 Nourse.—34,600 tons; profit, £1,747 (Nov., £4,732).  
 Nundydroog.—8,470 tons, 6,962 ozs. fine gold (Nov., 6,482 ozs.).  
 Ooregum.—30,190 tons; 7,574 ozs. fine gold (Nov., 7,543 ozs.).  
 Pahang Consolidated.—14,000 tons; 185 tons black tin.  
 Princess Estate.—17,500 tons; loss, £316 (Nov., £1,064).  
 Randfontein Cent.—162,000 tons; profit, £33,884 (Nov., £30,475).  
 Rezende.—5,000 tons; profit, £1,672.  
 Robinson Deep.—46,900 tons; profit, £13,180 (Nov., £10,527).  
 Robinson.—45,400 tons; profit, £13,888 (Nov., £14,067).  
 Roodepoort United.—28,869 tons; profit, £2,852 (Nov., £1,403).  
 Rooiberg Minerals.—1,552 tons; profit, £1,310 (Nov., £1,424).  
 Rose Deep.—48,000 tons; profit, £16,905 (Nov., £22,978).  
 Shamva.—49,685 tons; profit, £14,147 (Nov., £13,042).  
 Sheba.—6,407 tons; 1,586 ozs.; loss, £588 (Nov., loss, £1,529).  
 Simmer and Jack.—55,900 tons; profit, £21,286 (Nov., £21,117).  
 Simmer Deep.—43,600 tons; profit, £4,039 (Nov., £4,160).  
 Springs.—29,000 tons; profit, £30,336 (Nov., £30,722).  
 Sub Nigel.—10,050 tons; profit, £24,051 (Nov., £8,025).  
 Transvaal Gold.—14,825 tons; profit, £10,119 (Nov., £8,897).  
 Van Ryn Deep.—41,260 tons; profit, £74,017 (Nov., £55,028).  
 Village Deep.—48,600 tons; profit, £15,641 (Nov., £14,765).  
 Village Main Reef.—23,650 tons; profit, £8,783 (Nov., £11,420).  
 Wanderer.—13,680 tons; loss, £251 (Nov., £1,250).  
 West Rand.—36,070 tons; profit, £1,030 (Nov., £3,119).  
 Witwatersrand.—32,765 tons; profit, £12,727 (Nov., £13,001).  
 Wit. Deep.—33,420 tons; loss, £1,054 (Nov., loss, £576).  
 Wolhuter.—32,400 tons; profit, £10,089 (Nov., £11,426).

## DIVIDENDS ANNOUNCED.

Agua Santa Coffee Co.—At the rate of 7 per cent. in respect of half-year ended June 30, 1917, on the preference shares.

Australian Pastoral Co.—Final 5 per cent., making 8 per cent. for the year, against 6 per cent.; £2,846 forward, against £2,418.

Boottle Cold Storage and Ice.—Final on original ordinary stock at rate of 12 per cent., making 10 per cent. for the year; on new ordinary stock at rate of 10 per cent.; bonuses of 2½ per cent. on both ordinary and preference stock.

Bank of New South Wales.—Interim at the rate of 10 per cent. per annum for quarter to June 30 last was paid in August; quarter's dividend to September 30 at rate of 10 per cent. per annum; to augmentation of reserve fund, £75,000; carried forward, £119,187. A year ago dividend was the same, with £50,000 to reserve and £105,241 forward.

Clonakilty Extension Railway Co.—3½ per cent. per annum on ordinary stock for half-year ended Dec. 31 last, making 2½ per cent. for the year, carrying forward £106. For 1916 was at the same rate.

Dundee Coal Co.—10 per cent.

Equitable Bank.—Final rs. 6d. per share (making 15 per cent. for year, less tax), the same as a year ago.

East Pool and Agar.—Interim at rate of 3d. per share, less tax.

Foreign and Colonial Investment Trust.—For the half-year ended Jan. 10 at rate of 7 per cent. per annum (making 6 per cent. for year) upon deferred stock, the same as last year.

Hong Kong and Shanghai Banking Corporation.—Final for 1917 of £2 3s., and a bonus in addition to dividend of £1, subject to tax; to silver reserve fund \$1,000,000, writing off bank premises account \$1,000,000, forward (about) \$3,200,000.

Indemnity Mutual Marine Assurance.—For the half-year to Dec. 31 last of 10s. per share and a bonus of 6s. per share.

Insulinde (Sumatra) Rubber and Tobacco Estates.—Final dividend of 20 per cent., less tax, making 30 per cent. for year, against 20 per cent.

Ivanhoe Gold.—Third quarterly interim in respect of the year 1917 of 2s. 6d. per share, payable Jan. 30.

Java Investment, Loan and Agency.—Interim 5 per cent., less tax.

Liverpool Overhead Railway.—Final of 2 per cent. (actual) on the ordinary shares, less tax, making 3½ per cent. for the year.

Lovell and Christmas.—Interim on ordinary shares at 6 per cent. per annum for the half-year to Dec. 31.

Lancashire and Yorkshire Bank.—Further 16s. per share for half-year and a bonus of 2s. 8d. per share for year. With this bonus the distribution per share is practically the same as it was before the war. A year ago no bonus was paid, while £20,000 was then applied to write down investments.

Lister and Co. (Bradford).—On ordinary shares of 5 per cent. and bonus of 5 per cent., less tax, for half-year ended Nov. 30, making a total of 12½ per cent. for year. The carry forward is increased from £147,200 to £170,295. For 1915-16 the distribution was 10 per cent.

Mambau (F.M.S.) Rubber Co.—8 per cent. on ordinary shares; estates account, £1,000; reserve, £5,000; forward (subject to excess profits duty, if any), £1,471.

McIntyre, Hogg, Marsh, and Co.—For the half-year ended Nov. 30 on ordinary shares at rate of 13 per cent. per annum, making 10 per cent. for year, the same as last year.

Mortgage Co. of the River Plate.—Final 10 per cent., together with a bonus of 2 per cent., less tax, on the amount paid up on ordinary shares, payable Feb. 1, making 20 per cent. for the year, with £15,000 to reserve, the same as last year.

D. and W. Murray.—5 per cent. for final six months, declared last Oct. on the ordinary share capital, confirmed; £28,000 to special reserve account; £10,000 to debenture stock redemption fund; £819 forward.

National Bank.—At rate of 10 per cent. per annum for past half-year, less tax, the same as a year ago; £50,000 to rest; £23,616 forward, against £21,128 a year ago.

National Provincial Bank of England.—Further 8 per cent., making 16 per cent. for past year. After payment of a bonus to members of the staff and allowances to those on active service, amounting to £148,000, £300,000 is applied to the reserve fund and £350,000 to contingencies, carrying forward £182,932.

Northern Corporation.—Final at rate of 5 per cent. per annum on preference shares, and at rate of 17 per cent. per annum (making 12½ per cent. for year) on ordinary shares for half-year ended Dec. 31, 1917.

Real Estate Corporation of South Africa.—Interim of 2 per cent. less tax, payable on the 23rd inst.

Royal Bank of Canada.—3 per cent., being at the rate of 12 per cent. per annum, for the three months to Feb. 28.

Sao Paulo Tramway, Light, and Power Co.—2½ per cent. on the common stock.

Sea Insurance Co.—Subject to income-tax of 5s. in the £, 10s. per share, making 20s. per share for the year. The sum of £40,000 has been taken to provide for the depreciation in the market value of the securities. The balance at the credit of profit and loss account is therefore upwards of £100,000.

Straits Settlements (Bertam) Rubber Co.—Interim of 5 per cent. (actual), less tax, payable about the end of February, against 10 per cent. actual.

Soengei Rampah Rubber and Coconut Plantations.—Interim of 2½ per cent. less tax.

Sungkai-Chumor Estates.—Interim of 10 per cent. (actual) in respect of the year ending June 30, 1918.

Tekka, Limited.—rs. 6d. per share and bonus of 2s. 6d., less tax or a total of 4s., against rs. 6d. a year ago.

Tekka Taiping.—rs. per share, less tax, payable on the 26th inst., the same as a year ago.

Union Bank of Australia.—At rate of 10 per cent. per annum, and a bonus of 2 per cent., both free of tax, together being at rate of 14 per cent. per annum, the same as a year ago; £73,503 forward.

Waterlow Brothers and Layton.—Balance on ordinary shares of 2 per cent., making 7 per cent. for the year; the same; £5,000 is again put to reserve; forward, £12,302, subject to excess profits duty, against £7,678.

## OILFIELDS PRODUCTION.

Anglo-Egyptian.—Past week:—Gemsah, 22 tons, against 664 tons previous week; Hurghada, 3,689 tons, against 3,549 tons previous week.

Baku Russian Petroleum.—Week ended Dec. 15, 67,225 poods, and week ended Dec. 22, 67,150 poods.

Baku Russian.—Week ended Jan. 5, 67,580 poods.

Bibi Eibat.—Week ended Dec. 16, 618 tons.

Maikop Orient.—Plot 435a, Well 3:—Week ended Jan. 5, 14,500 poods.

United British of Trinidad.—Week ended Jan. 9, 463 tons.

Cotton in the Transvaal.—A recent meeting of the Industries Board, held in Johannesburg, discussed the cotton production in the Transvaal, and reported very favourably on the extension of the industry. Twice the area is under cotton cultivation this year, as was the case twelve months ago, the total Transvaal area being about 4,000 acres. The Rustenburg, Waterberg, and Zoutpansberg areas are the principal ones, though some cotton is raised in Zululand. A committee of the board will probably visit the Rustenburg district shortly, and interview farmers there on the prospects of an extension of cotton-growing in the near future.

## PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and January 12, 1918:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Jan. 12, 1918.	Total Receipts into the Exchequer from April 1, 1916, to Jan. 13, 1917.
Balances in Exchequer on April 1—Bank of England ..	£ —	£ 25,209,917	£ 25,111,065
Bank of Ireland ..	—	1,225,912	463,911
<b>REVENUE.</b>		26,435,829	25,575,006
Customs .....	70,750,000	55,642,000	53,996,000
Excise .....	34,950,000	28,818,000	42,595,000
Estate, &c., Duties .....	29,000,000	24,665,000	23,179,000
Stamps .....	8,000,000	6,092,000	5,869,000
Land Tax .....	2,600,000	670,000	710,000
House Duty .....	—	—	—
Property and Income Tax and Super Tax .....	224,000,000	88,034,000	70,893,000
Excess Profits Duties, &c. ....	200,000,000	157,295,000	93,379,000
Land Value Duties .....	400,000	379,000	201,000
Post Office .....	33,700,000	26,203,000	25,700,000
Crown Lands .....	600,000	460,000	473,000
Receipts from Sundry .....	—	—	—
Loans, &c. ....	7,500,000	1,008,100	5,134,576
Miscellaneous .....	27,100,000	46,848,576	11,908,680
Revenue .....	638,600,000	437,011,676	334,035,265
Total, including Balance .....	—	463,447,535	359,610,271
<b>OTHER RECEIPTS.</b>			
Repayment of Advances for Bullion .....	—	1,770,000	2,960,000
Repayment of Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	169,818	—
Under Telegraph (Money) Act, 1913 .....	—	100,000	210,000
Under Post Office (London) Railway Act, 1913 .....	—	68,000	160,000
Under Military Works Acts, 1897 to 1903 .....	—	—	8,824
Under Public Buildings Expenses Act, 1903 ..	—	—	8,000
Under Housing Act, 1914 .....	—	394,500	74,600
For Treasury Bills (for supply) .....	—	2,178,308,000	1,758,655,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....	—	1,300,000	—
For 4½ per Cent. War Loan, 1925-1945 .....	—	—	424
For 5 per Cent. Exchequer Bonds, 1919 .....	—	—	34,222,000
For 5 per Cent. Exchequer Bonds, 1920 .....	—	—	84,140,469
For 5 per Cent. Exchequer Bonds, 1921 .....	—	—	62,168,806
For 5 per Cent. Exchequer Bonds, 1922 .....	—	82,248,400	—
For 6 per Cent. Exchequer Bonds, 1920 .....	—	48,000	160,731,000
For War Expenditure Certificates .....	—	—	29,878,500
For War Savings Certificates .....	—	34,500,000	42,450,000
For other Debt created under the War Loan Acts, 1914-1917 .....	—	559,530,317	199,875,038
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .....	—	166,913,580	—
For National War Bonds .....	—	236,245,000	—
East Africa Protectorate Loan: Repayments on account of Principal and Interest .....	—	5,940	—
Cunard Loan: Repayment on a/c. of Principal .....	—	130,000	130,000
China Indemnity .....	—	—	400,000
Temporary Advances—Ways & Means (including Treasury Bills £345,000,000 in 1916-1917) ..	—	840,103,500	672,053,000
Total .....	—	4,565,285,590	3,411,123,532

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

\* Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Jan. 12, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Jan. 13, 1917.
<b>EXPENDITURE.</b>			
Permanent Charge of Debt ..	£ 17,000,000	£ 17,006,991	£ 18,003,300
Interest, &c., on War Debt ..	194,500,000	146,983,302	99,863,007
Payments to Local Taxation Accounts, &c. ....	9,700,000	6,564,186	6,618,352
Other Consolidated Fund Services .....	1,695,000	1,497,931	1,689,522
Supply Services .....	2,543,830,000	1,937,159,857	1,506,127,051
Expenditure .....	2,766,725,000	2,109,212,267	1,632,291,272
<b>OTHER ISSUES.</b>			
For Advances for Bullion .....	—	2,070,000	3,600,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	169,818	91,370
Under Telegraph (Money) Act, 1913 .....	—	100,000	210,000
Under Post Office (London) Railway Act, 1913 .....	—	95,000	200,000
Under Military Works Acts, 1897 to 1903 .....	—	—	8,008
Under Public Buildings Expenses Act, 1903 ..	—	—	8,000
Under Housing Act, 1914 .....	—	394,500	98,900
For Treasury Bills for Supply .....	—	1,552,668,000	1,286,580,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....	—	1,300,000	—
For War Loans, Exchequer Bonds, &c., under Section 34 of Finance Act, 1917 .....	—	7,520,322	417,785
For other Debt under the War Loan Acts, 1914 to 1917 .....	—	35,734,320	9,651,957
For Depreciation Fund under the Finance Act, 1917 .....	—	26,490,200	—
Old Sinking Fund, 1907-8, issued under Section 2 of the Finance Act, 1908 .....	—	10,000	69,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	20,000	53,160
Old Sinking Funds, 1911-12 and 1913-14, issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914 .....	—	949,000	250,000
Cunard Loan Repayments—Issued to reduce Debt under the Cunard Agreement (Money) Act, 1904 ..	—	130,000	130,000
Chinese Indemnity—Issued to reduce Debt under the Finance Act, 1906 .....	—	—	420,000
Temporary Advances repaid—Ways and Means (inclg. Treasury Bills £329,889,000 in 1916-17) ..	—	81,340,000	447,682,000
Total .....	—	4,547,612,427	3,384,229,052

	1918. Jan. 12.	1917. Jan. 13.
Balances in Exchequer—		
Bank of England .....	£ 16,257,478	£ 25,585,420
Bank of Ireland .....	1,415,685	1,309,060
Total .....	17,673,163	26,894,480

MEMO.—Treasury Bills outstanding on Jan. 12, 1918 .....

\* Includes £291,000, the proceeds of which were not carried to the Exchequer within the period of the account.

## Tea, Oil and Rubber.

With the price of rubber back at about 2s. 4d., the share market is not very happy, in spite of the brilliant scheme of the Rubber Growers' Association to restrict the natural output next year by 20 per cent. We may have more to say about this proposal another time, but for the present shall be content to point out once more the extraordinary commentary it furnishes on the claims made from the same quarters a few months ago that instead of having to restrict output, we should be faced with a rubber famine for years and years to come. The position is almost too ridiculous to be discussed seriously, but there are evidently people who think differently, and they say that it is high treason to suggest that restriction is intended to evade partly the excess profits duty. Oh, no; it is to save freightage! Seeing that shipments are already severely controlled, the argument looks thin enough to see a maggot through. We have previously pointed out that it is perfectly legitimate for rubber estates to "rest" their trees up to a point, and if it happens that this should be desirable just at the time excess duty is most galling, no one could possibly complain. But to make a flat rate reduction of 20 per cent. in the output and say that it is patriotic because it will save shipping cannot convince anyone who has not qualified for Bedlam or who has not some particular "spoo" to foist on the public. Let us leave it at that for the moment.

From the Board of Trade returns we now get a complete summary of the imports and exports of rubber for the past year, and the following comparison will be found of interest:—

	1917.		1916.	
	Centals.	Value £.	Centals.	Value £.
Imports .....	1,756,611	23,794,635	1,684,895	22,996,141
Exports .....	1,174,609	16,499,795	1,085,482	15,098,535
Retained .....	582,002	7,294,840	599,413	7,897,606

It will be seen that last year's imports show an increase of 71,716 centals over those of 1916, but exports were 89,127 centals higher, with the result that the amount retained for home consumption shows a reduction of 17,411 centals. This is largely owing to the fact that imports have been restricted in recent months owing to the scarcity of tonnage, which does not apply in equal degree to outward shipments. In December, for instance, imports amounted to 67,095 centals against 155,245 centals in the corresponding month, while exports were 34,200 against 67,030. Stocks now stand at 11,200 tons (say, 246,000 centals) against 10,310 tons last year, so that there is no fear of any immediate shortage.

A notice is issued by the Anglo-American Oil Co., Ltd., reminding shareholders of the terms on which they can participate in the issue of £1,000,000 new shares created two months ago, and offered at the price of £1 11s. 6d. each. As the Treasury will not allow holders here or in British Dominions to pay cash at present for their proportion of the issue, they can apply either for scrip certificates, which will have to be paid up subsequently, or for certificates of rights, which they can dispose of forthwith. It is the best arrangement that could be made in the circumstances.

Owing to the restrictions placed upon paper supplies we cannot provide newsagents with copies for chance sales. Would regular readers of the "Investors' Review," therefore, kindly place an order with their local newsagents or subscribe direct to the publisher?

## Answers to Correspondents.

**A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.**

**Deposits against future queries may be lodged with the Publisher.**

A. B. Z.—To answer usefully will need a letter. Meantime your No. 4 might be sold, as you must have a good profit. Letter next week.

W. G.—(1) These are a "very long shot." The railway is not finished, and cannot be now until after the war. There ought to be opportunities for trade out there in the days to come. (2) This concern is quite in the background just now, but it is controlled by a strong group, who may revive it one day. We do not like to say sell, though prospects are not bright at the moment.

F. A. E. M.—(1) The company is doing quite well, according to the latest figures we have seen. The fall is in sympathy with the general set-back caused by the war. We do not think you should sell.

Fells.—(1) Quite speculative; we cannot advise a purchase. (2) These may rise another shilling or two, but prospects of any big advance are remote.

Dover.—Your better plan is to apply through your local post-office; it will save you time and trouble.

D. R.—We rather agree, as you have a good profit, although the proposed amalgamation, it is thought, will put them higher.

J. C. D.—We think you should wait for the report. The debentures have been paid off, so the preferences are now the first charge. Part, if not all, of the overdue dividends seem possible.

C. E. M.—(1) Must be doing a big trade, but the goodwill still stands at a high figure. The dividends are well covered, but as an investment we should prefer (2), which is also full of business. The financial position has been much improved, and there is a separate reserve for these shares.

F. S. A.—We cannot recommend them.

## What Balance Sheets Tell.

### PROVINCIAL BANK OF IRELAND, LTD.

For the past half-year the gross profits were £121,850, an increase of £6,000, and the nett were £3,300 higher at £61,100. With £3,500 more brought in the available balance is £77,300, out of which the usual dividend of 12½ per cent. per annum is paid and £25,000, or £5,000 less, is placed to reserve, but on this occasion £8,000 is written off bank premises, leaving £19,000, or £3,600 more, to be carried forward. Notes in circulation have expanded £80,000 to £1,718,000, and deposits have increased £1,710,000 to £9,170,000. Cash is £70,000 higher at £1,436,000, investments are up £60,000 at £2,535,000, and advances £1,920,000 at £7,150,000, but money at call is £210,000 less at £622,000. The balance-sheet total has increased £1,840,000 to £11,846,000.

### NATIONAL BANK, LTD.

Gross profits for the half-year amounted to £221,600, an increase of £15,000, but expenses were higher, and including a slightly smaller sum brought in the balance is £7,500 up at £129,870. After paying the usual dividend of 10 per cent. per annum £50,000 is placed to rest against £45,000 written off for depreciation a year ago, and the carry forward is £2,500 larger at £23,620. There is an expansion of £54,000 in the note circulation at £2,778,000, and deposit accounts have increased four millions to £21,333,000. Cash is up £600,000 at £4,470,000, and money at call, &c., £2,200,000 at £6,590,000, while advances are £860,000 higher at £7,710,000, and bills £420,000 at £2,840,000. The balance-sheet total has increased £4,300,000 to £26,914,000.

### MUNSTER AND LEINSTER BANK, LTD.

For the past half-year the nett profits were £38,960, an increase of £7,200, and with a trifle more brought in the available balance is £8,100 up at £55,900. The dividend is raised from 16 per cent. to 17 per cent. per annum, £20,000 is again placed to reserve, £5,000 (new) is written off premises, and the carry forward is increased by £2,300 to £18,150. Deposits have risen £2,600,000 to £11,714,000, and cash balances, including Treasury bills, are up a similar amount to £5,990,000. Investments are £140,000 lower at £2,242,000, but advances have increased £250,000 to £3,092,000. The balance-sheet total is £2,700,000 up at £12,285,000.

### HALIFAX COMMERCIAL BANKING CO., LTD.

Profits for the year amounted to £26,260, an increase of £1,500, but the amount brought in was almost as much smaller. However, the dividend is raised from 8 per cent. to 9 per cent.,

which requires an additional £2,000, so £8,000 is placed to reserves against £10,000 written off for depreciation, and the balance to be carried forward is a trifle larger at £3,380. Deposits have increased £300,000 to £3,004,000, and even the note circulation shows an expansion of £1,100 at £2,900! Cash, Treasury bills, and investments are £250,000 up at £1,897,000; and advances, &c., have increased £90,000 to £1,400,000.

### NOTTINGHAM AND NOTTINGHAMSHIRE BANKING CO., LTD.

Including £2,000 more brought in the balance is £3,000 higher at £52,820. The dividend of 11 per cent. for the year is repeated, and £7,000 against £5,000 is written off premises, leaving £1,000 more at £6,220 to be carried forward. Deposits have increased £440,000 to £5,690,000, but the note circulation has fallen £4,090 to £25,200. Cash and Treasury bills are £227,000 higher at two millions, and advances £190,000 at £3,180,000, but investments have fallen £25,000 to £890,000.

### LODERS AND NUCOLINE, LTD.

After providing for excess duty and munitions levy the nett profits for the year to August 31 were £23,640, which shows a reduction of £4,000 as compared with the previous twelve months. The amount brought in also was about £1,000 smaller, but the directors feel justified in repeating the dividend of 20 per cent., and as nothing is placed to reserve, against £5,000 last time, the carry forward is practically the same at £5,045. It is explained that the revaluation of the Silvertown plant showed that the £9,300 reserved out of profits for depreciation is no longer necessary, and this amount has therefore been transferred to the general reserve, which now amounts to £46,300. During the year £23,000 has been spent on capital account, and the financial position is not quite so liquid, but everything looks healthy enough.

## COMPANY MEETING.

### FREDERICK HOTELS.

The nineteenth ordinary general meeting of the Frederick Hotels, Ltd., was held on Tuesday at the Hotel Russell, Russell Square, W.C., Mr. Arthur Bird, J.P. (the chairman), presiding.

The Secretary (Mr. A. Macmurchy) read the notice convening the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, explained that the compensation awarded to the company for the military occupation of the Hotel Great Central was less than the sum claimed. He did not conceal the fact that the directors were disappointed at the amount, but as loyal subjects they, of course, accepted the finding of a tribunal composed of gentlemen of high standing. With regard to the refreshment rooms at Folkestone, the Commissioners awarded the full amount of the company's claim, but as the lease of the refreshment rooms expired at Christmas last payment was only awarded up to that date. This was a decided hardship, as they had been caterers at these refreshment rooms since the formation of the company. The result of the year's trading was a nett profit, after payment of debenture interest, of £32,498, against £1,177 in the previous year, an increase of £31,321—a result which the directors ventured to think the shareholders would consider satisfactory in view of the very difficult conditions and the high costs of all foodstuffs. With the balance of £23,725 brought forward from the preceding year there was an available balance of £56,223. On November 10 last the directors paid one half-year's preference dividend up to June 30, 1916, and they now proposed, subject to the confirmation of the meeting, to pay on January 31 another half-year's dividend up to December 31, 1915, leaving the substantial balance of £28,723 to be carried forward to the current year's account. With regard to the balance-sheet, stocks and debtor balances and sundry creditors showed an increase over the previous year, but this was due to the increased business done. Cash in hand at June 30 also showed an increase of £22,687. For the current financial year the business of the hotels was proceeding satisfactorily. They again had an excellent season at the Hotel Majestic, Harrogate, at the Sackville Hotel, Bexhill-on-Sea, and at the Hotel Burlington, Dover, and had also continued to do satisfactory business at the Hotel Russell. The business at Folkestone and Whitby was still adversely affected by the war conditions, and the board were afraid there would be no improvement during the war. Although the directors did not like prophesying, they were of opinion that the results of the company's trading up to December 31, 1917, justified them in paying still another half-year's dividend on the preference shares, which would take them up to June 30, 1916, and warrants for a full year's preference dividend would, therefore, be posted to the shareholders on January 31.

Sir John H. Bethell, Bart., M.P., seconded the motion, which was carried unanimously.

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## DECEMBER RUBBER OUTPUTS.

Company.	Current Estimate.	Last All-in Cost.	Dec., lbs.	(+) or (-) lbs.	Months.	Aggregate lbs.	(+) or (-) lbs.
Aboyne Clyde	444,374d	1/0.50	54,398	+ 8,534	6	276,304	+ 49,866
Alagar ..	360,000	1/1.62	54,398	+ 4,500	12	338,100	+ 38,000
Alliance ..	163,716d	—	37,357	+ 8,089	12	208,394	+ 39,281
Alor Pongso	275,000	1/0.75	27,544	+ 1,406	12	276,412	+ 16,331
Ampat ..	180,000	1/1.35	17,650	+ 5,500	3	56,500	+ 2,990
Anglo-Java ..	2,624,000	—	271,939	+ 96,539	12	2,525,395	+ 880,675
Anglo-Johore	300,000	1/3.20	23,316	+ 10,100	9	231,592	+ 36,081
Anglo-Malay	1,720,000	1/1.23	165,004	+ 1,210	12	1,710,142	+ 52,288
Anglo-Sum...	940,000	1/0.2	68,533	+ 17,600	7	511,166	+ 49,537
Ashlan ..	550,000	1/3.26	39,578	+ 2,937	5	196,829	+ 9,796
As. T. Ceylon	255,000	—	31,563	+ 1,357	6	145,677	+ 15,698
Ayer Kuning	721,457d	1/0.34	78,500	+ 8,500	12	824,071	+ 99,614
Bagan Serai ..	417,000	1/1.82	35,500	+ 4,212	12	413,182	+ 50,394
Bah Lias ....	—	1/9.46	50,099	+ 40,181	2	103,766	+ 74,113
Bajoe Kidol ..	250,986d	1/8.85	50,000	+ 24,152	9	278,000	+ 116,171
Bakap ..	285,000	—	19,200	+ 9,700	6	106,600	+ 55,900
Bambakelly ..	235,000	1/4.96	29,542	+ 3,181	11	181,199	+ 3,025
Bandar Sum.	395,450d	—	40,080	+ 3,376	11	196,673	+ 31,279
Bandjarsari ..	250,000	1/2.48	20,350	+ 2,285	12	243,019	+ 1,274
Bandarapola ..	250,000	—	30,600	+ 1,992	12	285,600	+ 68,992
Bantardawa ..	340,000	—	29,202	+ 2,202	11	156,500	+ 27,540
Bantam ..	915,000	1/1.65	77,079	+ 12,580	6	464,591	+ 60,923
Banteng ..	434,000	1/1.37	40,220	+ 380	8	284,640	+ 27,400
Batak Rabit ..	440,000	1/1.64	24,500	+ 7,054	6	202,248	+ 24,418
Batang Mal ..	400,000	1/3	30,829	+ 3,471	12	318,122	+ 21,639
Batu Caves ..	697,819d	1/9.13	61,336	+ 18,388	12	777,995	+ 75,241
Matang ..	185,000	—	10,833	+ 2,815	5	98,243	+ 13,326
Rata ..	495,030d	1/1.50	54,580	+ 5,180	5	277,200	+ 21,780
Tiga ..	—	1/0.25	64,000	+ 6,300	11	693,500	+ 10,036
Be'ut'rib'no	236,000	1/5.75	19,000	+ 11	8	135,000	+ 24,500
Bekoh ..	540,000	—	36,283	+ 24,517	6	251,085	+ 40,785
Beranang ..	294,168d	1/5.9	29,971	+ 980	6	169,530	+ 17,541
Bernam-Perk	300,000	—	21,150	+ 5,650	6	133,450	+ 8,050
Bidor ..	419,500d	1/1.83	40,500	+ 3,350	9	363,200	+ 56,519
Bikom ..	420,000	1/3.62	30,300	+ 100	12	372,034	+ 15,588
Bode ..	270,000	1/5.22	23,951	+ 2,881	12	264,930	+ 67,389
Bradwall ..	480,000	1/2.58	43,975	+ 1,863	12	442,142	+ 23,114
Braunston ..	560,000	1/1.80	46,371	+ 1,371	3	136,371	+ 18,171
Brit Born Para	220,000	1/1	22,000	+ 1,270	8	141,880	+ 35,999
British Malay	750,000	—	73,000	+ 22,003	12	718,388	+ 407,558
Brooklands ..	620,000	1/2.5	62,496	+ 332	6	334,140	+ 2,114
Broome ..	450,000	1/4.42	34,424	+ 1,004	6	199,524	+ 2,114
Brus-Perak ..	111,000	1/6.47	11,143	+ 4,923	10	99,470	+ 50,944
Bukit Cloh ..	260,000	1/0.38	32,000	+ 3,000	12	229,000	+ 24,500
Ilok ..	340,000	1/1.57	28,500	+ 3,000	12	304,500	+ 2,500
Kajang ..	940,000	—	100,000	+ 10,000	6	509,868	+ 9,018
Lintang ..	250,000	1/2.73	25,600	+ 5,600	6	130,120	+ 16,880
Mert'jim ..	932,000	1/0.74	86,673	+ 6,078	9	638,883	+ 59,676
Panj'ng ..	525,000	1/0.45	64,000	+ 20,000	12	536,900	+ 49,800
Rajah ..	1,077,000	1/1.20	95,197	+ 5,233	9	722,787	+ 49,200
Semba ..	800,000	1/3.17	63,200	+ 13,931	12	751,860	+ 18,078
Carey United	322,275d	—	45,749	+ 15,500	3	120,399	+ 34,310
Castlefield ..	680,000	—	51,409	+ 2,238	8	310,610	+ 24,498
Cent. Trav ..	280,000	1/2.34	29,728	+ 5,272	12	230,275	+ 1,767
Ceylon Para ..	970,000	—	114,611	+ 5,762	12	1,055,584	+ 194,489
Ceylon T. & R.	—	1/4.31	31,058	+ 3,428	12	235,331	+ 8,855
Changkat-Sai ..	925,000	1/0.47	103,000	+ 20,000	12	1,010,000	+ 118,000
Chemb Malay	440,000	1/1.37	38,491	+ 3,401	12	477,102	+ 59,546
Cheras ..	264,000	1/5.39	29,500	+ 8,100	12	284,300	+ 103,800
Chersonese ..	750,000	1/0.58	61,009	+ 6,668	12	680,659	+ 2,780
Chovlat ..	610,000	1/3.24	45,860	+ 1,170	12	591,140	+ 206,560
Chimpul ..	250,000	1/6.9	29,963	+ 2,042	6	139,667	+ 21,671
Chota ..	230,000	—	20,512	+ 52	12	228,515	+ 15,098
Cicely ..	400,000	1/1.44	36,482	+ 5,482	9	308,463	+ 49,999
Cluny ..	265,000	1/2.54	39,551	+ 818	12	444,894	+ 19,882
Cons. Malay	906,550	—	100,600	+ 20,598	12	917,590	+ 103,791
Dalkeith ..	475,000	1/4.78	50,000	+ 8,000	11	394,500	+ 34,500
Damansara ..	830,000	1/1.05	67,327	+ 10,483	12	847,205	+ 61,834
Dangan ..	225,000	—	29,842	+ 6,777	6	159,146	+ 40,933
Dennistown ..	650,000	—	57,600	+ 4,619	12	580,671	+ 14,013
Devilray ..	340,000	1/1.90	54,150	+ 299	12	345,670	+ 32,250
Dimpula ..	340,700d	1/0.36	42,080	+ 8,500	12	282,858	+ 57,882
Diasinga ..	433,554d	1/7.39	51,000	+ 22,117	6	274,000	+ 107,117
Diember ..	250,000	—	31,000	+ 12,000	12	266,700	+ 97,900
Dorankande ..	215,000	1/4.47	29,100	+ 100	12	205,597	+ 18,955
Duff Develop.	400,400d	1/7.40	62,000	+ 13,958	12	804,470	+ 206,938
Dusun Durian	820,000	1/0.71	74,442	+ 79	12	799,371	+ 58,100
E. Ind. & Cey.	210,000	1/1.15	21,000	+ 6,134	11	174,310	+ 14,850
Edinburgh ..	465,000	1/9.14	37,000	+ 6,000	12	447,550	+ 20,550
Elph ..	252,000	1/5.88	17,130	+ 1,973	11	216,881	+ 51,604
Emerald ..	377,700d	1/2	57,400	+ 15,900	11	502,200	+ 167,000
Edw Seng ..	185,000	—	15,200	+ 6	12	172,150	+ 13,048
Esoot ..	244,520d	1/2.32	18,000	+ 400	3	52,574	+ 1,446
Fed. Malay S.	1,845,000d	1/9.50	174,000	+ 6,000	7	1,165,080	+ 38,000
Fed. Selangor	370,000	1/1.68	36,445	+ 5,399	9	305,489	+ 38,546
Galaba ..	143,500	—	21,337	+ 3,928	12	125,585	+ 5,993
Galang Besar	450,000	—	41,700	+ 1,900	11	254,110	+ 29,860
Gan Kee ..	200,000	—	17,980	+ 1,928	11	92,280	+ 3,743
Garing ..	197,683d	1/1.99	24,500	+ 8,400	3	64,166	+ 17,766
Genong ..	277,508d	1/1.75	26,182	+ 7,111	4	50,374	+ 11,534
Glen Ceylon	1,012,000	1/1.27	134,445	+ 14,258	12	1,085,000	+ 183,937
Glen Bervie ..	275,406d	—	24,474	+ 5,414	3	83,947	+ 19,872
Glendon ..	243,000d	—	26,309	+ 518	3	68,203	+ 8,345
Glenshiel ..	458,500	1/2.18	40,490	+ 1,438	12	488,949	+ 108,396
Goconda ..	594,000	1/1.36	49,428	+ 6,505	12	596,104	+ 11,149
Golden Hope	395,000	1/1.41	36,182	+ 8,460	12	354,025	+ 83,739
Grand Cent ..	4,137,861d	1/0.72	559,607	+ 69,887	12	4,759,405	+ 621,544
Gula Kal'p'g	1,370,000	1/1.2	117,585	+ 15,063	12	1,333,328	+ 137,369
Harpender ..	568,000	1/1.49	39,700	+ 4,400	12	511,101	+ 209
Hayope ..	520,000	—	46,779	+ 2,816	12	512,405	+ 22,024
Heawood ..	275,000	1/1.5	32,124	+ 8,620	12	274,512	+ 66,102
Hewagam ..	616,200d	1/2.80	107,125	+ 22,125	12	688,737	+ 44,407
Hid. Streams	240,000	—	19,500	+ 5,000	12	242,739	+ 2,551
Highlands ..	1,353,000	1/0.01	143,704	+ 810	12	1,426,518	+ 80,466
Inch-Kenneth	440,000	1/3.71	40,940	+ 2,040	7	285,230	+ 25,940
Insulinde ..	330,000	—	24,300	+ 2,800	5	116,900	+ 17,540
Java Amal ..	315,000d	—	71,200	+ 17,000	11	599,200	+ 113,130
Java R. & Prod	620,000	—	31,800	+ 3,800	12	—	—
Java Para ..	265,692d	1/1.20	50,000	+ 20,043	11	—	—
Jeram ..	300,000	—	29,890	+ 3,458	9	180,739	+ 21,022
Johore Para ..	190,362d	1/2.14	19,000	+ 400	6	104,400	+ 9,768
Rub. Ld ..	1,268,000	1/3	125,547	+ 34,546	12	1,174,348	+ 500,793
Jong Landor	680,000	—	57,542	+ 987	6	325,518	+ 18,268
Jugra Estate	378,613	1/0.60	40,740	+ 2,161	9	304,412	+ 27,166
Jugra Land ..	1,398,000	1/0.02	136,170	+ 9,053	8	831,956	+ 61,844
Juru Estates ..	200,000	1/1.88	16,500	+ 1,430	11	134,260	+ 13,924
Kajang ..	263,709d	1/1.95	36,430	+ 5,750	12	391,000	+ 127,221
Kali Glagah ..	250,000	—	23,222	+ 4,322	11	159,157	+ 21,657
Kamp Kua't'n	360,000	1/2.07	30,000	+ 500	12	362,500	+ 10,300
Kamuning ..	810,000	1/1.49	100,360	+ 4,790	6	438,090	+ 44,770
Kapar Para ..	954,000	1/0.91	113,717	+ 22,153	11	1,075,138	+ 254,339
Karak ..	220,000	—	19,891	+ 6,310	12	241,019	+ 35,612
Kasintoe ..	400,000	1/8.56	43,000	+ 6,899	12	582,075	+ 301,936
Kawie Java ..	500,000	—	—	—	—	—	—
Kepitgalla ..	640,000	—	—	—	—	—	—
Kepong ..	335,000	—	—	—	—	—	—
Kerala ..	250,000	—	—	—	—	—	—
Khota Tamp'n	202,000d	1/3.30	24,000	+ 350	11	211,000	+ 28,500
Killinghall ..	344,000	—	30,098	+ 1,087	6	162,354	+ 673
Kimanis ..	420,000	1/9.22	42,800	+ 10,800	12	390,000	+ 117,200
Kinta Kellas ..	610,000	—	50,500	+ 2,504	9	421,554	+ 48,184
Klabang ..	315,000	1/4.30	27,526	+ 1,057	12	301,412	+ 73,235
Klanang ..	505,125	1/1.02	54,592	+ 14,560	12	502,010	+ 98,790
Kombok ..	594,000	1/1.88	50,000	+ 1,470	11	432,200	+ 50,690
Kuala Klang	197,448d	1/0.39	16,180	+ 295	3	48,180	+ 5,554
Kubu ..	158,950	—	12,700	+ 1,800	6	71,988	+ 7,382
Lumpur ..	1,700,000	1/2.34	156,420	+ 6,930	6	930,600	+ 101,970
Nal ..	187,800d	1/2.36	30,000	+ 10,000	12	277,000	+ 89,000

Taipung ..	675,000	1/10.88	56,281	—	10,933	3	156,403	—	37,456
Tai Ayer ..	1,080,000	1/10.25	85,000	—	25,653	8	667,751	—	21,786
Tamang ..	777,213		69,395	+	15,394	3	226,947	+	59,153
Tangka Batu ..	180,000	1/3.59	16,793	+	693	12	172,569	+	12,209
Tangkab ..	530,000	1/6.41	53,291	+	15,223	3	139,291	+	26,353
Tanj. Malim ..	1,400,000	1/5.50	134,540	+	33,660	6	754,380	+	196,040
Tandjong ..	1,595,000	1/5.18	103,047	—	22,552	6	655,319	—	63,040
Tangsel ..	308,000	1/11	39,930	+	15,354	11	145,457	+	21,655
Tebrau ..	1,046,480	1/10.70	66,657	—	19,400	6	382,902	—	107,096
Teekoy ..	250,000	1/5.12	33,488	—	31,226	5	155,616	—	14,116
Teloreddjo ..	1,200,000		87,000	+	32,000	11	854,020	+	467,452
TenomB'neco ..	690,000	1/11.98	51,700	+	2,950	12	599,800	+	28,400
Third Mile ..	280,000		28,000	—	2,481	12	198,835	—	219,086
Tremelbye ..	750,000	1/10.54	70,000	+	500	6	328,200	+	41,800
Trolak ..	332,040	1/24	30,970	+	1,721	3	86,320	+	2,085
Ulu Rantau ..	250,000	1/1.16	26,422	—	3,678	12	285,066	—	18,199
U. SaaBoteng ..	900,000	1/1.15	87,546	—	1,360	12	930,724	—	127,585
U. Serdang ..	3,265,819	1/10.60	254,006	—	45,273	4	1,040,970	—	108,585
U. Sumatra ..	967,500	1/10.73	53,620	+	2,050	12	991,700	+	157,000
U. Temiang ..	800,000	1/5.80	70,260	+	17,570	4	276,600	+	80,390
Uva ..	189,833		21,331	+	4,530	11	104,361	+	8,671
Val d'Or ..	314,100		24,300	—	7,000	2	47,400	—	14,700
Victoria ..	250,000	1/4.49	28,700	+	10,400	6	145,342	+	61,342
Windsor ..	320,000	1/4.10	37,000	+	5,400	12	404,200	+	129,340
Woodend ..	220,000		36,499	—	6,499	12	256,772	—	68,727
Yam Seng ..	403,363		39,652	+	4,214	12	68,437	—	3,337
Yatiantota ..	490,000		66,894	+	2,068	12	520,833	+	75,479

a Last year's crop. \* For November, or previous month.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.				GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	
		Rs.	Rs.		Rs.	Rs.	
Assam Bengal ..	Nov. 3	1,23,535	—	28,726	†	5,94,789	—
Barsi ..	" 24	25,900	—	6,800	†	5,38,100	—
Bengal & N.W. ..	" 17	3,25,220	—	1,50,461	†	21,96,620	—
Bengal Nagpur ..	" 24	9,85,000	—	8,000	†	3,45,31,358	—
Bombay, Baroda ..	Dec. 29	14,59,000	—	1,61,000	†	1,72,61,000	—
Burma ..	Nov. 17	3,84,540	—	25,199	†	1,27,14,720	—
Delhi Umballa ..	Jan. 5	68,700	—	14,563	†	12,69,086	—
East Indian ..	" 5	22,49,000	—	39,000	†	3,19,89,000	—
Gt. Indian Penin. ..	" 5	32,912	—	5,185	†	2,71,052	—
Lucknow-Bareilly ..	Nov. 17	20,81,100	—	5,73,000	†	2,91,12,600	—
Madras and S. ..	" 24	9,40,000	—	34,788	†	70,90,000	—
Mahratta ..	" 24	1,29,478	—	499	†	9,37,223	—
Nizam's Gd. (Broad) ..	" 24	81,521	—	4,777	†	5,17,609	—
" (Metre) ..	" 24				†		
Robilkund and ..	" 17	30,736	—	8,182	†	2,65,117	—
Kumaon ..	" 24	6,43,136	—	63,810	†	49,69,114	—
South Indian ..	" 24				†	3,05,617	—

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

Dublin United ..	Jan. 11	£ 6,824	—	£ 655	†	£ 11,006	—
Hastings and Dist. ..	" 14	835	—	105	†	1,756	—
Isle of Thanet ..	" 9	164	—	104	*	2,290	—
Lancashire United ..	" 9	2,212	—	480	†	3,131	—
Provincial ..	" 5	2,386	—	250	*	32,291	—
Yerka. (Wst. Rdng.) ..	" 13	2,093	—	352	†	4,382	—

\* From Oct. 1. † From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

Alabama Power ..	Oct. 14	£ 113,018	—	£ 22,072	Ms. 12	£ 1,253,083	—
Anglo-Argentine ..	Jan. 14	54,406	—	3,160	*	107,414	—
Auckland Electric ..	Oct. 26	22,308	—	880	a	92,118	—
Brazilian Traction ..	Nov. 1	M7,695,000	—	M535,000	11	M84,131,000	—
Brisbane Elec. Inv. ..	Nov. 1	33,580	—	820	†	328,420	—
British Columbia ..	Nov. 1	£141,309	—	£31,772	a	£432,464	—
B.A. Lacroze ..	Dec. 6	40,901	—	795	6	230,476	—
Burmah Electric ..	Nov. 6	Rs. 27,761	—	Rs. 937	—	82,884	—
Calcutta ..	Jan. 5	Rs. 57,172	—	Rs. 2,462	*	Rs. 57,172	—
Carthage and ..	Dec. 6	4,424	—	2,025	*	49,566	—
Herrerias ..	Oct. 17	12,481	—	1,052	7	95,376	—
Cordoba Light ..	Nov. 17	12,308	—	55	†	622,320	—
P. & T. ..	Dec. 6	4,605	—	169	†	48,962	—
Hongkong ..	Nov. 1	16,965	—	1,998	11	159,413	—
La Plata ..	Dec. 31	Rs. 46,046	—	Rs. 5,876	†	Rs. 847,320	—
Madras Electric ..	Aug. 8	65,467	—	4,667	†	547,492	—
Manila Electric ..	Nov. 1	£215,256	—	£108,669	*	£3,193,106	—
Mexico ..	Dec. 3	5,438	—	534	*	54,751	—
Rangoon ..	Oct. 27	£12,357	—	£260	*	£529,661	—
Singapore Electric ..	Nov. 1	£423,556	—	£8,753	11	£5,034,176	—
Toronto ..	Oct. 1	34,025	—	2,661	†	65,085	—
United of Monte V. ..	Oct. 1	56,300	—	—	9	520,900	—
Vera Cruz ..	Nov. 1	£86,888	—	£14,744	11	£748,976	—
Winnipeg ..	Nov. 1					£327,782	—

b 28 days. \* From Jan. 1. † From July 1. c Two weeks.

COLONIAL RAILWAYS.

Beira ..	Aug. *c	£ 54,914	—	£ 12,287	10	£ 706,175	—
Canadian Northern ..	Jan. 7	£565,800	—	£32,900	†	£22,422,600	—
Canadian Pacific ..	" 7	£3,343,000	—	£105,000	†	£3,343,000	—
Gr. Trk. Main Line ..	" 14	145,994	—	33,339	†	318,492	—
Gr. Trk. Western ..	" 14	30,657	—	555	†	60,657	—
Detroit G. H. & M. ..	" 14	9,442	—	565	†	22,274	—
Gr. Trk. Prairie Sc ..	" 7	22,814	—	9,710	†	22,814	—
Mashonaland ..	Sep. *c	47,670	—	9,630	†	47,670	—
Mid. of Westn. Aus. ..	Nov. *c	8,206	—	199	5	33,562	—
New Cape Central ..	" 17	2,071	—	572	†	85,374	—
Rhodesia ..	Oct. *c	99,687	—	11,023	†	99,687	—

\* Months. † July 1. † Jan. 1. c From Oct. 1.

FOREIGN RAILWAYS.

Alcoy and Gandia ..	Jan. 12	Ps. 9,000	—	Ps. 3,000	†	Ps. 15,000	—
Antofagasta (Chili) ..	" 13	39,160	—	1,755	†	63,880	—
Arauco ..	Nov. 3	15,000	—	3,500	†	117,500	—
Argentine N.E. ..	Jan. 12	10,400	—	4,000	†	223,400	—
Bilbao R. and Canta ..	Oct. *	3,911	—	1,426	†	35,861	—
Bolivar ..	Dec. *	12,000	—	4,193	†	67,132	—
Brazil ..	Oct. *	M4,209,000	—	M208,171	†	M4,067,000	—
Brazil Gt. Southern ..	Aug. *	M18,38,300	—	M2,080	†	M325,937	—
B. Ayres & Pacific ..	Jan. 12	110,000	—	16,000	†	2,049,000	—
Do. Central ..	Nov. *	26,190	—	3,579	†	113,972	—
Do. Gt. South'n ..	Jan. 13	124,000	—	10,000	†	2,682,705	—
Do. Western ..	" 13	55,000	—	2,000	†	1,151,000	—
Central Argentine ..	" 12	139,900	—	37,300	†	2,521,200	—
C. Ur'g'ay of Mta V. ..	" 12	15,793	—	879	†	491,791	—
Do. East'n Ex. ..	" 12	4,372	—	1,955	†	131,871	—
Do. North'n Ex. ..	" 12	2,974	—	565	†	83,727	—
Do. West'n Ex. ..	" 12	2,522	—	789	†	57,430	—
Cordoba Central ..	" 12	37,800	—	10,540	†	841,480	—
Costa Rica ..	Nov. 24	2,166	—	2,643	†	61,644	—
Guban Central ..	Jan. 12	23,558	—	3,756	†	352,756	—
Dorada Extension ..	Dec. *	8,200	—	300	†	106,900	—
Egyptian Delta ..	Nov. 20	10,177	—	1,693	†	162,393	—
Ender Rios ..	Jan. 12	17,800	—	6,400	†	370,100	—
French Sante Fé ..	Aug. *	132,000	—	29,099	†	900,336	—
Gt. South. of Spain ..	Jan. 5	Ps. 83,857	—	Ps. 61,441	†	Ps. 23,857	—
Gt. West. of Brazil ..	" 12	19,800	—	4,300	†	34,800	—
Havana Central ..	Nov. 17	8,115	—	1,493	†	146,563	—
Inter. of C. Amer. ..	" 17	11,712	—	5,238	†	240,451	—
La Guaira and Car. ..	Dec. *	6,500	—	750	†	87,000	—
Leopoldina ..	Jan. 12	35,831	—	13,531	†	59,197	—
Midland Uruguay ..	Dec. *	15,106	—	1,520	†	83,506	—
Mogiana ..	Aug. *	M3,248,000	—	M526,674	†	M1,459,000	—
N.W. of Uruguay ..	Dec. *	83,000	—	8,388	†	159,682	—
Nitrate ..	" 12	37,396	—	8,165	†	775,205	—
Paraguay Central ..	Jan. 12	2,220	—	70	†	79,520	—
Paulista ..	Aug. *	M4,904,000	—	M112,724	†	M1,999,000	—
Peruvian Corp'n ..	Dec. *	S1,101,090	—	S110,248	†	S6,088,270	—
Salvador ..	Jan. 5	81,798	—	88	†	450,826	—
State of Bahia S.W. ..	Nov. *	M85,000	—	M45,000	†	M1,021,000	—
S. Paulo (Brazilian) ..	Jan. 13	37,115	—	8,066	†	73,875	—
Sorocabana ..	Dec. *	M2,107,000	—	M224,206	†	M16,988	—
Taitai ..	" 12	29,108	—	13,306	†	150,436	—
United of Havana ..	Jan. 12	66,306	—	14,161	†	1,151,337	—
West'n of Havana ..	" 12	8,692	—	2,831	†	200,478	—
Zafra and Huerva ..	Nov. *	10,538	—	403	†	123,820	—

\* Months. † From Jan. 1. † From July 1. c Nett. b 15 days. a 10 days.

MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.			No. of Mths.	NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.		Amount.	In. or Dec. on last year.	
		Dols.	Dols.		Dols.	Dols.	
Atchafalpa T. & S. Fé ..	Nov.	4,500,000	— 1,062,000	11	44,686,000	— 1,188,000	
Atlantic Coast Line ..	Sep.	757,000	+ 132,000	9	8,260,000	+ 337,000	
Baltimore & Ohio ..	Nov.	1,918,000	— 1,050,000	11	28,707,000	— 2,260,000	
Canadian Northern ..	"	754,700	— 495,300	11	3,269,800	— 2,202,500	
Canadian Pacific ..	"	5,258,000	— 306,300	11	42,635,000	— 2,820,000	
Chesapeake & Ohio ..	Oct.	1,303,000	— 91,000	10	11,663,000	— 1,622,000	
Chicago & N.W. ..	"	2,747,000	— 527,000	10	22,230,000	— 3,025,000	
Chicago Burl. & Q. ..	"	2,943,000	— 1,365,000	10	29,640,000	— 1,925,000	
Chicago G.W. ..	"	355,000	— 178,000	10	3,193,000	— 836,000	
Chicago Mil. & S.P. ..	"	1,599,000	— 1,525,000	10	17,227,000	— 4,550,000	
Chicago, Rock I. & P. ..	"	2,128,000	— 224,000	10	17,285,000	— 2,401,000	
Colorado & Southern ..	"	536,000	— 116,000	10	4,875,000	+ 602,000	
Cuba ..	"	89,405	— 56,433	3	671,275	— 108,123	
Delaware & Hud. ..	"	489,000	— 246,000	10	5,491,000	— 1,130,000	
Denver & Rio Gran. ..	"	839,000	— 241,000	10	6,580,000	— 1,119,000	
Erie ..	"	1,246,000	— 392,000	10	9,340,000	— 6,269,000	
Gr. Tr. Main Line ..	Nov.	1,86,200	— 1,28,600	11	1,907,300	— 627,900	
Grand Trunk Westn ..	"	6,15,650	— 1,95,900	11	6,35,450	— 1,62,400	
Detroit G.H. & Mil. ..	"	6,61,700	— 1,10,100	11	4,67,700	— 699,900	
Gt. Northern ..	Oct.	2,684,000	— 905,000	10	19,880,000	— 3,187,000	
Illinois Central ..	"	1,854,000	+ 135,000	10	16,072,000	+ 2,999,000	
Kansas City South. ..	"	351,000	— 77,000	10	3,756,000	+ 583,000	
Lehigh Valley ..	"	737,000	— 474,000	10	8,613,000	— 2,034,000	
Louisville & Nashv. ..	"	1,583,000	— 403,000	10	13,653,000	— 658,000	
Minn. S.P. (Soo) % ..	"	1,943,000	— 294,000	10	8,097,000	— 3,057,000	
Miss. K. & Texas ..	"	926,000	— 170,000	10	6,430,000	+ 4,171,000	
Missouri Pacific ..	"	2,212,000	+ 112,000	4	7,735,000	+ 2,411,000	
New York-Cent. & H. ..	"	5,662,000	— 15,000	10	42,110,000	— 1,595,000	
N.Y. N. Haven & H. ..	"	1,875,000	— 133,000	10	18,128,000	— 1,057,000	
New York Ont. & W. ..	"	150,000	— 27,000	10	2,019,000	— 45,000	
Norfolk & Western ..	"	1,991,000	— 135,000	10	16,570,000	— 8,375,000	
Northern Pacific ..	"	3,147,000	— 123,000	10	24,532,000	— 156,000	
Pennsylvania East ..	"						
and West Lines ..	"	8,433,000	— 1,600,000	10	81,101,000	— 1,318,000	
St. Louis & San F. ..	"	1,875,000	+ 33,000	4	7,264,000	+ 1,447,000	
Seaboard Air Line ..	"	744,000	+ 61,000	10	6,113,000	+ 304,000	
Southern ..	"	3,104,000	+ 671,000	10	9,334,000	+ 1,748,000	
Southern Pacific ..	"	7,077,000	+ 1,673,000	10	51,111,000	+ 8,294,000	
Union Pacific ..	Nov.	3,961,000	— 668,000	11	39,694,000	— 2,312,000	
Wabash ..	"	1,214,000	— 134,000	11	10,269,000	— 166,000	

# NATIONAL DISCOUNT COMPANY, LTD.

35, CORNHILL, LONDON, E.C. 3.

Telegraphic Address: "NATDIS, STOCK, LONDON."

ESTABLISHED 1856.

Telephones: Avenue, 1494 (2 lines) Central, 11943.

SUBSCRIBED CAPITAL	-	-	-	£4,233,325.
PAID-UP CAPITAL	-	-	-	£846,665.
RESERVE FUND	-	-	-	£450,000.

## DIRECTORS.

L. E. CHALMERS, Deputy-Chairman.  
F. W. GREEN.

Manager.  
P. H. WADE.

F. W. PIXLEY (Jackson, Pixley & Co.).

BANK OF ENGLAND.

S. F. MENDEL, Chairman.

W. J. HERIOT.

Hon. S. PEEL, D.S.O.

Sub-Manager.  
F. GOLDSMITH.

Auditors.

A. W. WYON (Price, Waterhouse & Co.).

Bankers.

UNION OF LONDON & SMITHS BANK, LIMITED.

CHARLES D. SELIGMAN.

P. H. WADE.

Secretary.

C. H. GOUGH.

## ONE HUNDRED AND EIGHTEENTH REPORT,

To be Submitted to the Shareholders at the Ordinary Annual General Meeting, on Monday, the 21st January, 1918.  
at Cannon Street Hotel, at Twelve o'clock noon precisely.

The Directors have to report that, after making provision for bad and doubtful debts, the gross profits for the year ending 31st December last, as shown by the annexed statements, amount to £513,697 0s 2d, which, with the balance of £33,852 1s 11d brought forward from the previous account, gives a total of £547,549 2s 1d.

After providing for all charges, and reserving £404,499 2s 11d for Rebate of Interest on bills not matured, there remains the sum of £115,585 3s 2d. From this amount must be deducted the Interim Dividend, for the half-year to 30th June last, of Five Shillings per Share, less Income Tax, absorbing £31,749 18s 9d, leaving £83,835 4s 5d for appropriation.

From this it is proposed to apply £38,099 18s 6d to the payment of a Final Dividend of Six Shillings per Share, less Income Tax, making Eleven per cent. for the year, carrying forward £45,735 5s 11d to next account.

The Directors report, with deep regret, the death of their valued and esteemed colleague, Mr Edmund T. Doxat, who for nearly thirty years had been a member of the Board, and for over fifteen years its Chairman. It is impossible to exaggerate their sense of the loss the Company has sustained. His great ability and experience have largely contributed to the present position of the Company, and its best interests were his constant concern.

The Directors have also to announce, with great regret, that the Rt. Hon. F. Leverton Harris, M.P., has resigned his seat on the Board, owing to his acceptance of office in the Government.

The Directors have elected Mr P. H. Wade, Manager of the Company, to a seat on the Board.

The Directors who retire by rotation on this occasion, in accordance with the Articles of Association, are Mr F. W. Green and Mr Charles D. Seligman, who, being eligible, offer themselves for re-election.

The retiring Auditors, Mr F. W. Pixley and Mr A. W. Wyon, offer themselves to the Shareholders for reappointment.

\* \* \* The Dividend will be payable on and after the 23rd January instant.

## Dr. PROFIT & LOSS ACCOUNT for the Year ending 31st Dec., 1917. Cr.

Dr.	£	s.	d.	By	£	s.	d.
To Current Expenses, including Directors' and Auditors' Remuneration, Salaries, and all other charges ... ..	27,464	16	0	By Balance brought forward from 31st December, 1916 ... ..	33,852	1	11
Rebate of Interest on Bills not due, carried to New Account ... ..	404,499	2	11	Gross Profits for the year ... ..	513,697	0	2
Interim Dividend, of Five Shillings per Share, less Income Tax ... ..	£31,749	18	9				
Final Dividend, of Six Shillings per Share, less Income Tax (making Eleven per cent. for the year) ... ..	38,099	18	6				
Balance carried forward to next account ... ..	45,735	5	11				
	115,585	3	2				
	£547,549	2	1		£547,549	2	1

## Dr. BALANCE SHEET, 31st DECEMBER, 1917. Cr.

Dr.	£	s.	d.	By	£	s.	d.
To Subscribed Capital—£4,233,325 viz., 169,333 shares of £25 each				By Cash at Bankers ... ..	653,424	9	11
Capital paid-up, viz.: £5 per share ... ..	846,665	0	0	Securities—			
Reserve Fund ... ..	450,000	0	0	British and Indian Govern- ment, City of London Corporation Bonds, and Trustee Securities ... ..	£1,029,553	7	1
Deposits and Sundry Balances ... ..	21,141,490	16	10	Other Securities, including short-dated Colonial Bonds 123,671 9 5	1,153,224	16	6
Bills Re-discounted ... ..	9,597,239	15	3				
Rebate ... ..	404,499	2	11	Loans ... ..	2,393,286	14	2
Amount at Credit of Profit and Loss Account	83,835	4	5	Bills Discounted ... ..	28,000,608	8	9
				Interest due on Investments and Loans, and Sundry Balances ... ..	223,185	10	1
				Freehold Premises ... ..	100,000	0	0
	£32,523,729	19	5		£32,523,729	19	5

On behalf of the Board, { S. F. MENDEL, Chairman.  
L. E. CHALMERS, Deputy-Chairman.

We report that we have obtained all the information and explanations which we have required. We have examined the Securities representing Investments of the Company, those held against Loans, and all Bills discounted in hand. We have also proved the Cash Balances, and verified the Securities and Bills in the hands of Depositors. In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information, and the explanations given to us, and as shown by the Books of the Company, except that it does not state the amount of Investments and Bills placed as security against Deposits.

35, Cornhill, 4th January, 1918.

FRANCIS W. PIXLEY, F.C.A. } Auditors.  
ALBERT W. WYON, F.C.A. }

# The Investors' Review

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[Price 6d.]

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## CANADA. THE DOMINION BANK.

Head Office, TORONTO.

Total Assets - - \$97,061,000.

SIR EDMUND B. OSLER, President.

W. D. MATTHEWS, Vice-President.

C. A. BOGERT, General Manager.

London Branch, 73, CORNHILL, E.C. 3.

J. HAYDN HORSEY, Manager.

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PAID-UP CAPITAL .. £2,000,000  
REST AND UNDIVIDED PROFITS .. 914,968  
DEPOSITS .. 26,177,865

Head Office: ST. ANDREW SQUARE, EDINBURGH.

Cashier and General Manager, A. K. WRIGHT. Secretary, J. B. ADSHEAD.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager. ALEX. DICK, Deputy-Manager.

Glasgow Office: EXCHANGE SQUARE.

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LIMITED.

INCORPORATED 1880.

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Paid-up Capital, £2,000,000; Reserve Fund, £1,980,000; together £3,980,000

Reserve Liability of Proprietors .. 4,000,000

Total Capital and Reserves .. £7,980,000

HEAD OFFICE - - - 71, CORNHILL, LONDON, E.C. 3.

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DEPOSITS are received for fixed periods on terms which may be ascertained on application.

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Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

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BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

## UNION BANK OF CANADA.

INCORPORATED 1865.

HEAD OFFICE: WINNIPEG.

PAID-UP CAPITAL .. \$5,000,000  
REST AND UNDIVIDED PROFITS .. .. \$3,600,000  
TOTAL ASSETS EXCEED .. .. \$100,000,000

The Bank has over 300 Branches in Canada, and Agents in the principal cities in America. GENERAL BANKING BUSINESS CONDUCTED.

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London Offices: 6, PRINCES STREET, E.C. 2, and 26, MAYMARKET, S.W. 1

New York Agency: 40, Wall Street.

## BANKS.

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Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorized .....	£1,500,000
Capital Issued .....	1,125,000
Capital Paid Up .....	562,500
Reserve Fund .....	600,000

## Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS  
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

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On current accounts interest is allowed at 2 per cent. per annum on daily balances.

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Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital .. ..	Yen 48,000,000
Capital Paid Up .. ..	Yen 36,000,000
Reserve Fund .. ..	Yen 22,100,000

Head Office: YOKOHAMA.

## Branches and Agencies at

Bombay.	Honolulu.	New York.	Singapore.
Calcutta.	Hong Kong.	Osaka.	Sydney.
Changchun.	Kobe.	Peking.	Tientsin.
Dairen (Dalny).	Los Angeles.	Rangoon.	Tokyo.
Fengtien (Mukden).	Lyons.	San Francisco.	Tsinanfu.
Hankow.	Nagasaki.	Seattle.	Tsingtau.
Harbin.	Newchang.	Shanghai.	

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

# THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital .....	£4,000,000
Paid-up Capital .....	1,800,000
Reserve Fund .....	2,000,000

## BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILI—Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

# THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71, Old Broad Street, E.C.

Subscribed Capital .. ..	£1,276,747 10 0
Paid up Capital .. ..	669,685 0 0
Reserve Fund and Undivided Profits ..	375,680 11 8
Reserve Liability of Proprietors ..	606,962 10 0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

# THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital ..	£1,000,000.	Subscribed Capital ..	£225,000
Paid-up Capital .. ..			£300,000
Reserve Fund .. ..			540,000
			£1,040,000
Uncalled Capital .. ..			125,000
Reserve Liability of Shareholders ..			625,000
			£1,790,000

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application, PERCY ARNOLD Manager.

## BANKS.

# BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital .. ..	£3,904,860
Reserve Fund .. ..	2,875,000
Reserve Liability of Proprietors .. ..	3,904,860
	£10,684,720

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.

H. L. M. TRITTON, Esq.

WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager.

J. S. CAMPBELL, Secretary.

HALKERSTONE MELDEUM,

DAVID GEDDIE,

Assistant Manager.

Accountant.

The Bank has 331 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

# ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office—38, Lombard Street, E.C. 3.

Subscribed Capital .. ..	£1,078,875 0 0
Paid-up Capital .. ..	539,437 10 0
Further Liability of Proprietors .. ..	539,437 10 0
Reserve Fund .. ..	500,000 0 0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION Manager.

# BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, Queen Victoria Street, London, E.C. 4.

AUTHORISED CAPITAL .. .. £5,500,000

## SUBSCRIBED CAPITAL.

Four per Cent. Guaranteed Stock .. ..	£529,988
"A" Preference Shares issued to New Zealand Government ..	500,000
"B" Preference Shares issued to New Zealand Government ..	250,000
Ordinary Shares .. ..	1,500,000
	£3,779,988

Reserve Fund and Undivided Profits .. .. £2,246,595

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ALEXANDER KAY, Manager.

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Paid-up Capital .. £250,000 0 0 25,000 Shares of £10 each.

Reserve Fund .. £700,000 0 0 Reserve Profits .. £16,085

Reserved Liability of Shareholders £250,000.

Drafts issued, Remittances cabled, Bills negotiated or collected, Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents, The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

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**One Reply to One Question — One Shilling.** Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

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## Passing Events.

In spite of the great effort made by Glasgow, which has put every other city in the United Kingdom—and London most of all—in the shade by its magnificent contribution of £14,171,760 to the War Bond issue, equal to £14 per head of the present estimated population, last week's aggregate sales were not so big as those of the week before, only £30,773,243 having been paid over. But even that only, if kept up throughout the kingdom, would considerably lighten the task of the men and institutions who have to finance this war. It brings up the aggregate debt so far created by the Bank of England portion of this form of national debt to £284,663,307. This is exclusive of the Post Office contribution. The Post Office collected £977,000 the week before from 41,000 subscribers—the Bank of England's £31,000,000 being provided by 23,750 subscribers—and altogether the Post Office has now furnished £13,561,000 in the course of less than sixteen weeks, but in that time the Government has spent more than twice as much as it has raised by every device, and to all appearance must go on spending it, economies or no economies, unless the democracies of the oppressed Habsburg and Hohenzollern Empires go on strike everywhere against their tyrants, which would be the best of all endings of the present world cataclysm.

Expenditure on Supply jumped again last week to £57,523,000, and that was equal to nearly £8,213,000 per diem. Other outlay was comparatively insignificant at £846,000, so that the daily average, all included, was slightly under £8,338,000, but, however reckoned, the total is a severe strain upon the country's credit machinery. In this, the final quarter of the Government year, when the proceeds of taxation flush the Exchequer, last week's actual revenue of £23,962,000 was equivalent to barely £3,422,000 a day, so we spent about £5,000,000 a day more than we received. Thanks, however, to the larger receipts from National War Bonds, which produced £26,145,000, paid over to the Treasury last week, and to £16,127,000 received from "other" unrevealed war debt sources, the output of Treasury bills was less bulky than usual, or than was required, yet, besides obtaining £2,600,000 from War Savings Certificates,

the Government had to raise £5,000,000 at the Bank on temporary loans, and even then had not enough to meet all demands, for the Exchequer balances were reduced by £1,031,000 to £16,642,000. That is to say, the total receipts of the week, exclusive of the draft from the Exchequer balances, was £127,758,000, and the total expenditure £128,789,000. The Government had to devote £1,000,000 to the "depreciation fund," that is, to the support of the market for war debt, and it had to meet £58,786,000 of Treasury bills falling due for repayment. It paid off, too, £6,500,000 of temporary advances, or £1,500,000 more than was re-borrowed, and redeemed £1,402,000 of War Loan and Exchequer bonds, besides £2,676,000 of "other" war debt.

All these financial operations show that the Treasury is not merely devouring £100,000,000 to £130,000,000 or more a week and getting as yet nothing solid in return, but that, even on the most sanguine anticipation, the continuance of a nett weekly expenditure on the war at the present scale, or near it, would by this time next year become well nigh, if not altogether, beyond the power of the world's financial markets, let alone our own, to sustain. All the world is already engaged in the support of the London and Paris Money markets, and in proportion as they become involved is the narrowing of the sources on which we can rely for help. But for the help of America we should already have been hard pressed. Our consolation is that Germany, shut in upon itself, is much worse. Its eighth war loan is heralded for issue in March, and we have never been told how the seventh fared.

Everybody who thinks at all should therefore be disposed to be relieved to hear that the Government has decided to set up a committee to supervise public expenditure at its source. It is a small committee, whose chairman is Lord Inchcape, a very able and experienced man of business, who, however, is already so fully occupied with the great banking, shipping, and other interests with which he is identified as to make it doubtful whether he can spare the necessary time for the prodigious amount of work to be done. The committee, to be really useful, should be able, with the help of the trained experts it will doubtless employ, to exercise an effective supervision over the prices tendered by manu-

facturers, the cost of materials, and also, we hope, over the necessity or expediency of the proposed expenditure *ab initio*. We wish this new body all success, but cannot help feeling that its institution has come at least two years too late to save the country from a waste that promises to cripple and circumscribe its energies for many a day to come. Long ago we put the waste outlay at 25 per cent. of the total expenditure. That was merely a guess, based upon such instances as came within our ken at the time, but the longer we look on the less inclined are we to regard it as an under-estimate. For, give officialdom its head, and it flings pounds about with more heedless profusion than a provident citizen would throw farthings. "Ask," said a man who had gone through the experience, "ask for a trifle to pay for your little knife, costing a few shillings, and you may succeed in getting it only after wasting time, energy and a mass of stationery, if you get it at all. Ask for something that costs thousands, and the chances are you get it at once."

Plainly the gentlemen who inquired into the feasibility or otherwise of creating issues of premium bonds were more than right when they declared themselves satisfied that "so far as the general public and the small investor are concerned, the present Government issues fail to enlist all the financial support that might be obtained." An "investment broker," by-the-bye, has been writing to the papers to pronounce this report as "frankly ludicrous," and it looks so at first blush, for not only does the committee admit that the present means of raising money are not adequate, but in more than one phrase of the report it hints that the premium bond would be a most effective method of collecting capital from the multitude that now wastes it. Indeed, from the point of view of its admissions, it affords the strongest help to those who wish to rescue the nation's finances from what may be called complete subservience to the pious and wealthy pharisees. For instance, they tell us quite frankly that "it was admitted by many witnesses—notably several very hostile to premium bonds—that the War Savings certificate does not appeal to the working man, and that his investments in them were due to patriotism and persuasion rather than to personal inclination." It is very good of them to say so much; and they might have gone further and told the public that, so far from inciting people to "gamble" and to neglect work, or otherwise misbehave themselves in their desire to "make a bit," even as the punter in rubber shares does, by hunting after such premiums which may fall to one or other of the numbers of some of the bonds, these premium bonds really stimulate to the exercise of thrift, because, while the prizes are not large enough in 999 cases out of a thousand to incite any other passion than the mild greed engendered by a club sweepstake, if so much, they nevertheless prompt the investor to go on and on laying by his spare moneys. But it is all useless, and the real foundation for the futility of the committee's conclusion is to be found in their fear of the "Nonconformist conscience," or, as we should say, of the ultra-proper Mrs. Grundy to be found among all forms of religion. Parliament could not be persuaded to pass the necessary authorising Act without needless wrangling. Therefore, what is the use of going on with the scheme? We quite agree. Also we quite expect that the very same people who now cow us by their performances on the stilts of their prejudices will be among the most eager to fall back on the premium bond when the "tanks" sensation is played out and the burden on our loyal and long-enduring banks threatens to become unendurable.

It is reported that German picture shows are now exhibiting in Berlin and elsewhere within the Hohenzollern Empire snapshots of London food queues, and pointing the moral for the encouragement, if not the consolation, of their own deluded people, now starving. It is not true that we are starving, but it is much nearer the truth than the lies most in favour with our enemies.

We are not starving, or likely to starve, if everybody endeavours to help by self-discipline. To encourage us to do that, we should try to realise what the difficulties are under which we have to live. How many mouths does the average citizen imagine the Government to be obliged to feed outside the country in consequence of this war? We have to supply all our own army in France and Belgium, in Italy, in Macedonia, in Palestine, and in Mesopotamia; also, we have to furnish part at least of the freight necessary to carry food, &c., to the armies of France, Italy, Greece, Serbia, and India. Beyond this, we have a fighting fleet of unprecedented magnitude to keep supplied, not only with food, but with every article required to maintain it in a position of supremacy over all enemy fleets. Taking everything into account, it is not an exaggerated estimate to place the total number of persons dependent upon food provided by the British Government at probably at least 10,000,000. That is to say, we have to furnish a sufficiency of food for every day of the week and year to numbers larger in the aggregate than the entire population of Scotland and Ireland combined. Had there been no destruction of British, French, Italian, and neutral shipping to embarrass us in fulfilling an imperative duty of this magnitude, it would still have entailed a shortage of supplies and hardships at home. With the destruction of shipping by the German submarine added to our other difficulties, the wonder to us always is that we are as well off as we are. But the fact that perhaps quite 60 per cent. of our entire mercantile marine is absorbed in ministering to the requirements of our own armies and the armies of our Allies, as also in maintaining the efficiency of our own and Allied navies, should be put before the people at home insistently, so as to educate them to an understanding of the position. This is the more necessary because we are not yet by any means at the worst of our troubles. We are not sure, indeed, that even if the war ended next month it would not be at least another year before we began to settle down again in something like our old comfort if we so desired. You cannot disperse armies of the magnitude now on foot in a day or a month, furnish the discharged men with remunerative employment, begin to reap harvests before the ground has been tilled to be ready for the seed, or to do any miraculous things of that kind. Ships have to be built to replace those sunk by the enemy or worn out, land has to be retitled and stimulated, and many months must elapse before we can count much upon help from that section of our mercantile marine now assigned to the service of our fighting forces. A long time of stress, not to say distress, is consequently ahead of the country, and we hope that fact will not be lost sight of or smothered beneath the multitude of rules and regulations now being formulated in order to educate the nation to self-restraint and a wise economy in food. The British Empire can, happily, reckon upon the support of its dominions overseas, but for a time they and we may have quite enough to do to provide for our own requirements, and much effort and great organisation will be necessary to make each country first self-supporting, and then capable of producing a surplus for export by which its general wealth may be augmented.

Those who have the chance should look well at a portrait of Lenin published in *Les Annales* on January 20. It is the most instructive representation of the man that we have seen, and shows us a pear, or kidney potato, shaped head doming high above the ears, with an enormous development of the base behind the ears, and a general contour which indicates fanatical idealism. Compared with Trotsky, also portrayed, Lenin looks a cold, remorseless man, whose principles, as he would call them, could contemplate unmoved the perpetration of any amount of ruthless crime if it were deemed necessary to their triumph, and whose knowledge of men and of practical affairs is self-evolved, not the product of experience or knowledge of mankind. Trotsky, on the other hand, has the appearance of an ordinary artisan, alert, keen in debate, obstinate, and

it may be passionate when contradicted, but it is neither an inherently cruel nor a selfish face. These are the two men for the moment at the top in Northern Russia. Will they stay there long? We do not for a single moment believe it, but they may stay long enough to bury Russian society in ruins. Their proceedings must in the nature of things bring about their own eclipse. It probably would not be fair to lay upon their heads the crime of murdering those two eminent Russian democrats, Shingareff and Kokoshkin, into whose hospital sundry men of the Red Guards penetrated to slay. Lenin, indeed, has denounced the crime, but it is only a crime of the same kind as those he and his associates are perpetrating wherever they get the upper hand every hour of the day and night. Only as yet they kill by wholesale with machine guns and bands of assassins in arms. They have evoked complete lawlessness. A "Constituent Assembly" which struggled into the light last week in Petrograd was not allowed to live a full day because it was not sufficiently anarchic for Lenin, and was sent about its business amid slaughter. Lenin and his band are intent upon pulling down all who stand above them in any position, all who possess anything seizable. They would level Russia down to a dead flat plane, where no head would be suffered to rise an inch above the basest. In their zeal for confiscation they are destroying every source of well-being in all the territory within their control or reach, and in proportion to their success must be the reaction and the completeness of their ultimate defeat. The Bolsheviks, as we have fallen into the habit of naming these anarchists, are not Russia, and do not represent Russia. As Sir George Buchanan has again warned us, Russia is something greater, ay, and nobler, than anything that Lenin and his band can be held to represent.

As we said a week ago, these men appear to us to be pushed on from behind by the dispossessed, Prussianised bureaucracy, which is doubtless furious and burning to be avenged on the patriotic men who brought about the revolution and tried from the start to guide it into the channels leading to constitutional development and orderly government. But Russia will emerge from the welter of anarchy and blood, and the Russian spirit will assert itself in spite of all that these wreckers can do. The Germans may intrigue and manoeuvre to dismember the country, lie also without shame or scruple at Brest-Litovsk, at Petrograd, at Kieff, wherever they can get a hearing; but if they imagine that they can hypnotise and submerge the soul of the Slav by their sophistications they are going to be once again deceived by their self-confidence and overweening vanity. The Slav will not desert his kindred in Serbia, in Slavonia, in Bohemia, in Poland, in Rumania, or wherever their race kindred lie writhing under the heel of the cruel oppressor, any more now than he was disposed to do when the ex-Tsar under popular impulse made war against the traitorous Austrian for the sake of Serbia alone. A "peace" has been concluded with the Ukrainians it is reported. If that be true—it is merely a German falsehood at present—it may prove to be the first move towards the reunification of Russia.

So far, the Conference of Labour Parties at Nottingham has not revealed the revolutionary element or the fanatic-pacifist faction to be particularly strong amongst our working classes. A speech that might have come from Mr. Lloyd George himself was delivered at the opening by the President, Mr. Purdy. It revealed a thorough comprehension of the attitude that Prussian arrogance and insatiable greed has forced the Allies to maintain. At the same time Mr. Purdy put forward the claims of the democracy to take a large share in arranging the peace, which is reasonable, and the effect as a whole was excellent. Especially excellent was the acceptance of the more emphatic declarations against a traitor's peace by those assembled.

Prussian brute dominance has to be destroyed in Germany itself as everywhere before the working man can have his peace. So far, no indication whatever was revealed of the formation of any *Bolshevik* party here. Doubtless anarchism of the Russian type has its sympathisers amongst workmen here as in every other country, but at present even the Extremists amongst us—who are rarely or ever real men of labour—have sought to keep within hail of common sense, and presently the Russian Marxians and the anarchic Government set up in Russia under their inspiration will probably furnish a valuable object-lesson upon the fruits of idealism in action which may check the spread of disorderly political theories here. Only so far as they support the common right of all to justice and equity can the pacifists and subverters among us count on toleration.

Not much was to be expected from the British Trade Corporation in the first few months of its existence, and the report to December 31 shows that it has been mainly engaged on the preliminary work of organisation. Gross profits amounted to £17,610, and the nett profit comes out at £9,670, subject to income-tax. It is proposed to apply the balance towards writing off preliminary expenses, which are shown at the moderate sum of £10,080, including £5,000 stamp duty on issued capital. In addition £20,000 stamp duty has been paid on unissued capital. The balance-sheet shows that the paid-up capital is £2,000,000, less £59,000 calls in arrears, and there are deposit and other accounts for £632,630. On the other hand, cash balances amount to £249,360, money at call and short notice to £590,000, Treasury bills to £1,575,000, discounts and advances to £132,930, and premises, &c., to £5,920. The management has been principally engaged in making the necessary arrangements for representation in foreign countries, but it has already been able to render some assistance in connection with overseas trade. An information bureau has been set up, and a scheme is in preparation for the insurance of commercial credits. The proposals with regard to the remuneration of the managers and managing directors will, as promised, be submitted to the meeting of shareholders for confirmation. A modest start has been made, and the further progress of the company will be watched with interest.

In confirmation of the opinion expressed in this week's By-the-Way War Notes, some facts quoted in the *Times* from the *Utro Rossii*, of Moscow, will be seasonable. In the Moscow Food Control District, says the writer, which embraces the Governments of Moscow, Kaluga, Vladimir, Nigni-Novgorod, Smolensk, Tver, Yaroslavl, Kostroma, and Riazan, only 71,000,000 poods—a pood weighs about 36 lbs.—of rye and wheat were harvested last year, as against 165,000,000 poods required by the population of 18,000,000. Allowing only  $\frac{3}{4}$  lb. (Russian), or 11 ozs. per head per day, the local supplies will last only to the middle of March, new style; but as there is no effective system of rationing, and as millions of people are exceeding their daily allowance, the local supplies will hardly last beyond the middle of the present month, so those 18,000,000 of people can only be saved from starvation by the import of grain from other provinces, i.e., from the South. Roughly, the writer goes on, 90,000,000 poods will be required to provide bread for the people until the next harvest, or about 8,000,000 poods monthly. The experience of September and October last, when only 4,500,000 poods, or 2,250,000 poods monthly, were shipped from the South, does not warrant any hope of relief. By February, when the whole of the supply of bread will be exhausted, the people will hardly have  $\frac{1}{4}$  lb. per head per day, then "King Hunger will claim millions of victims." If this be anything like the truth, how is Russia going to feed Germany?

No well-managed bank could fail to make money last year, and the National Provincial Bank of Eng-

land, Ltd., has always been well managed. Its nett profits for the year, including £98,220 brought forward, were £36,711 larger at £1,312,932, and the directors continued the dividend at 16 per cent. per annum for the year, the last half of which is payable on February 5, all less income-tax. A year ago, like other banks, the National Provincial had to provide for depreciation, and altogether wrote off £698,000 to meet it, taking £200,000 from the reserve in order to make up the amount. The contrast this year is great and cheerful: £300,000 transferred to the reserve, raising it to £2,100,000, and in addition £350,000 hidden away to meet contingencies, or £650,000 in all, appropriated out of the year's revenue. This is £48,000 less than the amount taken to meet depreciation a year ago, but the balance left to carry forward is £84,711 larger than it was then at £182,932, so that altogether the husbanding has been excellent. Turning to the balance-sheet—there is no profit and loss account—we find the liabilities on current, deposit, and other accounts larger by £12,378,704 at £112,597,468, but acceptances and endorsements are £1,049,288 smaller at £1,982,964. Cash in hand and at the Bank of England is up £844,928 to £17,294,994, and the floating money at call and notice in the open market is £2,607,606 up at £8,100,946. The investments aggregate £42,162,960, or £1,725,314 more than a year ago, and of this total no less than £37,712,035 is in British Government securities, including Treasury bills. Bills discounted, loans, &c., are all in one mass, which is £7,364,235 larger at £49,256,957. The total of the balance-sheet is £11,714,127 up at £119,863,365. For the first time the amount invested by the National Provincial in joint ownership of the bank established some years ago by Lloyds Bank in France appears in the balance-sheet, and is £240,000, viz., 12,000 £50 shares, £20 paid.

In 1916 Messrs. Coutts and Co. obtained the exceptionally large increase of £2,800,000 in deposit and current accounts, and this has been followed by a further expansion of £700,000, raising the total to £16,850,000. Cash has risen £100,000 to £3,057,000, and money at call, &c., £36,000 to £3,500,000, while the holding of Treasury bills is half-a-million up at £1,740,000. Discounts and advances have increased £700,000 to £5,843,000, but investments have fallen £625,000 to £3,872,000. The total of the balance-sheet is £690,000 higher at £18,755,000, and in spite of the increasing competition of big rivals with numerous branches, this fine old firm is evidently well able to hold its ground.

In the past half-year the Union Bank of Manchester made a gross profit of £160,600, an increase of £31,500, but special war allowances to the staff required £12,500 more, and the nett profit of £96,920 is £19,000 higher. The amount brought in was less, and the balance available is £2,000 down at £117,950. However, the dividend is raised from 13s. 9d. tax free to 20s. less income-tax at 5s. Nothing has to be written off for depreciation of investments, against £30,000 last time, and after again placing £5,000 to premises account and £5,000 to pension fund, the balance forward is increased by £15,000 to £40,450. Deposit and other accounts have risen two millions to £11,127,000, but bills accepted on account of H.M. Treasury and of customers are £700,000 lower at £592,000. Cash in hand and at call is down £330,000 at £1,715,000, and investments have been reduced by half a million to £1,876,000, but Treasury bills are £1,650,000 up at £2,150,000, and bills of exchange £80,000 at £955,000. Loans and advances have increased £645,000 to £4,645,000, in addition to which £468,000 has been advanced to take up War Loan and War Bonds. The balance-sheet totals at £13,012,000, an increase of £1,500,000. A branch will be opened at Leeds next month, this step having been contemplated by the Halifax and District Banking Co. before its amalgamation with the Union of Manchester.

Comparatively little change is shown in the results of the Bradford District Bank, Ltd., for the past year, the nett profit being only £1,200 higher at £71,680. A year ago £25,000 had to be written off for depreciation, but nothing has to be set aside on this occasion, and after again paying a dividend of 11s. per share, or 13½ per cent., £20,000, against £10,000, is placed to reserve (raising it to £350,000). The pension fund and bank premises fund again get £2,000 and £5,000 respectively, and £9,000 more at £38,080 remains to be carried forward, the amount brought in having been £8,200 less than last year. Deposit and other accounts are £1,400,000 higher at £9,235,000, but acceptances are £700,000 lower at £150,000. Cash and money at call, &c., have increased £300,000 to £2,229,000, and bills (including Treasuries) £1,300,000 to £2,871,000; but investments are £170,000 lower at £1,344,000, and advances £40,000 at £3,389,000. The balance-sheet total is up £700,000 at £10,142,000.

In the half-year to August 31 last the Union Bank of Australia, Ltd., made the handsome gross profit of £418,970, or £28,000 more than in the corresponding period, which, in turn, recorded an increase of £36,000. Expenses were rather higher, and the nett profit comes out £20,000 to the good at £160,370. This increase is placed to reserve, against nil last time, raising the fund to a round two millions. After repeating the dividend and bonus of 35s. per share, or 14 per cent. per annum, the carry-forward is £2,000 up at £73,500, the amount brought in being so much larger. Circulation has contracted £260,000 to £363,000, but deposits are £1,700,000 up at £23,597,000, and bills payable have increased £45,000 to just over two millions. Cash balances are £100 higher at £4,850,000, and money at call, &c., has risen £680,000 to £1,350,000. Investments are up £86,000 at £1,682,000, and remittances, drafts, &c., two millions at £4,272,000, but discounts and advances have fallen £1,250,000 to £17,435,000. The total of the balance-sheet is £1,500,000 higher at £30,175,000, and everything has a healthy and prosperous appearance.

Business has prospered with the West Yorkshire Bank, Ltd., and the nett profits for the past year amounted to £91,700, an increase of £16,000, besides which a rather larger amount was brought in. The dividend of £1 6s. 8d. per share, or 13½ per cent., less tax, is repeated, and after placing £30,000 to reserve, against £20,000 written off for depreciation a year ago, the balance forward is increased by £8,400 to £18,750. Last year, in addition to the sum set aside out of profits, £50,000 was taken from reserve to provide for depreciation. Deposit and other accounts have increased two millions to £10,175,000, but acceptances are £100,000 less at £9,400. Cash has risen £400,000 to £2,140,000, and Treasury bills are up £1,050,000 at £1,600,000, but other bills are £200,000 down at £710,000. Loans and advances have increased £800,000 to £4,375,000, and investments are £18,000 less at £2,089,000, with the nett result that the balance-sheet total is £1,900,000 higher at £11,045,000.

Special interest attaches to the report of the Argentine Navigation Co. (Nicolas Mihanovich), Ltd., as it is the first issued under the new management, and it is evident reforms of a sweeping character have already taken place. Nothing is said about these changes in the report except the bald announcement that Baron F. A. d'Erlanger and Baron H. de Pfeffel having resigned from the board, Sir Owen Philipps, K.C.M.G., M.P., Mr. T. H. Carlton Levick, and M. Garston Breton have been appointed in their place. Nett profits for the year to June 30 last amounted to £125,195, an increase of £45,000. After paying debenture interest, it is proposed to place £45,900 to reserve (raising it to £50,000), and to pay a year's dividend on the preference shares, bringing payment up to December 31, 1914, and leaving £10,810 to be carried forward. It is, however, when we turn to the

balance-sheet that we find most of interest. Debentures which stood at £912,000 a year ago have been redeemed, and entirely disappear, and the depreciation fund of £530,000 has apparently been written off the fleet, which is now valued £1,100,000 lower at £1,567,000. Goodwill at £146,000, and debenture discount at £30,000 have also disappeared, and the balance-sheet now totals at £2,437,000, against £3,847,000 a year ago. Smaller changes need not detain us, but they are mostly in the right direction, and we look forward to the company regaining its old prosperity in a relatively short time. Sir Owen Philipps' speech next week ought to be very illuminating.

Marconi's Wireless Telegraph Co., Ltd., has issued a circular to the shareholders, in which it is stated that the protracted negotiations with the Post Office in respect of the damages to be paid for the repudiation of the Imperial contract in December, 1914, have not resulted in producing such an offer as the directors feel justified in accepting, and the proceedings in the High Courts have therefore been resumed. With regard to remuneration for services rendered by the company, and compensation in respect of the wireless stations taken over by the Government, an offer was submitted in August last which the directors considered inadequate and unreasonable. They were given to understand that a new offer would be submitted, but none has yet been received. Meantime, it is stated that the other business of the company during the past year has been satisfactory, and the directors feel justified in declaring an interim dividend of 5 per cent. (actual), less income-tax, on the ordinary shares. It seems extraordinary that while money is being squandered in the most reckless manner the Government should be so reluctant to meet its just obligations, as in this case and in those of the commandeered hotels, Russian bills, &c. The attitude taken up has too often been anything but creditable to the authorities.

Freeman, Hardy and Willis, Ltd., the well-known firm of Leicester bootmakers, have had another very prosperous year, and the nett profits to December 31 amounted to £128,700, an increase of £10,700 over the previous 12 months. With a larger amount brought in the available balance is £15,500 higher at £186,000, out of which the usual dividend of 12½ per cent. is paid and the bonus of 5 per cent. is repeated. Reserve for freehold and leasehold premises again gets £10,000, and reserve for contingencies £5,000, raising the former to £100,000 and the latter to £45,000. Bonus to the staff is doubled at £11,250, income-tax requires £4,500 more at £32,770, and after allocating £3,000 against £7,000 to charities, £10,500 more at £67,700 remains to be carried forward. Stocks are up £72,000 at £585,000, and investments £55,000 at £200,000, but cash is £70,000 lower at £87,340; otherwise the changes in the balance-sheet are unimportant. It is a fine business, well and prudently managed. Conditions have been exceptionally favourable of late, but the directors appear to have made sufficient provision for the rainy days that may be in store.

The Kyshtim Corporation has received a telegram, through the Foreign Office, that the property of the Russian subsidiary, the Kyshtim Mining Works, has been confiscated by a decree issued by the Bolshevik Government, and made national property, as has been the case with other properties in Russia. This is in accordance with the Bolshevik programme that all property must be nationalised. In the case of the Kyshtim works, the reason given is that the administration have refused to accept the control of the workmen's committees, which would have left the management with one responsibility only, that of finance, which presumably meant that the company would have to provide whatever funds were required to carry on the business. A formal protest has been lodged through the British Embassy at Petrograd, pointing out that the Kyshtim Works have been built up by British capital, and that all the shares are British-owned. It can scarcely be

expected that this protest will have any effect until some sort of regular Government has been established in Russia, and those who happen to hold Russian securities have merely to exercise whatever patience they possess pending the return of political stability to Russia, which will bring them the restoration of their property. The Irtysh Corporation's properties, which are over 3,000 miles from Petrograd, have not been "nationalised" up to the present, but the "nationalisation" of the banks prevents the financing of operations, which will cease when present supplies are exhausted.

The South African Government has taken the first definite step towards providing a solution of the difficulty which confronts certain mines on the Rand owing to the increased costs of labour and materials, and the scarcity of certain supplies which prevents them working at full capacity. About a dozen of the mines, having only a low-grade of ore, are earning so little per ton that no dividends are possible, and the question of a shutting down is only a matter of time. The problem, which has to be faced, is that of gold requirements of the future. There is no doubt that steps ought to be taken not only to maintain, but if possible to increase, the production of gold in order to strengthen our credit basis after the war, when the problem of an adjustment of the foreign exchanges will no longer be possible of postponement. It is understood that the new Currency and Foreign Exchange Committee, of which Lord Cunliffe is chairman, will discuss this question of gold production. Meanwhile, we are informed, the problem is growing in urgency, not only in South Africa, but elsewhere.

Another fine display is made by the British-American Tobacco Co., Ltd., for the year to September 30 last. It is stated that the factories in England have been largely employed in supplies for the troops abroad at a reduced profit. Arrangements, however, were made at an early stage in the war for a large increase in the output of the American factories, the production from which during the past year has been more than three times greater than in the pre-war period. Even so the company has been unable to fill all the orders for its goods, while supplies of many materials are difficult to obtain, and transport facilities have been very restricted. Nevertheless, nett profits amounted to £3,105,000, an increase of £370,000, following a gain of £900,000 in the previous 12 months. The directors, however, are content to repeat the dividend of 30 per cent., and to increase the carry forward by a round million to £2,526,700, subject to excess profits duty. It is wonderful business with a balance-sheet total of 21½ millions, and shareholders need not worry too much about the fate of their assets in enemy countries.

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## Volume of Trade in 1917.

In some of the principal branches of our foreign commerce it is impossible to follow the real trend of trade, as the Government has decided, no doubt for more or less sufficient reasons, to suppress the particulars which would enable us to form a reasoned judgment. All details with regard to foodstuffs, drink and tobacco, iron, steel and other metals are omitted from the monthly Board of Trade returns, and in several other respects the figures are not so illuminating as they were before this embargo on information was imposed. Even in regard to stocks in bond the figures for sugar have recently been withheld, as though the Food Controller were frightened at his own shadow or at the possible exposure of his mal-administration and the lack of justification for his sugar rationing scheme. In the accompanying table we show the quantities and value of the principal items of imports and exports last year compared with 1915 as a rough guide to the real volume of our trade. Before dealing with these figures it may be useful to give the totals of the four groups under which our foreign commerce is classified:—

	IMPORTS.		EXPORTS.	
	1917.	Compared with 1915.	1917.	Compared with 1915.
Food, drink, &c.	£ 435,311,963	+ 74,437,402	£ 16,377,055	— 8,704,614
Raw materials	385,374,019	+ 98,804,468	67,367,430	+ 15,013,390
Manufactures	218,481,514	+ 37,034,296	421,596,440	+ 128,669,665
Parcel post, &c.	6,085,911	+ 3,086,891	19,968,066	+ 5,462,112
	1,065,256,407	+ 213,363,057	525,308,991	+ 140,440,543

It will be seen that 1915 was apparently a much worse year than 1917, but we have chosen it for comparison because it was the first complete year of the war, and because the advance in prices was relatively small. At the beginning of the year the rise in retail prices was only 18 per cent., as compared with July, 1914, and at the end it was 45 per cent., which may be regarded as moderate in the circumstances. At the same time, trade had not had time to recover from the first shock of the war, and the inflation created by a huge and increasing expenditure had not begun to have much effect.

Starting from this point of view, the figures given are well worth study in detail. The movement of goods about which information is suppressed may easily be deduced from the other particulars available. Taking imports first, it will be noticed that only three items—petroleum, zinc, and motor chassis—show increases in volume, whereas only a dozen out of three dozen show decreases in value. Hewn wood has fallen 55 per cent. in amount, but only 30 per cent. in value, while the

	Value.	
	1917.	Compared with 1915.
Grain and flour	£ 174,893,000	+ 62,535,700
Meat	102,472,000	+ 15,633,000
Other food, non-dutiable	96,775,000	+ 5,315,000
Do dutiable	77,268,000	— 4,400,000
Tobacco	3,903,000	— 4,646,700

position with regard to sawn wood is worse, a drop of 80 per cent. in quantity being accompanied by a decline of only 20 per cent. in cost. Of raw cotton we received 40 per cent. less, but it cost us 70 per cent. more, and 30 per cent. less wool advanced £7,700,000 in value. Half the quantity of flax, hemp, and jute cost nearly 30 per cent. more, and the value of cottonseed and linseed was about the same for considerably less than half the amount. We paid 55 per cent. more for about the same quantity of oil nuts, but the increase in the cost price of petroleum appears comparatively reasonable, and it is difficult to understand why the profiteers should have such a free hand so far as the unfortunate consumer is concerned. Wood pulp fell 60 per cent. in amount, but increased 80 per cent. in value, while paper imports fell 80 per cent. and the value nearly 40 per cent. For 680,000 tons less iron and steel the cost was practically the same, and almost at every point a similar state of affairs exists. It is evident, however, that in most cases the advance in retail prices is to a very large extent warranted by the increase in wholesale costs, and except in a few instances profiteering is not so rampant as is generally supposed.

However, if we have had to pay much higher prices for the goods we purchased from abroad we have been able to pass on a good deal of the extra cost to our foreign customers. Among exports, where quantities are available, considerably more than half show decreases, but in the case of values three-fourths have advanced. Shipments of spirits, for instance, were 35 per cent. smaller, but they realised 23 per cent. more. Tobacco did not do quite so well, but for 24 per cent. less amount the value was only 13 per cent. lower. Coal and coke show a decrease of 17 per cent. in quantity, but the price advanced 32 per cent. Not much more than half the amount of wool was exported,

## IMPORTS.

	Quantities.		Value.	
	1917.	Compared with 1915.	1917.	Compared with 1915.
Wood, hewn	1,049,150 loads	— 1,441 8 0	5,122,200	— 2,211,700
Do, sawn, &c.	1,700,000	— 2,945 700	17,888,000	— 4,062,000
Cotton	16,231,700 cwt.	— 10,244,400	110,590,000	+ 4,919,000
Wool	625,628 0 0	— 300,752,000	49,725,300	+ 7,692,000
Flax, hemp, and jute	314,12	— 312 0 0	25,786,200	+ 6,343,000
Cottonseed	219 000	— 275 500	4,024,000	— 120,400
Linseed	2,016,000	— 1,110 40	5,080,000	— 65,000
Oil nuts	447,000	— 6 0	12,621,000	+ 4,591,000
Petroleum	826,835,000	+ 238,365,000	33,893,000	+ 20,593,000
Tallow	617,000	— 1,025,000	1,812,500	— 974,000
Hides, dry	711,900	— 21,100	5,174,000	+ 1,674,000
Do, wet	911,300	— 165 700	6,584,000	+ 1,668,400
Sheepskins	32,584,000	— 54,934 000	2,066,600	— 506,000
Wood pulp	386,900	— 567 100	9,518,000	+ 4,214,000
Rubber	1,756,600	— 4,200	23,795,000	+ 4,191,000
Iron and steel	497,000	— 680 500	10,803,000	— 3,000
Copper (unwrought)	142,800	— 37,600	18,815,000	+ 5,133,000
Lead	147,120	— 105,800	4,508,000	+ 1,109,000
Tin	127,140	— 11,750	6,197,500	— 107,000
Zinc	76,100	+ 2,600	4,158,000	+ 178,000
Tools, &c.	—	—	1,644,000	+ 1,035,000
Watches	3,922,000	— 886,000	1,086,000	+ 167,500
Machinery	72,000	— 18,000	8,863,000	+ 1,100
Yarns and fabrics	—	—	23,667,000	+ 9,293,000
Chemicals, dyes, &c.	—	—	28,040,000	+ 8,711,000
Leather	652,500	— 894,000	10,545,600	+ 5,114,000
Paper	2,792,000	— 8,934,000	4,190,300	+ 2,457,000
Motor car chassis	4,930	+ 1,100	3,142,000	+ 2,007,000
Do, parts	—	—	3,340,000	— 828,000
Oil-cake	212,900	— 212,200	3,638,000	+ 365,000
Paraffin wax	1,453,000	— 390,000	2,070,000	+ 975,000
Starch, &c.	1,600,000	— 262,000	2,973,000	+ 1,625,000

## EXPORTS.

	Quantities.		Value.	
	1917.	Compared with 1915.	1917.	Compared with 1915.
Grain and flour	—	—	875,000	— 2,984,000
Meat	28,500	— 231,000	226,600	— 1,058,600
Beer	282,900	— 250,400	1,420,000	— 517,200
Spirits	5,755,000	— 3,157,100	4,601,600	+ 877,500
Tobacco	27,628,600	— 8,551,000	3,270,500	— 496,000
Coal and coke	37,800,000	— 8,000,000	51,341,000	+ 12,517,000
Wool	26,620,000	— 24,180,000	3,125,000	— 480,000
Tallow, &c.	725,700	+ 110,300	1,870,500	+ 1,075,000
Seed oils	47,400	— 38 800	2,886,600	+ 167,000
Iron and steel	2,329,000	— 868,000	44,849,000	+ 4,442,500
Tin	19,300	+ 5,120	4,228,700	+ 1,910,000
Cutlery	26,650	— 5,230	565,000	— 9,000
Hardware	280,500	— 202,400	1,152,000	+ 146,000
Implement, &c.	—	—	1,878,600	+ 274,000
Apparatus	—	—	1,038,700	— 500,000
Do, Electrical	—	—	2,952,700	+ 216,000
Machinery	265,200	— 68,100	19,426,000	+ 2,600
Ships	26 20	— 32,000	1,086,200	+ 6,400
Cotton yarn	133,113,000	— 55,016,000	16,708,000	+ 6,100,000
Do, piece goods	4,979,077	+ 230 6 0	112,788,000	+ 48,096,000
Do, thread	22,412,600	+ 1,514,300	5,588,000	+ 2,236,300
Do, lace, &c.	—	—	3,190,000	+ 1,014,300
Wool and yarn	38,060,000	+ 60,000	8,222,000	+ 3,245,000
Do, tissues	122,928,000	+ 30,600,000	29,200,000	+ 12,720,000
Worsted do.	42,717,700	— 13,052,000	7,440,700	+ 1,347,500
Silk stuffs	7,773,000	— 1,793,000	1,212,000	+ 3,000
Jute piece goods	126,280,000	+ 17,124,000	3,709,000	+ 6,900
Linen, yarn	18,357,000	+ 11,941,000	2,317,300	+ 1,781,600
Do, piece goods	103,637,000	— 25,140,000	5,997,000	+ 1,062,000
Apparel	—	—	7,589,000	+ 964,500
Boots and shoes	1,153,000	— 155,200	6,873,500	+ 3,155,000
Hats, &c.	750,000	— 200,000	1,304,600	+ 44,000
Chemicals, &c.	—	—	7,295,000	+ 2,770,000
Manures	95,400	— 44,200	1,504,000	— 3,304,200
Colours, &c.	1,138,800	— 540,000	2,810,000	+ 137,000
Soda ash, &c.	5,316,000	— 2,202,000	2,635,300	+ 611,000
Medicines	—	—	3,235,000	+ 158,400
Leather goods	—	—	4,952,000	+ 1,154,000
Earthenware	1,729,000	— 732,000	2,708,600	+ 654,200
Glass	—	—	1,188,700	— 5,000
Paper	916,000	— 1,838,700	3,193,000	+ 198,000
Motor cars, &c.	—	—	6,840,000	— 263,000
Ammunition, &c.	—	—	29,44,000	+ 22,828,000
Sacks	3,144,300	— 1,097,300	1,403,000	+ 72,000
Books, printed	314,200	— 91,600	2,207,500	+ 33,000
Cement	357,700	— 66,800	1,134,000	+ 302,400
Cordage	263,500	— 99 00	1,370,000	+ 259,000
Oilcloth	22,471,000	— 8,429,000	1,784,000	+ 218,500
Soap	2,534,700	+ 622,600	4,864,000	+ 2,357,000

but the value fell only 13 per cent. Iron and steel shipments declined 868,000 tons, or 2.7 per cent., while the value rose 13 per cent., and another conspicuous case is that of cotton yarn, which dropped nearly 30 per cent. in amount, but fetched 62 per cent. more. On the other hand, sales of cotton piece goods increased 230 million yards, or 5 per cent., and the value 48 millions, or nearly 75 per cent. Similar results are seen with regard to other textile materials, but linen piece goods fell off 16 per cent., while the value rose 20 per cent. Boots and shoes almost doubled their price, and chemicals were sold for 60 per cent. more value. Exports of manures dropped to a mere frac-

tion of the 1915 level, and the quantity of soda compounds fell 35 per cent., but realised 30 per cent. more. As might be expected, owing to the shortage of raw materials, paper exports declined 67 per cent., but the remaining third brought in 6 per cent. more money. Oil cloth fell 27 per cent. in quantity, and advanced 14 per cent. in value, while there was the substantial increase of over 30 per cent. in soap exports, and the price rose nearly 100 per cent.

It becomes evident from these figures, and the others given in our table, how serious has been the shrinkage in the volume of our overseas trade. The actual position is to a large extent concealed or misrepresented by the advance in prices. Taking values alone, there was an increase in imports last year of 213 millions over 1915, and an increase in exports of 140 millions, but quantities are lower in the majority of cases where they can be tested, and it is fair to assume that the rule applies all round. Of course, the falling off is inevitable in the circumstances, and perhaps we ought to be grateful that it is no worse, but few people probably have realised that with the exception of the textile industries almost all branches of trade have declined heavily since 1915, which was not by any means a good year. Meantime, in spite of getting handsome prices for our exports, the adverse trade balance grows apace. It was 470 millions last year, and since 1915 it has amounted to over 1,180 millions. To what extent this is covered by obligations incurred by the Allies it is impossible to say, but the total in any case is a formidable one, and we shall have to retrench severely to bring the balance within more reasonable compass. However, that is a problem for the future rather than the present, but it may be just as well to bear in mind when considering the apparently marvellous prosperity of our overseas trade that it is mainly due to the temporary inflation in prices, and not to the larger business done by our merchants and manufacturers.

### The Largest Bank in the World.

Last year the directors of the London City and Midland Bank, Ltd., bought up the Belfast Banking Co., an old and rich bank in the North of Ireland. That has led to some increase in the paid-up capital, as is explained in the report. The whole of the 200,000 shares issued by the Belfast Banking Co.—£12 10s. each, £2 10s. paid—were acquired for £1,225,908, and the purchase has been paid for by an issue of 163,219 shares of the London City and Midland Bank, £12 each, £2 10s. paid, the price paid for the Belfast Banking Co.'s shares being £7 10s. each. The payment included £1,765 10s. additional in cash. By this transaction the capital of the London City and Midland has been increased by £408,047 10s., and the reserve by £342,826, so that the bank's paid-up capital is now £5,188,840 and the reserve £4,342,826. The remainder of the premium received, viz., £473,269, has been applied to write down the balance-sheet cost of the Belfast Bank shares to £752,639. This is all clear enough, but the acquisition of this fine business by no means accounts for an increase of £45,931,043 in the current deposit and other accounts of the London City and Midland, which have now reached the unexampled total of £220,551,768. The last accounts we have of the Belfast Banking Co. show deposits of £7,000,000 or so; how, then, has the London City and Midland expanded so wonderfully within a year?

It is chiefly no doubt the result of the patriotic liberality with which its board has come to the help of the Government by aiding its customers to subscribe to war debts. Well may the directors pride themselves on the fact that they enabled their clients to apply for the War Loan issued early last year to the extent of £86,000,000. In addition, they helped them in exchanging £7,000,000 of Treasury bills for War Stock, so that in all £93,000,000 of the Loan was subscribed by the help and through the agency of the bank. It advanced no less than £26,813,900 to its customers to apply for the stock, and already £14,167,000 of

these advances have been repaid, leaving £12,645,539 still due, a sum which has been entered as a separate item in the balance-sheet. Advances on current account and other loans are also £4,641,501 up at £68,510,358, and there is an increase of £1,606,086 in the cross entry "acceptances," raising it to £8,826,866.

This latter increase leads us to infer that the general business of the company has also sensibly expanded, and its bills of exchange support and confirm this inference, for their total is now £35,052,992, or £11,716,175 more than they stood at a year ago, and no less than £25,616,000 above the figure of two years ago. These are all remarkable changes, and other figures are, if not so progressive in appearance, equally striking in their impressiveness! Thus cash in hand and at the Bank of England, an entry which includes £7,000,000 of gold coin, &c., lodged there, although £3,863,280 smaller than at the end of 1916, is still £44,116,353, and no less than £31,003,560 is floating money which the bank has out in the market at call and short notice. This is an advance of £22,159,182 upon the year. The general list of investments held by the bank is £935,483 down, which is not much on an aggregate still, £36,254,813, the bulk of which, however, is in War Loan and other British Government securities, which form £33,116,534 of the total. The decrease in the aggregate is a mere £283,000. Bank premises have increased in book value £83,485 and stand at £2,837,210, and the aggregate of the balance-sheet is £48,855,792 larger at £239,994,332.

We have left the question of profit to the end because we regret to say the board of the London City and Midland is not so up to date in framing its balance-sheet as some of its neighbours. The greatest of its neighbours, indeed, now give their gross profits, and reveal on the other side the proportion of these profits absorbed in interest payments on customers' balances, working expenses, rebate, and so forth, but Sir Edward Holden sticks to the old conservative ways, and consequently nett profit alone is entered. At £1,967,716 it shows an increase of £330,747 on the year. The balance of £243,538 brought forward was also £129,940 better, consequently the distributable aggregate of £2,211,254 is £460,688 up. This greater riches does not prompt to extravagance, the dividend remains at 18 per cent. per annum, less tax, the second half being payable on the 1st prox. Then £500,000 is put aside to a reserve for contingencies, which compares with £632,501 placed to an investment account a year ago, so that apparently less money is really laid by, but that is not so. In a very praiseworthy fashion the board continues to pay salaries and bonuses to members of the staff serving with his Majesty's forces, and also bonuses to other members of the staff. These last year took £304,519 altogether, or £96,512 more than a year ago, but the balance left to carry forward is £490,247 larger at £733,785, so that the larger revenue has been kept in hand and more, not utilised to give a larger income to the shareholders, and that is well, for the times that will come after the war are going to try banks in various ways now hidden. Therefore the more they can store away out of sight while the money flows in, the more serenely can their boards and managers contemplate the severe and probably tempestuous weather looming ahead.

### SOUTH MANCHURIAN RAILWAY CO., LTD., 5 PER CENT. STERLING BONDS.

NOTICE IS HEREBY GIVEN that the COUPONS due 5th February, 1918, will be PAID on and after that date (Saturdays excepted), between the hours of 11 and 3, by the Yokohama Specie Bank, Ltd., where lists may be obtained.

Coupons must be left three clear days for examination prior to their payment.

For the Yokohama Specie Bank, Ltd.,

R. TATSUMI, Manager.

7, Bishopsgate, E.C. 2.

21st January, 1918.

# Home Railway Yields.

Apart from one or two bursts of activity, the market in Home Railway stocks has, considering the imminence of the dividend declarations, been surprisingly quiet. The fact is, the future is so wrapped in obscurity that many investors do not feel disposed to interest themselves in Home Railway stocks until the outlook is less uncertain. While the existing arrangement with the Government is in force, shareholders are, of course, in the least favourable contingency, likely to continue to receive the present rate of dividend; but what is to happen when the agreement terminates? Will the Government bring forward a nationalisation scheme, or will the companies be left free to operate as before? It is estimated that if wages are maintained at their present level without any corresponding increase in freight rates, they will absorb practically the whole of the revenue available for ordinary dividends. Clearly, something will have to be done, and the nature of it should not be left to conjecture, although we may suggest that after the war labour will not have the whip-hand which it enjoys at present.

In some quarters the view has been expressed that several of the coming dividend declarations are likely to be at a slightly enhanced rate, but this remains to be seen. We know that in the case of several of the bigger undertakings large sums have during the last few years been placed to reserve, and that the income received by most companies from interest on the investment of deferred renewal funds reaches a substantial figure. But, if anything, the companies will be obliged to be more prudent in conserving resources even than in the past.

We show below dividends paid upon twelve representative home railway stocks during the last four years, together with the percentage of earnings available for the dividends in 1916:—

Stock.	Dividends Paid.				Approximate Earnings on Stock, 1916.
	1911.	1912.	1913.	1916.	
	%	%	%	%	%
North-Eastern ord. ....	5½	6	7	6½	7.30
Lancs. and Yorks. ord. ....	4½	4½	4½	4½	4.50
Midland def. ....	3½	3½	4½	4	4.55
London and N.-W. ord. ....	6½	6½	7	6	6.60
Great Western ord. ....	5½	5½	6½	5½	6.40
London and S.-W. ord. ....	6	5½	5½	5½	5.65
L.B. and S.C. ord. ....	5½	5	5½	5	4.90
South-Eastern ord. ....	4	3½	4	3½	4.00
Great Eastern ord. ....	3½	2½	2½	2½	2.45
Great Northern def. ....	2½	2½	3	2½	2.60
Great Central† ....	½	nil	2	2	2.03
N. London ord. ....	4½	4½	4½	3½	4.10

† 1894 5 per cent. preference.

Allowing for the fact that present prices are "full" of dividend, most of the stocks give a very substantial return, the average yield coming out at as much as £6 18s. per cent. Below we give prices and yields for 1917 and 1914:—

Ordinary Stock.	1914.		1917.	
	Mean Price Jan. 19.	Yield %	Mean Price Jan. 18.	Yield %
		£ s. d.		£ s. d.
North-Eastern consol. ord. ..	124½	5 16 0	98	6 18 0
Lancs. & Yorkshire con. ord.	86	5 8 0	66	7 3 0
Midland def. ....	74½	5 18 0	58½	7 3 0
London and N.-W. con. ord.	132½	5 9 0	92½	6 15 0
Great Western con. ord. ....	116	5 12 0	86	7 0 0
London and S.-W. con. ord.	121	5 0 0	83½	6 18 0
L. B. and S.C. Rly. ord. ....	108	5 1 0	76	6 19 0
South-Eastern ord. ....	89	4 13 0	57	6 19 0
Great Eastern ord. ....	49½	5 5 0	36½	7 5 0
Great Northern def. ....	55½	5 12 0	37½	7 1 0
Great Central† ....	67½	3 0 0	34½	6 1 0
North London ord. ....	89½	5 9 0	57½	6 14 0
Average.....	—	5 3 6	—	6 18 0

† 1894 5 per cent. second preference stock.

The return on preference stocks is necessarily smaller, but it ranges from £5 8s. on North-Western 4 per cents. up to £6 5s. on Great Eastern 4 per cents., and the average works out at £5 15s. as against

£4 8s. at the beginning of 1914. In the case of debenture stocks the yield ranges from £4 18s. on Midland 2½ per cent. and North-Western 3 per cent. up to £5 16s. on Great Central 5 per cent., while the average is £5 4s. 6d. against £3 19s. 6d. four years ago. Below we summarise the average yields of the twelve representative securities:—

Year.	Yield % on Consols.	Yield % on War Loan	Yield % on 12 Representative Home Railway Stocks.		
			Debenture	Preference	Ordinary.
1914 ....	3.40	—	3.98	4.15	5.18
1917 ....	4.65	5.39	5.22	5.75	6.90

The following statement, which expresses the yield on Consols by 100, and the return on the twelve representative railway debentures, preference and ordinary stocks by proportionate index figures, is interesting:—

Year.	Consols.	Debentures.	Preference.	Ordinary.
1914 .....	100	117.05	122.05	152.35
1917 .....	100	112.25	123.65	148.38

Year.	War Loan.	Debentures.	Preference.	Ordinary.
1917 .....	100	96.85	106.65	128

It will be seen that on the basis of the Consols index figure, those for the twelve representative railway stocks show a higher relative valuation in 1917 than in 1914, but in the case of the preference stock the relative market valuation is slightly above that of 1914. It is evident, however, that the yield on War Loan is the truer index to Stock Exchange values, and if we express the yield by the index figure of 100, a very different position becomes apparent. Here the relative stock market values of the railway stocks are all seen to be higher in 1917 than in 1914. This is particularly so with the debentures, whose average market valuation is actually larger than that of the War Loan.

## By-the-Way War Notes.

Is peace going to come back to mankind through famine? Perhaps, nay, we almost begin to believe that it may. What is now occurring within the Austro-Hungarian Empire, and probably to a less degree in Germany, seems rather to herald the overturn we have long been looking for. Hunger gnaws at the vitals of their populations, and is driving them to desperation. When the people of Cologne upset a Pan-Germanist meeting, and driven out of the hall by the Prussian authorities, revenge themselves by singing the "Marseillaise," things are indeed changing within Germany. Even the meek, cowering Teuton is being goaded to stand up for his life when starvation stares him in the face. "Shining swords," waving flags, vauntings about partnership with the Deity, boasts of "victory, victory"—when there is only defeat, a circumvallation of Allied troops that all the efforts of the Germans, demigods of war, fail to break, do not fill the bellies of the starving inhabitants of the derelict Habsburg Empire, now exhausted, indescribably bankrupt, empty of all things, and dying of hunger, and the condition of the Hohenzollern Empire held in bondage by Prussia cannot be much better.

"Germany would be starving already, but for the betrayal of the Allies by Russia," we are told by those among us whose only joy is in croaking: But are we sure that this is the case? We cannot be sure: Much has been given up by the defeated Russian armies to the Germans, including, probably, some considerable portion of the war material we had supplied to them; but have the Germans also obtained much food? That is the one essential question to which a clear answer must be given to make us sure, and there is no available evidence to enable anybody outside Germany to give it. The probabilities are in favour of the negative answer, but we have only general considerations to go by. In the first year of the German occupation of the Wallachian Province of Rumania considerable quantities of grain and animals undoubtedly went to replenish the German larder, but the plunder could not all go there, for Hungary and Austria clamoured for their share, and had in some measure to be satisfied. They wrangled with the Prussians almost to sedition over

what they strove to retain, so that the hunger of Germany, which began in the first year of the war, was by no means stayed by what was stolen from the Rumanians, and since 1916 it is doubtful whether much food of any kind has been available in Wallachia for the internal population of Germany after the wants of her armies and camp followers on the spot had been allayed.

Nor have supplies of Russian grain been forthcoming in important quantities thus far, as is incidentally proved by the efforts of the German agents to strike a bargain with the Ukrainians for such stores of grain as they may possess but refuse to part with except for cash. As for Russian Poland, which was boasted over in Germany as a "granary" annexed, the first thing the invaders did was to devastate the country. They did that in their first swarm, and also swept away the resident population. When they came back at the heels of the Russians retreating, they completed what they began during their first occupation, and how was the country thus devastated to become all at once a granary? Has Poland produced a bountiful harvest in any of the past three years? It is in a high degree improbable.

The truth appears, then, to be that from none of their accessible or over-run neighbours can the inhabitants of the two Teutonic Empires draw a large, or any regular, supply of any kind of food, and from overseas lands the Germans can get none. At the time when Admiral Jellicoe was mysteriously "promoted" from his high post at the Admiralty to a peerage and idleness, it was thought the proper thing by some of our newspapers to sneer at the work done by our fleet when under this eminent sailor's command. "The battle of Jutland," we were blandly told, "was no victory at all for the British Navy, but merely a confused *mêlée* ending in something very like a draw." It was nothing of the sort. It was one of the greatest epoch-determining victories at sea ever recorded in history, for it not only deprived Germany of her fleet as an available and active weapon of offence in the open ocean, but clinched beyond remedy her position as a country besieged. The ultimate doom of the Hohenzollern Empire was sealed and made inevitable as the result of that fight off the coast of Denmark, and proofs that it was so multiply week by week. All the Prussian efforts to break out of our grip and enjoy the "freedom of the seas" in their pirate and assassin fashion serve but to proclaim their impotence, and the greater their transitory success in sinking our merchantmen, the cargo ships of all nations, the greater their own hunger has tended to become. Germany is now beyond all question very short of food, and can get no important help to lessen the shortage from anywhere. Her only success that counts in this war has been the success with which she has made all the world her enemy and closed all granaries to her people.

So we fully expect to see many strange happenings quite apart from great battles on land, throughout the Fatherland this coming spring and during the current year. If the Prussian high command is so sure of being able to strike a knock-out blow we should never hear a word about it beforehand. Did that command proclaim to the world its intention to seize Belgium and assail France and Russia in July, 1914, when its army was at its highest perfection and all eager for what it was taught to regard as a swift and easy triumph?

Great events loom near. Is it not then regrettable that we should be incited at this juncture to wrangle amongst ourselves, to depreciate and blacken this man and the other among our Army chiefs, to retail malignant or other gossip and so divert the nation from its high purpose in entering upon this war at the very time when the enemy's strength is decaying, when his armies, foiled and beaten on every front, are heart sore and weary with a conflict out of which the survivors of the men who fight get nothing and can hope to get nothing? Surely the utmost effort should be put forth to harmonise all sections of the community, to brace

the nation up to persevere to the successful end now in sight. That is not the opinion of Viscount Northcliffe, a man welcomed at the American Bankers' Convention last September as "the greatest living Englishman." He and his retainers hold the contrary opinion, and think now is just the time to commence what they would call a "stunt" in depreciation of Sir William Robertson, Sir Douglas Haig, the War Office "gang" generally, the whole, indeed, of those now responsible for directing the movements of our armies. It is indescribably shameful, and we cannot believe it possible, as most of the independent newspapers throughout the country appear to insinuate, that the Prime Minister can be behind it. For the whole proceeding seems to be inspired by treachery to all that is worthy in our purposes or capable of sustaining hope in the future of democracy. The treachery may be unconscious, like that of Mr. Arthur Henderson when this week he manoeuvred to foist a peace programme of an absurd description on the Nottingham Labour conclave, but it may be none the less harmful for that.

When an army has a fortified place in its grip, is it usual for the victorious besieger to keep worrying the besieged with suggestions as to the terms of surrender? Does he not usually wait for the besieged to make the first move? What did the Prussians do when they held Paris isolated from the world in 1871? Did they send in daily to ask the Parisians how and on what terms it would be agreeable for them to open the gates of their city? We rather think not, although before Paris was forced by the extremity of its hunger to give up its defence, the Prussians outside were in a far worse plight than any of the armies now besieging Germany are. It is for the besieged to climb down, not for us to encourage them in their still blatantly proclaimed conqueror's insolence, and climb down they must. Let them severely alone.

The next three months are critical and may prove to be the most anxious time of the whole war, the time in which may be determined whether the peace to come is to be a genuine peace between democracies, or a "deluding peace" patched up between the tyrants and their victims and dupes. Is this the time for us to jumble up the army commands, turn everything topsyturvy and "watch the fun"? The "stuntites" of Carmelite Street and Printing House Square may think so, but the nation does not, and the one prominent cause of the pessimism and almost despair which ravages Fleet Street and its purlieus is just this, that the thoughtful journalists there cannot feel confidence in the men at the head of affairs. However bold in words, some among our guides, it is felt, may wilt and fail us any day.

Whatever lies behind the latest "stunt" of the Harmsworths begun last Sunday by one of the minor "rags," as the *Westminster Gazette* courageously pointed out in an outspoken leader on Monday, it is characterised by all the usual trade marks. Filth is cast upon everybody, it is considered "good business" to besmear. Their character and judgment are assailed and their supersession is demanded in language that could not be bettered by the reptile Press of the Wilhelmstrasse. It may be true that Mr. Lloyd George is a convert to the "one supreme generalissimo" fad, and that the War Office and our supreme command oppose him, but that is no excuse for attacking these officers or the War Office itself in hoggish insolence. As little justification does it offer for a perversion of the truth about the performances of our armies under their present leaders during this war. The whole "raid" is infamous. One has but to have the most rudimentary acquaintance with the history of this war of three and a-half years to resent such depreciation. From the time when our little Army faced, with little but its rifles and bayonets, in the summer and autumn of 1914, the swarming hosts of Germany, armed to the teeth with the most powerful and perfect artillery ever constructed, down to our last battles before Ypres and Cambrai—yes, Cambrai, although the victory there was marred by some bungling which will doubtless be dealt with—our troops have never failed us, never been really

defeated. On the contrary, victory after victory has been won by them in the teeth of opposition, the most formidable and scientific that a nation trained from infancy upwards in the art of man-slaying and to passive obedience could devise. But had it been otherwise the present is not the time for helping the enemy.

There is no doubt a good deal of truth in the grumbling fashionable in all places where people congregate against the neglect of the new Army by the old. "Our Army is commanded by a Cavalry Club," we are told, "whose jealousy towards the 'new Army' and its officers bars the way to promotion, screens the incompetent—*vide* Cambrai—and keeps them in places they are not fit for." That is the case more or less always with all regular armies, called to work alongside the amateur. We are not sure, indeed, that Caius Julius Cæsar himself was not an "amateur," who suffered from the discontent and mutinies of men who considered themselves far more qualified than this mere patrician intriguer and politician was to lead hosts to victory. In this respect the War Office and its regular soldiers differ in no way from other trade unions—from the Union of Railwaymen, or the Amalgamated Society of Engineers, say, or from the Bar, University graduates, or doctors. All "trades unions" are alike in aiming at exclusiveness; but however deep the grievances may be in the case of the army, they offer no excuse whatever for the attitude assumed or the language employed by the gutter Press. Already, indeed, the alleged grievances are on the way to be remedied, and it may be that the "stunt" has been altogether organised upon early information that such was the fact. "We did it all." "But for us where would the country be now?" the stuntists will say, when all is over. It would not suit this type of journalism to deal with public affairs in a manner consonant with decency. They have to consider their *clientèle*, whose mental development renders it essential that everything should be exaggerated and distorted, totally without regard to any good or patriotic object whatsoever. Most citizens appear to agree with the newspapers not under sedative advertisement influence that it is time the exploits of this Apache kind of journalism should be restrained. We are not so sure. Would it not be best to ignore the gutter Press and keep our attention fixed upon the party leaders and intriguing politicians? A little plain speaking now and then in the House of Commons might be more valuable than reams of objugation and anathema hurled at Lord Northcliffe. He, we fancy, rather likes to be abused. It nourishes the belief in his "greatness."

What induced the Germans to send their champion battleship, the *Goeben*, and the smaller *Breslau*, out of the Dardanelles, we have not yet been told. It is hardly probable that they emerged to go to the help of "Tino the Dane," the traitor ex-Greek king. But we are glad they did pluck up courage to make a bolt of it, and that they have at last met the fate they deserve. Not improbably, things were getting very uncomfortable for the German crews as they lay in the Bosphorus or the Golden Horn, and it is likely enough that the desperate condition of the Turks in Palestine generated an idea amongst the Germans that they might successfully reach and work havoc among our ships engaged in supplying our armies there, but it does not much matter now. And it seems that our poor, despised fleet which has failed to sink all the German submarines in a month, still has some kick in it.

Last week was again in some degree comforting with regard to our losses of ships at sea by mine and submarine. The total of ships of 1,600 tons and upwards was five, one ship, making up the six in all returned, having been sunk in the week ended January 5. Two smaller vessels were also sent to the bottom, so that in all the ships destroyed numbered seven, as compared with six for the preceding week. Moreover, twice as many vessels, or six as compared with three, were unsuccessfully attacked last week. There are stories floating about that German submarines have begun to surrender, although there is nothing official to that

effect. A sequel of that kind would be a natural consequence of the mutiny of U-boat crews at Kiel recently reported by the correspondent of the *Daily Express* in Switzerland. The total number of ships entering and leaving our ports last week was 4,497, or 20% more than the number of the preceding week. Of this total 2,255 entered and 2,242 cleared. The French lost two large and one small vessel last week, and the Italians only one small sailing vessel. A steamer was unsuccessfully attacked.

Mr. Houston put the Secretary to the Admiralty, Dr. Macnamara, through a severe heckling in the House about our losses on Wednesday, but he did not succeed in bringing out any facts which really impugned the veracity of the Government. It seems, however, a fair inference to draw that the activity of the enemy's underwater craft has been much greater around the mouth of the Mersey and in St. George's Channel than it ought to have been allowed to be.

A debate also arose in the House on the same evening on the changes in course of execution in the composition of the Headquarters Army Staff, and some of the speakers gave expression to the Harmsworthian type of hostility to Sir Douglas Haig, &c. The whole display rather tended to confirm the suspicion expressed above, and Mr. Law's emphatic repudiation of the stunt Press's attitude seemed to many to mean much less than was said.

## Answers to Correspondents.

**A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.**

**Deposits against future queries may be lodged with the Publisher.**

E. B.—Take up the new shares by all means. The company is doing well.

H. H. M.—The prospects are improving. The market looks for higher prices. Traffics good. You should hold.

Gam.—As to buying to average we are doubtful, but the view is that the shares will go higher, so you should hold.

A. B. Z.—(1) There may be no immediate urgency, perhaps, but certainly the less you owe in the times ahead the better, no matter what the bank. (2) It depends. If the shares are excellent, there may be no urgency to sell, at the same time, we think that commodity has seen its best for some time, and it might be well to take a good profit when you have it. (3) No, nothing of the kind talked about so much, and to which you refer, is at all likely to happen. It would not be tolerated.

Downs.—(1) It is hoped that some distribution will be made. Traffics are quite good, and with increased rates the accounts should show some improvement. (2) These look fairly high now, though profits seem likely to continue good for the present. You might take your profit. (3) A fair speculative purchase, as the company must be doing well.

F. M. R.—It is tempting, and we think you should sell.

A. L. L.—The terms are quite good, and should be accepted.

Tower.—(1) This is under new control. Some of its assets begin to look more promising. (2) This also has some likely properties. After waiting so long we think you might retain both for the present.

J. K. R.—There cannot be any appreciable rise for a long time to come. You can certainly obtain higher interest, so sell.

P. T. M.—The 5 per cent. is the cheaper, and the more marketable.

R. D. F.—We think you should make the exchange, as there is a little capital advantage which will disappear if you hold until maturity.

A. G. C.—(1) The company is doing well. Its financial position is strong, and we see no reason to sell, as you could not easily find a similar investment as good. (2) Nor can we advise selling these, although the business is not likely to revive until after the war. There should be a good demand then for its product.

Euan.—It appears to have a future, as the property is well placed; but, it will be some years before it is sufficiently developed to yield dividends.

**Cotton Crop in South Africa.**—A few weeks ago Mr. W. H. Scherffius, chief of the cotton and tobacco division in South Africa, said that the last cotton crop was the largest yet produced in the Union, and that most of it has been sold to local buyers for manufacturing purposes in the Union. The crop amounted to 360,000 lbs. seed cotton, of which 210,000 represents lint, the price obtained for seed cotton being 2½d. to 3½d. lb., and for lint 9d. to 1s. per lb., as against 6d. and 8d. in previous years.

## Insurance News.

The official announcement with regard to the proposed fusion between the London Assurance Corporation and the British Law Fire Insurance Co. has now been issued, and a provisional arrangement has been entered into. The basis for an amalgamation of the two undertakings is as follows:—The London Assurance offers 4,000 partly paid ordinary shares of £25 each, with £12 10s. paid, the present market price of which is £60 a share; 250,000 £1 fully paid 6 per cent. cumulative preference shares, and £433,750 in War Loan or cash. Assuming the preference shares to be worth par, the total purchase consideration works out at £923,750, which is equivalent to £6 3s. 2d. for each of the 150,000 British Law Fire shares. The latter company has two classes of shares, 100,000 £10 shares with £1 paid, and 50,000 £1 fully paid shares, both standing at practically the same market price. For some years past the dividend on these shares has been 20 per cent. The consent of the Treasury Committee will have to be obtained to the fresh issue of capital required. Both companies will continue their business on present lines, and the amalgamation of interests should prove of advantage to all concerned, in view of the tendency of insurance, which for years past has been in the direction of transaction of all forms of business by composite offices.

The National Mutual Life Assurance Society is again the first life assurance society to publish its full annual report. During 1917 the gross new business exceeded that of 1916 by £14,844 at £228,204, but the net new business was lower by £21,256 at £173,604. Claims were £77,480 higher at £274,227, this increase following a decrease of £91,569 in the previous year. The expense ratio was a shade lower at 14 per cent. Stock Exchange securities showing a depreciation have been written down to selling prices on December 31, and no credit has been taken for any appreciation. Particulars are given of all securities held, the total standing in the books at £1,392,121, the selling price of which was £1,425,969. Accumulated funds amount to £2,892,598, a decrease of £62,568 on the year; the average rate of interest earned, excluding reversions, was £4 5s. 10d. per cent. nett. The corresponding average rate was £5 1s. 5d. per cent., or 5s. 1d. more than the yield in 1916. Attention is drawn to the fact that the society offers special facilities for the purchase of National War Bonds on the instalment plan.

It is expected that the new business of the Canadian life offices for 1917 will constitute a record total, in spite of the handicap of the war. The highest total so

far is £46,321,600 for the year 1913; for 1916 the total was £46,220,200.

For 1917 the gross income of the Abstainers and General Insurance Co. showed an increase of £9,200 at £177,448, and as the result of the year's operations the accumulated funds increased by £61,995 to £1,082,347. Life policies numbering 791 were issued assuring £198,641, the corresponding figures for the previous year being 924 policies for £221,611. The favourable mortality of the lives assured, which has been the unbroken record of the company, has been maintained, the number of deaths was 112 more, and the amount paid £17,942 more; 157 claims for £17,628 were directly caused by the war. The usual valuation falls due at the end of the current year; under existing circumstances the directors propose to defer their decision as to whether a valuation shall then be made. The usual dividend of 9 per cent. for the current year is recommended.

A Bill has been deposited by the directors of the Railway Passengers Assurance Co. for this session of Parliament to repeal the whole of the existing provisions, and to enact new ones, for the management and continuance of the company. The Bill preserves the powers conferred on the North British and Mercantile Insurance Co. in 1910 to merge the undertaking of the Railway Passengers in their business absolutely. The capital of the company is fixed at one million, in £10 shares, the whole of which is vested in the North British company.

## OILFIELDS PRODUCTION.

Black Sea Amalgamated.—Week ended Jan. 5, 5,320 tons.  
Bibi Eibat.—Week ended Dec. 16, 638 tons.  
European.—Week ended Jan. 6, 61,200 poods.  
Maikop Combine.—Week ended Jan. 5, 398 tons.  
Maikop Orient.—Plot 435a. Well 3: Week ended Jan. 10, 14,000 poods.  
Russian Petroleum.—Five weeks ended Dec. 29, 226,242 poods.  
United British of Trinidad.—Week ended Jan. 16, 3,367 tons.  
Ural Caspian.—Week ended Jan. 3, 2,142 tons, and week ended Jan. 10, 2,151 tons.

Major-General the Hon. Sir Newton Moore, late Agent-General for Western Australia, has joined the London board of directors of the Western Australian Insurance Co., Ltd., of 1, Queen Victoria Street, E.C., and 50, Cornhill, E.C.

The directors of the Clerical, Medical and General Life Assurance Society have appointed Mr. Noel Bridgman to be manager of their City branch, which has recently been moved from No. 1 to No. 8, King William Street, E.C. 4.

## PARR'S BANK LIMITED.



HEAD OFFICE:—

4, Bartholomew Lane, London, E.C. 2.

## CAPITAL.

Authorised	-	-	-	-	£15,000,000
Issued	-	-	-	-	£12,117,650
Paid up	-	-	-	-	£2,423,530
Reserve Fund	-	-	-	-	£2,100,000

Deposits (31st December, 1917) - £68,631,321

CECIL F. PARR, Chairman.

R. HUGH TENNANT, Deputy Chairman.

JOHN STEWART, General Manager.

J. C. ROBERTSON, Deputy General Manager.

F. W. INGALL, Assistant General Manager.

The Bank has 332 Branches in London and the Provinces, including:

LIVERPOOL	BIRMINGHAM	DERBY	ST. HELENS
MANCHESTER	BRISTOL	LEICESTER	WARRINGTON
BATH	CHESTER	LUTON	WIDNES
BEDFORD			WIGAN

## SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

**ASSETS exceed £11,000,000.**

FIRE (INCLUDING LOSS OF PROFITS), LIFE, ACCIDENT, ILLNESS, ANNUITIES, PENSIONS, LEASEHOLD, BURGLARY, CLASS BREAKAGE, TRANSIT OF SECURITIES, FIDELITY, PROPERTY OWNERS' LIABILITIES, HORSE DRIVING ACCIDENTS, MOTOR CAR RISKS, THIRD PARTY, EMPLOYERS' LIABILITY AND MARINE INSURANCES EFFECTED ON THE MOST FAVOURABLE TERMS.

Edinburgh: 35, St. Andrew Square.

London: 5, Walbrook, E.C. 4, and 4, St. James' St., S.W. 1.

## PHENIX ASSURANCE COMPANY LIMITED.

ESTABLISHED 1782.

Head Office: PHENIX HOUSE, KING WILLIAM STREET, LONDON, E.C. 4.

Total Assets Exceed £17,000,000.

Claims Paid Exceed £98,000,000.

Chairman—Rt. Hon. LORD GEORGE HAMILTON, P.C., G.C.S.I.

**FIRE. LIFE. ACCIDENT. MARINE.**

Loss of Profits following Fire, Workmen's Compensation, Fidelity Guarantee, Burglary, Trustee and Executor, &amp;c.

Prospectuses and Proposal Forms may be obtained on application to any of the Branch Offices or Agencies, or to the Head Offices.  
General Manager SIR GERALD H. RYAN.

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THAN YOU CAN PAY FOR OUTRIGHT, APPLY TO THE  
Clerical, Medical & General Life Assurance Society  
WHO HAVE

### An Attractive Scheme

UNDER WHICH THE BONDS CAN BE  
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15, St. James' Square, S.W. 1.

Telephone: REGENT 1135.

## The Investors' Review.

### Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on  
Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Why did the Government boggle so over those Russian Treasury bills? It was not worth while to assume an attitude which everybody would characterise as mean. Russia could not pay the bills in her present circumstances, although when order again emerges out of chaos her resources are ample for these and all other liabilities. Therefore, as the bills, amounting to some £17,500,000, £10,000,000 of which were Russian Treasury bills, had been issued here under the sanction and responsibility of the British Government, the only honourable and straightforward course to pursue was for our Chancellor of the Exchequer to have said to the holder: "We accept the liability, and will pay." The bills and advances will be extended for another year, and the extension renewed again if necessary at the end of that term, at the same rate of interest as was originally paid, or at as near that rate as the state of the money market warrants." That would have been the straightforward and honourable course to pursue, but Mr. Law's advisers seem to have thought that they had a chance of saving a few pounds by taking advantage of an extremity, and so they offered to take over the documents falling due, and to give in exchange for them 3 per cent. Exchequer bonds at par. How much would they save by this pettifogging transaction? Enough to be compensation for the meanness of it?

Naturally enough much dissatisfaction has arisen in the Money market over the terms of the Government's offer to acknowledge a "certain moral responsibility" with regard to these bills. On Monday a meeting of bill brokers, bankers, and other financial interests, numbering between 40 and 50, was held, at which it was unanimously agreed that the complete facts as to the situation had not been placed before the Chancellor of the Exchequer before he came to his decision, and it was also decided to form a small committee to submit a statement to Mr. Bonar Law. Some holders of the bills have written off their loss, and others are able to make good their loss by a deduction from excess profits duty. But the fact remains that many holders are not in that happy position, and to them the loss of 20 per cent. is a serious matter. It is argued that since the Russian bills were issued through the Bank of England, with the approval of the Government, at about the same rate as the British Government was paying for short debt, and as it had been announced that the Allies had agreed to pool their resources, the "moral responsibility" is unquestioned. The market takes the view that if the value of "moral responsibility" is only 80 per cent., morality must stand at 20 per cent. discount in allied finance. In view, also, of the fact that these bills were issued to repay the Government the funds it had lent to Russia, the effect of the Government offer is to shift a part of the burden on to the shoulders of a few individuals. This attitude is unfortunate at a time when the British Government is meeting in full the coupons on Russian loans, and when the Japanese Government and the American Government are actually paying Russian bills issued in their respective countries at par. It cannot redound to the credit of the British Government to default to the extent of 20 per cent. on a liability for which it admits a moral responsibility, and we hope the decision will be reconsidered before greater harm is done.

It is quite a topsy-turvy world we are living in. Some twelve years or so ago Japan had plunged so deeply into debt to the British public owing to its stupendous war with Russia that people here began to be afraid lest the poor population of the Japanese islands would not be able to meet all their engagements in full, and were only reassured when they saw with what perfect skill and precision Japanese statesmen and administrators managed the country's financial affairs. No public debt ever has been controlled and provided for with the logical precision and skill of the Japanese, and now that Empire begins to get its reward, for it is able to grant a loan to our Government. The amount is to be for £10,000,000 nominal, or \$50,000,000, and will be represented by British yearling Treasury bills for 80,000,000 yen. These bills will be issued in Japan at a discount of 5½ per cent., and will at first be taken up by the Japanese Government Savings Banks, to be afterwards placed by the Government on the market. Of the proceeds the Japanese Government have remitted \$40,000,000 to New York, and the balance of \$10,000,000 is to be exchanged for a rupee credit given by our Government to the Japanese Government. This is probably only the first of a series of such transactions, for our extremity should offer Japan valuable opportunities for accelerating the reduction of the external debt. Already much has been effected in that way by utilising the large credits which Japanese trade with us and our Allies provides in steadily buying up the debt in the London market.

Interesting facts were submitted on Tuesday to the Norwegian Storting with regard to the Budget. The ordinary expenditure is put down at £18,000,000, and the extraordinary at £3,500,000. In spite of the increased revenues of the year, the National Debt has been increased by about £4,500,000. Expenditure not included in the Budget, but entailed by the maintenance and defence of the country's neutrality since the beginning of the war has totalled £6,150,000. The *Times* correspondent goes on to say that the ordinary expenditure has been doubled within the last five years, chiefly because of the steadily rising cost of labour and raw

materials, particularly owing to the increase in the price of coal. Railway expenditure has also increased enormously in spite of the fact that the fares have been raised considerably.

Throughout the week money has been more or less in demand. That is not to be wondered at when we see the enormous masses of it now being gathered into the Treasury. In the old days such a stream of revenue would have pinched the open Money market to agony point, and made it lean heavily on the Bank of England. Now such is the abundance of credit, the collection of the taxes has made a difference of, perhaps,  $\frac{1}{4}$  per cent. in the discount rate for 60-day bank bills, and call money has sometimes been  $\frac{1}{2}$  per cent. dearer, as per our table.

There has been no real scarcity of credit, and the Bank return shows that no great pressure has arisen at the Bank of England. The changes, indeed, are remarkably small. Other deposits have risen £2,850,000, just because other securities are £2,936,000 higher. It may be that this is only the beginning of a heaping up of market liabilities to come between now and April, but it is useless to guess about it, everything is so abnormal. Other changes in the Bank return are even more insignificant. The reserve is again up £249,000, but, owing to the increase of more than £3,000,000 in the total liabilities, its proportion to these is  $\frac{1}{2}$  down at 19 $\frac{3}{4}$  per cent.

Private advices indicating the probability of the Russians breaking off negotiations with the Germans has caused a relapse in the Scandinavian exchanges. Both Copenhagen at 15.20 kr. and Stockholm at 14.00 kr. are 15 points lower, while Christiania has fallen 10 points to 14.55 kr. The lira has depreciated rather sharply in value, and the pound sterling can now purchase 40.17 $\frac{1}{2}$  lire as against 39.95 lire a week ago. Petrograd is now nominally quoted at 360. The Spanish exchange has moved slightly in our favour on an expectation that Lord Cunliffe's visit to Madrid will shortly result in an announcement of a Spanish credit for the Allies. Pesetas are now quoted at 19.59 $\frac{1}{2}$  to the pound. The Swiss exchange has relapsed 15 points to 21.05 fr. Montreal exchange has eased to \$4.80.

It is announced from New York that the United States Treasury began on Wednesday to sell \$400,000,000 of 4 per cent. certificates of indebtedness. They mature on April 22, and are the first of a series to be issued in anticipation of the third Liberty Bond, into which the certificates will be convertible. The Governor of the Boston Federal Reserve Bank, says the New York correspondent of the *Times*, has asked the New England banks to subscribe weekly to these certificates 1 $\frac{1}{2}$  per cent. of their total resources.

Many interesting things have been said by the chairman and other speakers at the meetings of bank shareholders this week, and we should have been delighted had it been possible to make room as usual for extracts from the speeches. Unfortunately the costs of paper and printing have risen with such severity as to compel us to deny ourselves and our readers that satisfaction. Therefore, we shall reserve until next week the article dealing with these bank meetings, and with some of the most interesting subjects then brought under review. Already a full and careful analysis of all the reports as issued had been given, but there are many things outside the dry figures of a balance-sheet which demand attention, and are full of interest. There is, for instance, the funding of the floating debt in Treasury bills, the speculations of theorists and the anxieties of the wealthy over the "conscription of capital" gossip, and the delicate subject of currency inflation, besides all those practical subjects dealing with the revivification and expansion of our trade when peace comes back, the consequences of the amalgamations which have been taking place, the new and more international position our banks are assuming in the handling and control of the world's commerce and development, with many other topics of interest.

#### SILVER.

The silver market has been easy throughout the week, and the price closed last night at 43 $\frac{3}{4}$ d. per oz. A week

ago it was 44 $\frac{1}{4}$ d. The end of the drop may not yet be in sight, for Mocatta's circular tells us that offerings of the metal from New York have been large, and the inference is drawn that the Washington Treasury "may be considering the advisability of realising some of the \$400,000,000 silver held against silver certificates and issuing Federal reserve notes of \$1 and \$2 in their place." We should doubt whether that change will be made in haste, but as the China exchange continues to weaken, preventing any buying from that quarter, it does not seem probable that the silver market will harden much at present. According to Montagu's circular, the stock of silver in Bombay on January 15 was 300 bars lower than the week before at 3,400 bars. In Shanghai on January 19 the stock was 2,200,000 ozs. up at 27,700,000 ozs. in bullion and \$100,000 higher in coin at \$13,100,000.

Applications for the Rs. 60,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,19,55,000. Of these Rs. 55,40,000 were allotted in deferred transfers, and Rs. 4,51,000 in immediate transfers. Tenders for bills and deferred transfers at 1s. 4 29-32d. and for immediate transfers at 1s. 5d. received about 27 per cent. Since April last Rs. 32,20,00,000 have been sold, realising £26,878,696. Next week 60 lakhs will again be offered.

#### BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, January 23, 1918.

##### ISSUE DEPARTMENT.

	£		£
Notes Issued .. ..	76,233,035	Government Debt .. ..	11,015,100
		Other Securities .. ..	7,434,900
		Gold Coin and Bullion ..	57,783,035
		Silver Bullion .. ..	—
	£76,233,035		£76,233,035

##### BANKING DEPARTMENT.

	£		£
Proprietors' Capital ..	14,553,000	Government Securities ..	56,839,851
Reserve .. ..	3,377,302	Other Securities .. ..	95,214,194
Public Deposits (including		Notes .. ..	31,010,130
Exchequer, Savings		Gold and Silver Coin ..	1,131,651
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	41,814,592		
Other Deposits .. ..	124,440,103		
Seven Day and other Bills	10,829		
	£184,195,826		£184,195,826

Dated January 24, 1918.

J. G. NAIRNE, Chief Cashier

##### BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. Jan. 24.		Jan. 16, 1918.	Jan. 23, 1918.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,471,374	Rest .. ..	3,377,302	3,377,302	14,715	—
50,721,310	Pub. Deposits ..	41,814,592	41,814,592	398,440	—
139,231,596	Other do. ..	121,589,300	124,440,103	2,850,743	—
26,539	7 Day Bills ..	18,243	10,829	—	7,414
	Assets.			Decrease.	Increase.
133,879,476	Gov. Securities.	56,763,151	56,839,851	—	71,700
37,836,208	Other do. ..	92,278,457	95,214,194	—	2,935,737
36,288,135	Total Reserve ..	31,892,728	32,141,781	—	249,053
				3,263,904	3,263,904
				Increase.	Decrease.
£	Note Circulation	£	£	£	£
38,784,905	Coin and Bullion	45,325,380	45,222,905	—	102,475
56,623,040	Proportion ..	58,768,118	58,914,066	—	149,578
19 1 p.c.	Bank Rate ..	19 6 p.c.	19 3 p.c.	—	3 p.c.
5 $\frac{1}{2}$ "		5 "	5 "	—	—

#### LONDON BANKERS' CLEARING.

Date.	1917.	1916.	Increase.	Decrease.
	£	£	£	£
December	1,439,206,000	1,204,438,000	234,768,000	—
Total ..	19,121,196,000	15,275,040,000	3,846,156,000	—
	1918.	1917.		
January 2	400,652,000	389,111,000	11,541,000	—
" 9	455,066,000	371,202,000	78,354,000	—
" 16	400,636,000	350,053,000	50,573,000	—
" 23	403,782,000	360,122,000	43,660,000	—
Total ..	1,658,126,000	1,475,998,000	184,032,000	—

## CURRENCY NOTES.

Return of Currency Notes for the week ended January 23, 1918.

	Issued.	Cancelled.	Outstanding.
£1 notes .. .. .	£ 3,310,600	£ 3,300,428	£ 152,374,397
10s. notes .. .. .	975,655	1,234,239	36,618,584
Note certificates .. .. .	100,000	450,000	21,150,000
Previous total .. .. .	807,327,661	596,586,469	210,741,394
	811,714,118	601,571,136	210,142,981

Ratio of gold held against notes, this week 15.06 p.c.; last week 15.3 p.c.

## PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended Jan. 19.)

REVENUE.	EXPENDITURE.
Customs .. .. .	National Debt Service .. 8,342,934
Excise .. .. .	Inter st. &c., on War Debt .. 767,151
Estate, &c., Duties .. .. .	Development & Road Impvt .. —
Stamps .. .. .	Payments to Local Taxation .. 79,000
Land Tax and House Duty .. 250,000	Other Consolidated Fund .. —
Property and Income Tax .. 12,976,000	Charges .. .. .
Excess Profits Tax .. .. .	Supply Services .. .. .
Land Values .. .. .	Bullion Advances .. .. .
Post Office .. .. .	For Advance for Interest .. 50,000
Crown Lands .. .. .	on Exchequer Bonds under ..
Sundry Loans .. .. .	Capital Expenditure ..
Miscellaneous .. .. .	(Money) Act, 1904 .. .. .
Bullion advances repaid .. 200,000	For Treasury Bills .. .. .
For Treasury Bills for Supply .. 53,721,000	War Loan and Exchequer ..
5% Exchequer Bonds, 1922 .. —	Bonds .. .. .
6% Exchequer Bonds, 1920 .. —	Other Debt under War Loan ..
National War Bonds .. .. .	Acts, 1914-16 .. .. .
War Expenditure Certificates .. 2,600,000	For Exchequer Bonds under ..
War Savings Certificates .. 2,600,000	Section 61 of Finance Act, ..
4% War Loan, 1929-1942 .. —	1916, and Section 34, 1917 ..
5% War Loan, 1929-1947 .. —	Under Telegraph (Money) ..
Other Debts created under ..	Act, 1913 .. .. .
War Loan Act, 1915, and ..	Under Post Office (Lon- ..
Finance Act, 1916 .. .. .	don) Railway Act, 1913 ..
Telegraph Money Act, 1913 .. —	Under Military Works Acts ..
Under Post Office Rly. Act, ..	Under Housing Act, 1914 ..
1913 .. .. .	Public Buildings Expendi- ..
Under Military Works Act, ..	ture Act, 1903 .. .. .
1897-1903 .. .. .	Old Sinking Fund, 1907-8 ..
Under Public Buildings .. —	Sinking Fund, 1914 .. .. .
Under Housing Act .. .. .	China Indemnity .. .. .
Repayment of Advance for ..	East African Loan .. .. .
Interest on Exchequer ..	Cunard Agreement Act .. ..
Bonds .. .. .	Depreciation Fund .. .. .
China Indemnity .. .. .	Suez Canal Drawn Shares ..
East Africa Loan repay- ..	Temporary Advances Repaid ..
ments .. .. .	Increase in Exchequer ..
Suez Canal Drawn Shares ..	balances .. .. .
Ways and Means Advances .. 5,000,000	
Decrease in Exchequer ..	
balances .. .. .	
£128,789,236	£128,789,236

\*Excluding sales through banks which have not yet been brought to account.

## FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Dec. 28, 1917.	Dec. 21, 1917.	Dec. 29, 1916.
Gold coin and certificates ..	99,983,400	104,870,000	56,317,600
Gold Settlement Fund ..	63,504,000	60,908,800	34,094,200
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks ..	173,987,400	176,280,800	90,411,800
Gold with Federal Res. Agent ..	156,370,200	149,614,400	56,504,600
Gold Redemption Fund ..	3,800,000	3,556,400	339,800
Total gold reserves ..	334,226,600	329,108,000	147,247,200
Legal tender notes, silver, &c. ..	9,027,000	4,625,400	3,507,000
Total reserves ..	344,153,600	333,734,000	150,754,800
Bills discounted—Members' ..	1,614,200	138,701,800	6,039,200
Bills bought in open market ..	55,973,200	55,588,600	28,411,400
Total bills on hand ..	191,144,400	194,280,400	31,533,000
U.S. Gov. long-term sec. ..	9,670,000	10,087,600	8,849,400
U.S. Gov. short-term sec. ..	11,776,600	11,626,000	2,233,400
Municipal warrants ..	201,000	220,400	1,795,000
Loans on gold coin and bullion ..	—	—	—
Total earning assets ..	212,862,000	216,224,400	44,410,400
Due from other Fed. Res. bank ..	2,387,200	8,275,000	9,391,600
Uncollected items ..	60,221,400	64,714,800	—
Total deducts. from gross dep. ..	62,603,600	72,989,800	9,391,600
5% Red. Fund ag Fed. Res. bkts ..	107,400	107,400	80,000
All other resources ..	561,600	535,600	1,247,000
Total resources ..	620,912,000	628,912,000	205,889,800
Capital paid in ..	14,088,400	13,970,400	11,139,300
Government deposits ..	21,647,600	44,352,200	17,397,400
Due to members—Res. account ..	290,633,200	277,866,800	—
Due to non-mbrs—clearing ac. ..	—	—	133,757,200
Members' bank deposits—nett ..	38,338,600	41,163,800	—
Collection items ..	—	2,851,600	—
Total gross deposits ..	354,207,400	366,254,400	139,524,600
F.R. notes in actual circulat'n ..	249,297,600	245,528,400	55,070,600
F.R. bk. nts in circn—nett liab. ..	1,600,000	1,600,000	—
All other liab. in for Gov. crdts ..	1,100,000	1,238,000	155,600
Total liabilities ..	620,244,200	628,591,200	205,889,800
Gold res. ag nett deposit liab ..	59.7%	60.1%	69.9%
Gold & lawful money reserve ..	63.1%	63.4%	72.2%
Gold res ag F.R. nts in act circ ..	64.4%	62.2%	103.2%

## NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Jan. 19, 1918.	Jan. 12, 1918.	Jan. 5, 1918.	Jan. 20, 1917.
Loans .. .. .	£ 814,310,000	£ 818,168,000	£ 825,988,000	£ 685,484,000
Reserve held in own Vaults ..	4,082,000	4,074,000	3,990,000	109,278,000
Reserve held in Fed. Res. Bk. ..	106,906,000	106,406,000	104,616,000	38,870,000
Cash in own Vaults ..	24,706,000	23,334,000	22,416,000	—
Reserve held in Other Depos. ..	1,790,000	1,790,000	1,776,000	11,246,000
Nett Demand Deposits ..	746,290,000	737,986,000	720,240,000	706,248,000
Nett Time Deposits ..	39,497,000	39,582,000	38,566,000	32,768,000
Circulation .. .. .	6,510,000	6,816,000	6,810,000	5,740,000
Excess Lawful Reserve ..	13,254,000	13,852,000	14,324,000	37,392,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

## NEW YORK STATE BANKS &amp; TRUST COMPANIES (dollar at 4s.).

	Jan. 19, 1918.	Jan. 12, 1918.	Jan. 5, 1918.	Jan. 20, 1917.
Loans .. .. .	£ 164,250,000	£ 160,592,000	£ 163,090,000	£ 149,038,000
Specie .. .. .	3,566,000	3,432,000	3,672,000	12,650,000
Deposits .. .. .	169,492,000	167,292,000	168,514,000	160,442,000
Legal Tenders .. .. .	14,926,000	15,588,000	15,428,000	2,016,000

## BANK OF FRANCE (25 francs to the £).

	Jan. 24, 1918.	Jan. 17, 1918.	Jan. 10, 1918.	Jan. 25, 1917.
Gold in hand .. .. .	£ 132,941,880	£ 132,880,760	£ 132,816,320	£ 132,076,040
Silver in hand .. .. .	9,916,760	9,834,880	9,844,360	11,278,800
Bills discounted .. .. .	35,751,500	35,534,920	38,328,630	27,775,000
Advances .. .. .	48,301,680	48,312,080	48,700,240	50,505,960
Note circulation .. .. .	926,505,300	922,500,160	919,311,680	693,127,920
Public deposits .. .. .	2,401,720	1,922,600	6,260,560	1,972,080
Private deposits .. .. .	113,407,120	114,283,080	107,879,200	92,188,360
Foreign Bills .. .. .	516,360	209,960	191,960	210,410

Proportion between bullion and circulation 24.11 per cent., against 24.30 per cent. last week. Advances to the State £506,000,000, unchanged. The adjusted payments of drafts in Paris on account of the moratorium £20,035,080, decrease £53,360, and at the branches £25,159,400, decrease £45,600.

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	Jan. 15, 1918.	Jan. 7, 1918.	Dec. 31, 1917.	Jan. 15, 1917.
Total Coin & Bullion ..	£ 125,989,350	£ 125,878,150	£ 129,396,800	£ 126,078,700
Treasury Notes .. .. .	64,968,700	66,951,650	65,239,500	13,599,400
Bills discounted .. .. .	60,679,200	658,320,900	729,805,300	430,725,750
Advances .. .. .	338,050	334,050	255,550	418,850
Note circulation .. .. .	552,197,300	557,163,250	573,387,450	396,312,200
Deposits .. .. .	329,954,100	311,520,750	402,514,450	195,874,500

Clearing House return during December £487,637,705, against £424,889,705 in November.

## BANK OF NORWAY.

	Jan. 7, 1918.	Dec. 31, 1917.	Dec. 22, 1917.	Jan. 8, 1917.
Gold .. .. .	£ 6,413,000	£ 6,414,000	£ 6,274,000	£ 6,631,000
Balance abroad and ..	—	—	—	—
Foreign Bills .. .. .	4,768,000	4,844,000	4,816,000	4,577,000
Govt. Securities .. .. .	715,000	717,000	717,000	767,000
Discounts & Loans ..	21,503,000	22,388,000	21,095,000	8,378,000
Notes in Circulation ..	17,394,000	17,985,000	18,330,000	13,272,000
Deposits at notice ..	11,938,000	12,179,000	11,069,000	8,232,000

## BANK OF SPAIN (25 pesetas to the £).

	Jan. 12, 1918.	Jan. 5, 1918.	Dec. 29, 1917.	Jan. 13, 1917.
Gold .. .. .	£ 78,690,479	£ 78,680,107	£ 78,672,630	£ 50,875,980
Silver .. .. .	28,296,124	28,294,329	28,421,539	29,037,751
Foreign Bills .. .. .	3,613,878	3,632,389	3,575,063	3,498,621
Discounts and Short Bills ..	28,971,099	29,520,743	29,051,306	26,984,193
Treasury Account, &c. ..	26,825,713	26,801,509	26,801,509	27,054,470
Notes in Circulation ..	112,746,814	112,542,176	111,313,516	95,248,925
Current Accounts, Deposits ..	38,178,587	38,030,377	38,046,135	30,269,589
Dividends, Interests, &c. ..	2,507,058	2,582,760	1,090,447	2,113,371
Government Securities ..	1,799,075	2,025,557	2,854,481	1,814,948

## BANK OF SWEDEN.

	Dec. 29, 1917.	Dec. 22, 1917.	Dec. 15, 1917.	Dec. 30, 1916.
Gold .. .. .	£ 13,580,000	£ 13,074,000	£ 12,831,000	£ 10,195,000
Balance abroad and ..	—	—	—	—
Foreign Bills .. .. .	7,123,000	6,973,000	6,934,000	8,704,200
Swedish and Foreign ..	—	—	—	—
Govt. Securities .. .. .	4,440,000	4,440,000	4,440,000	3,495,000
Discounts and Loans ..	16,751,000	16,146,000	14,200,000	9,835,000
Notes in circulation ..	30,893,000	31,037,000	29,564,000	23,195,000
Deposits at notice ..	11,324,000	10,212,000	9,520,000	8,245,000

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	Jan. 22, 1918.		Jan. 24, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam .. .. .	Cable transfers .. .. .	10.77	10.82	10.72	10.77
.. .. .	Three months' bills .. .. .	10.95	11.05	10.85	10.95
Paris .. .. .	Cable transfers .. .. .	27.14	27.19	27.13	27.18
.. .. .	Three months' bills .. .. .	27.53	27.58	27.53	27.58
Switzerland .. .. .	Cable transfers .. .. .	21.00	21.10	21.07	21.17
.. .. .	Three months' bills .. .. .	21.35	21.45	21.42	21.52
Petrograd .. .. .	Cable transfers .. .. .	360	365	355	365
Genoa, &c. .. .. .	Cable transfers .. .. .	39.95	40.05	40.15	40.25
Spain .. .. .	Cable transfers .. .. .	19.53	19.63	19.60	19.70
.. .. .	Three months' bills .. .. .	572	582	573	582
Lisbon and Oporto .. .. .	Cable transfers .. .. .	292	292	292	292
Copenhagen .. .. .	Cable transfers .. .. .	15.13	15.23	15.18	15.28
Christiania .. .. .	Cable transfers .. .. .	14.50	14.60	14.50	14.60
Stockholm .. .. .	Cable transfers .. .. .	13.06	13.06	13.00	13.10

## OPEN MARKET DISCOUNT.

	Last week	This week
Thirty and sixty day remitted ..	36-4 ..	36-4 ..
Three months .. .. .	4-10 ..	4-10 ..
Four months .. .. .	4-10 ..	4-10 ..
Six months .. .. .	4-10 ..	4-10 ..
Three months fine inland bills ..	4-5 ..	4-5 ..
Four months .. .. .	4-5 ..	4-5 ..
Six months .. .. .	4-5 ..	4-5 ..

## BANK AND DEPOSIT RATES.

	Last week	This week
Bank of England minimum discount rate ..	5 ..	5 ..
.. .. . short loan rates ..	.. ..	.. ..
Bankers' rate on deposits .. .. .	3 1/2 ..	3 1/2 ..
Bill brokers' deposit rate (only) ..	3 1/2 ..	3 1/2 ..
.. .. . 7 and 14 days' notice ..	3 1/2 ..	3 1/2 ..
Current rates for 7 day loans ..	3 1/2 ..	3 1/2 ..
.. .. . for call loans ..	3 1/2 ..	3 1/2 ..

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques	Francs to £1	25.22½	27.10	27.14½
Amsterdam, cheques	Florins to £1	12.107	10.80	10.74½
Italy, sight	Lire to £1	25.22½	39.95	40.22½
Madrid, sight	Pesetas to £1	25.22½	19.80	19.70
Lisbon, sight	Pence to milreis	53½d.	29½d.	29½d.
Switzerland, sight	Francs to £1	25.22½	21.02½	21.10
Christiania, sight	Kroner to £1	18.159	14.50	14.57
Stockholm, sight	Kroner to £1	18.159	13.95	14.02½
Copenhagen, sight	Kroner to £1	18.159	15.2½	15.24
Petrograd, sight	Roubles to £10	94.57	365	365
Alexandria, sight	Piastres to £1	97½	97½	97½
Bombay, T.T.	Sterling to rupee	1/4	1/4½	1/4½
Calcutta, T.T.	Sterling to rupee	1/4	1/4½	1/4½
Hong Kong, T.T.	Sterling to dollar	—	3/0½	2/11½
Shanghai, T.T.	Sterling to tael	—	4/4½	4/4½
Singapore, T.T.	Sterling to dollar	—	2/4½	2/4½
Yokohama, T.T.	Sterling to yen	24.58d.	2/1½	2/1½
New York, cable	Dollars to £1	4.86½	4.76½	4.76½
Buenos Aires, T.T.	Pence to dollar	47.58d.	51½d.	50½d.
Valparaiso, 90 days	Pence to peso	—	13½d.	13½d.
Montevideo, T.T.	Pence to dollar	51d.	58½d.	59d.
Rio de Janeiro, 90 days	Pence to milreis	16d.	13½d.	13½d.

## The Week's Stock Markets.

It cannot be said that there has been very much to encourage markets this week. What may happen in Russia no one can foresee, and although it is certain that ultimately the country will emerge successfully from the present conditions of chaos and anarchy, there may be a longish road to travel before any semblance of order is restored. Some people think that we are not such a great deal better off here, with the House of Commons almost completely muzzled for all practical purposes, and the gutter-press apparently supreme in the counsels of the War Cabinet. But when thieves fall out honest folk may come by their own, and when we look below the superficial bluff of the moment and think of the relationships that must exist between the Junker, the Austrian, the Hungarian, the Turk, and the Bulgar, there ought to be plenty to hearten us. Of course, business on the Stock Exchange has necessarily been affected to some extent by the great success of the Tank efforts to obtain war subscriptions in the provinces; and there is not much to go for at present in any of the more speculative sections. The first Home Railway dividends were just what had been expected, and they had no appreciable effect. Among Breweries, something of a sensation was caused by the City of London dividend announcement, but it had little influence outside the stocks immediately concerned. Some Industrial shares still met with a good deal of support, but the Rubber market, which has held the leading place for a long time past, has relapsed into a condition of dulness and indifference which will require some sharp stimulus to overcome. The Argentine Railway market has been about the best of the lot in some respects, owing to the smart recovery in traffics, but the labour troubles are not yet all settled, and we must wait a little longer to see to what extent the mass of the people or their leaders have been affected by Luxburg principles.

Just about a moderate average amount of business has been done on the Stock Exchange this week, and, on the whole, the tone has been rather uncertain. To begin with, the active "Tank" campaign for the War Bond subscriptions in the provinces has undoubtedly withdrawn a certain amount of money that would otherwise have come to Throgmorton Street, and, on the other hand, the Russian news and a certain amount of political unsettlement at home has been an adverse factor. Among gilt-edged stocks, the War Loans, Consols, the Irish Land, and County Council have all given way fractionally, but Bank of England stock gained a point. Colonial issues started off with a considerable amount of strength on a small investment demand, but except for one or two New South Wales issues the gains were usually limited to ¼ or ½. In the Foreign division, Russians have naturally been most prominent, and they have persistently fallen point by point almost every day, the total declines beginning to look decidedly serious. Towards the end the feeling was a trifle more hopeful, but it did not affect quotations appreciably. Spanish 4 per cents. gained a point, and, curiously enough, Bulgarian 6 per cents. jumped 3, but whether this is an indication of what may probably eventuate in the Balkans in the near future it is impossible to say. Chilean 5 per cents., Peruvian Government, and Uruguays all made a forward movement.

Home Rails began the week well, but afterwards reacted, and became perfectly stagnant. In anticipation of the first dividend

	Last Week	This Week		Last Week	This Week
Consols	55	54	N.S.W. 4½% 3 yr. bds.	98½	99
War Loan 3½%	86½	86½	" 4½% 1922-7	90	90
" 4½%	99½	99½	" 5% 1921-3	95	97
" 5% 1929-17	93½	93½	" 5½% 1920-2	97	98
" 4½% 1919-12	101½	101½	New Zealand 4½% 1929	85½	86
India 3½%	55½	55½	Queensland 4½%	80½	80½
" 3½%	64½	64½	" 4½% 1920-5	93	94
Australian 5½% 1920-22	97½	97½	Union of S. Africa 4½% 1920-5	91	92
Canada 4½% 1940-60	81½	81½	Victoria 4½% 1920-5	93	94
" 4½% 1920-5	93	93	Westn. Aus. 4½%	79	79
N.S.W. 4½% 1933	81½	81½	French War Loan, 5%	79½	79½
Argentine 4½% 1900	67	67½	Japan 4½% (1st), 1905	99	99
Belgian 3%	63	63½	" 5% 1907	91½	92
Brazil, 1913	70	70	Mexican 5%, 1899	60	60
" 5% 1914	80½	80½	Russia 4½%	41½	37½
Chinese 1896	94	94	" 4½% 1909	42	31½
" 1912	83	83	" 5% 1906	51½	48½
Egypt Unified 4½%	85	85	London and N.-W.	92½	93
Caledonian defd.	9	8½	London and S.-W. defd.	24½	24½
Gt. Central pld.	13½	13½	Do red. pf. 1914	94	94
" defd.	63	61	Metropolitan	23½	23½
Gt. Eastern	36½	36½	Do. 5% pf.	77	77
Gt. Northern defd.	37½	38	Met. District	15½	15½
Gt. Western	86	87	Midland defd.	58½	59
Lancs. and Yorks.	66	67½	Nth. British defd.	137	14
London Brighton defd.	60	60	Nth.-Eastern	98½	98½
London Chatham ord.	88	88	Sth.-Eastern defd.	30	30
Canadian Pacific	160	160	Chesapeake	56	56
E. Indian Guar. 4½% debts.	84	84	Erie	21½	21½
Grand Trunk ord.	98	98	Southern	25	25½
Do. 1st pf.	53	53			
Do. 3rd pf.	21½	21½	Cent. Argentine ord.	59½	60
Antofagasta defd.	132	132½	Leopoldina	38	39
Brazil Common	5	5	Mexican ord.	19½	18½
B. A. & Pacific	39½	40	San Paulo (Brazilian)	181½	182
B. A. Gt. Southern	74½	75	United of Havana	75	75
B. A. Western	70½	72	London City & Midland	8	8
Anglo-South American	7½	7½	London County & West.	15½	15½
Bank of Australasia	117	117	London Joint Stock	24½	24½
Bank of N.S. Wales	35½	36	Nat. Prov. of Eng. (£104 pd)	26½	26½
Barclay & Co. "A"	78	78	Do. (£12 pd)	30½	30½
Do. "B"	124	124	Parr's	31	31½
Capital & Counties	25	25	Standard of S.A.	11	11
Chartered of India	68½	68½	Union Discount	10½	10½
Hongkong & Shanghai	88	88	Union & Smiths	27½	27½
Lloyds	25	25	Kynochs	36½	37½
London & Brazilian	24	24½	Mond Nickel ord.	32	32½
Armstrong, Whitworth	42½	41½	South Durham Steel	40½	41½
Birmingham Small Arms	54½	54	Thornycroft	40½	40½
Cammell-Laird	66	7	Vickers	43½	42½
Cargo Fleet	24½	24½			
Dorman, Long	45½	40½	Fine Cotton Spinners	37½	36½
Associated Cement	32	32	Forestral Land	48½	47½
Borax defd.	39½	42½	Furness, Withy	60½	60½
Bovril	20½	21½	Harrods Stores	22	22
Brazil Traction	46½	45½	Hudson's Bay	72	72½
British Amer. Tobacco pf.	18½	18½	Imperial Tobacco "C" pf.	33	33½
British Aluminium	33½	33½	Lever Bros. "C" pf.	19½	19½
British Oil & Cake	31½	33½	Lyons, J.	31½	31
Brunner, Mond	42	42	Marconi	38	38
Casner-Kellner	3½	3½	Maypole Dairy defd.	20½	20½
Coats	68	68	National Steam Car.	17	17
Courtaulds	7	6½	Pears, A. & F.	18½	18½
Cunard	4½	4½	P. & O. defd.	34½	34½
Dennis Bros.	35½	35½	Royal Mail	125	125
Eastern Telegraph	151½	151½	Underground Inc. Bds.	82	81½
Eastmans	9½	9½			
English Sewing Cotton	56½	56½			
Anglo-Egyptian "B"	28½	29½	North Caucasian	16½	16½
Baku (10s.)	1½	1½	Romanian Cons.	9½	9½
Burmah	7½	7½	Royal Dutch (100 gulden)	58½	58½
Lobitos	22	22	Shell	58½	58½
Maikop Pipeline	3½	3½	Spies (10/-)	71	6½
Mexican Eagle pf.	63½	63½	Ural Caspian	28	28
Allagar 2½-	3¼	3¼	Perak 2½-	7½	7½
Anglo-Java Rub. 2½-	7½	7½	Port Dickson 2½-	4½	4½
Anglo-Malay 2½-	14½	13½	Rub. Estates Johore 2½-	43½	43½
Ayer Kuning 2½-	51½	50½	Rub. Estates Krian 2½-	4¼	4¼
Batang Malaka 2½-	4½	4½	Rubber Trust 2½-	29½	28½
Bekoh 2½-	4½	4½	Sampang (Java) 2½-	2½	2½
Brit. N. Borneo Trust 2½-	16½	17½	Sapumakande 2½-	27½	27½
Bukit Clob 2½-	5½	5½	Seaport 2½-	28½	27½
Bukit Kajang 2½-	76½	71½	Belangor	35½	34½
Bukit Mertajam 2½-	4½	4½	Sengat 2½-	3½	3½
Bukit Sembawang 2½-	3½	3½	Seremban 2½-	45	40½
Carey United 2½-	46½	45½	Shelford 2½-	45½	40½
Ceylon Para 2½-	10½	10½	Sialang 2½-	70½	67½
Chersonese	3½	3½	Singapore Para 2½-	4½	4½
Cheviot 2½-	6½	6½	Singapore United 2½-	34½	33½
Dalkeith 2½-	3½	3½	Soember Aje 2½-	3½	2½
Eastern Invest. Trust 2½-	27½	25½	Stagbrook 2½-	33½	33½
Grand Central 2½-	28½	27½	Straits Bertam 2½-	6½	6½
Gula Kalumpung 2½-	35½	36½	Sumatra Para 2½-	9½	9½
Highlands 2½-	61½	60½	Sungei Bahr 2½-	39½	39½
Java Investment 2½-	31½	30½	Sungei K-pur 2½-	11½	11½
Java Para 2½-	32½	31½	Sungei Kruit 2½-	56½	56½
Johore Rubber Lands 2½-	35½	33½	Taping 2½-	4½	4½
Kamunin 2½-	4½	4½	Tali Ayer 2½-	38½	37½
Kinta Kellas 2½-	4½	4½	Tanjong 2½-	9½	8½
Kuala Kubu 2½-	3½	2½	Tanjong Malim 2½-	31½	31½
Labu 2½-	10½	9½	Tebrau 2½-	45½	41½
Langen Java 2½-	45½	45½	Teloregido 2½-	47½	45½
Linggi 2½-	28½	27½	Tempeh 2½-	2½	2½
London Asiatic 2½-	8½	8½	United Serdang 2½-	11½	10½
Malacca 2½-	58	58	United Sumatra 2½-	8½	8½
Malayalam 2½-	41½	40½	Vai d'Or 2½-	41½	41½
Merlimau 2½-	5½	5½	Vallambrosa 2½-	24½	23½
Padang Jawa 2½-	3½	3½	Way Halim 1½ pd.	2½	2½
Pataling 2½-	44½	43½			
Abbottiakoon (10/-)	41½	4½	Gt. Boulder (2½-)	13½	13½
Bechuanaaland Exp.	7½	7½	Kyshtim	1½	1½
Brakpan	58	58	Mashanaland Agency	7½	7½
Broken Hill Prop. (8/-)	57½	50½	Meyer & Charlton	6½	5½
Cam & Motor	11½	12½	Modder "B"	88	88
Central Mining (£2 10s.)	6½	6½	Do. Deep	72	72
Chartered	15½	15½	Mysore	3	3
City Deep	3½	3½	Rand Mines (5½-)	3½	3½
Cons. Gold Fields	35½	35½	Rio Tinto (£5)	3½	3½
Cons. Langlaagte	20½	20½	Russo-Asiatic	3½	3½
Crown Mines (10/-)	2½	2½	Spring Mines	3½	3½
De Beers Ltd. (£2 10s.)	13½	13½	Tanganyika	3½	3½
East Rand	18½	18½	Tanayik	1½	1½
Geduld	2½	2½	Van Ryn Deep	3½	3½
Gov. Areas Mod	3½	3½			

announcement there was a renewed show of strength, but the Metropolitan distribution did not encourage the bulls, and the market fell back into a condition of perfect indifference. American Rails have not shown any particular activity, and movements have been small without any significance. International Marine preference were prominently weak, and on balance are several points lower. Denvers, after falling back a point, recovered the lost ground. Canadian Pacific have been fairly firm, and Canadian Northern debentures advanced three points. Grand Trunks were good until the issue of a very poor traffic, which made the market wobbly. Argentine Rails have been consistently good, and towards the end they were encouraged by a series of exceptionally fine traffics, which are gradually wiping out the losses caused by the strike. At the same time, it looks as though the labour difficulties had not yet been by any means surmounted. San Paulos, after a weak opening, recovered, and closed fractionally better, while Leopoldinas have been quietly firmer. Mexican Rails have scarcely been mentioned, and are in back-water for the time being.

Bank shares have not attracted much attention except in the case of a few of the Colonial and Foreign list, which have shown a certain amount of strength. There was a little more support latterly, and a few of the leading London shares improved to a small extent. Breweries began with a blaze of optimism, owing to the wonderful dividend announced by the City of London, whose shares jumped 12½ on Monday morning. There was a slight reaction afterwards, but on balance they are still 10 points to the good. It may be significant that Hoares have been creeping up a fraction at a time, but Watney deferred after gaining a point dropped back 2½, and the feeling is that the advance has been rather overdone. Little change occurred in the rest of the list. Egyptian securities have been an exceptionally strong market all through the week, and all the active shares have been forging ahead in fine style. In the Iron and Steel group Otis fell a point or two, but most of the others were firm, and Explosives especially showed to advantage. Among Land shares Nigers at first fell back 2s., but came along with a rush later, which carried the price up a full ½ to the good. Hudson's Bays and Forestals were both rather dull. Nitrate shares were particularly firm, and closed practically at the best. Shipping shares have not been so active as might have been anticipated on the rather sensational advance in British Mercantile on the proposed absorption by the P. and O. Indo-China gained a couple of points, but Cunard were weak, and the others were scarcely mentioned. Globe Telegraphs advanced smartly, and Marconis were little affected by the circular announcing that a settlement has not yet been arrived at with the Government. Textiles were irregular, and among Miscellaneous Industrials, Dunlop Rubber, Borax Consolidated, and Salt Unions were all very firm, but Lyons gave way a fraction and the rest of the list moved irregularly.

Oil shares have been feeble and neglected, but after a slight rally they relapsed into complete stagnation. Rubber shares have been very quiet, with sellers more in evidence than buyers. The price of the commodity shows a persistently downward tendency, and the people who bought more or less speculatively a few months ago are either trying to secure what remains of a profit, or are inclined to cut losses before they become more serious.

### LONDON PRODUCE MARKETS.

There was no new feature of interest to note in the various markets during the week, actual transactions being confined to narrow compass. Prices, however, underwent but little alteration on balance.

SUGAR market remained unchanged.

COFFEE.—A steady state of affairs governed this market, and there was a fair demand for all desirable qualities. The future delivery market remained in the same inactive condition.

COCOA.—Market quite idle, and quotations somewhat nominal.

SPICE.—Only a small trade in pepper at steady rates. Fair black Singapore, on spot, 1s. 2½d.; Tellicherry, 1s. 4d.; Muntok, 1s. 7½d. Zanzibar cloves, on spot, basis fair, 1s. 9d. Tapioca firm. Fair flake, spot, 7d.; fair Penang seed pearl, 70s.; medium, 70s. In auction, West India nutmegs sold firmly, mace being steady. Fair small sago changed hands at 65s.

RICE.—Market steady. Beans and peas unaltered.

HEMP.—East India moved off quietly. There was a good inquiry for Palmyra fibre in auction, also bristle fibre. Coir yarn sales were well attended, and the bulk of offers were soon disposed of at dearer prices.

SHELLAC very firm and trade curtailed. Fair T.N. orange, on spot, 371s.; March, 375s.; May, 372s. 6d.

RUBBER quiet and prices, while irregular, ruled easier on balance. Plantation spot crepe, sold, 2s. 4d. to 2s. 3½d.; April-June, 2s. 5d. to 2s. 4½d. and 2s. 4½d. Ribbed smoked sheet, spot, sold, 2s. 3½d. to 2s. 3d. and 2s. 3½d. Fine hard Para, spot, 2s. 7½d.; soft fine, 2s. 3d.; ball, 1s. 7½d.

CORN (Mark Lane).—A steady tone in general was apparent during the week, the attendance being fair and business moderate, while prices underwent no material change. Quotations—Wheat: Native remains at 74s. 6d. for both whites and reds delivered, per 504 lbs. Of imported descriptions, No. 1 Northern Manitoba, 81s. 6d. to 82s. 3d.; No. 2, ditto, 80s. to 80s. 9d.; No. 3, ditto, 78s. to 78s. 9d.; No. 2, hard winter, 80s. to 80s. 9d.; Australian, 83s. 6d. to 84s. 3d.; and La Plata, 81s. 6d. to 82s., all landed per 496 lbs. Flour: English town and country (G.R.), 44s. 3d. per sack, ex mill, and Canadian export 51s. 9d., ex warehouse, per 280 lbs. Oats: English, 45s. 3d. per 336 lbs., and American white clipped, 61s. to 62s., landed, per 320 lbs. Barley: Englis

milling, 62s. 9d., and Californian 93s., landed, per 448 lbs. Maize nominal, while largely out of offer.

COTTON (from our Manchester correspondent).—The market has again presented a very quiet appearance. It is a long time since such a listless state of affairs existed. Producers have plenty of work to go on with, and there has been no pressure to sell, whilst on the other hand buyers have adopted a waiting policy. Fluctuations have occurred in raw cotton rates, but on balance there is not much change in prices. Spinners have purchased sparingly in Liverpool. The inquiry in piece goods for export has run on small lots to keep up assortments, and there has been no disposition to purchase for forward delivery. Some advices from India have not been altogether encouraging, and it seems quite impossible for dealers in the bazaars to pay

### CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING JANUARY 25, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 14½, 98% polarisation	£ s. d.	£ s. d.	<b>Wool</b> —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino	nom.	nom.
Foreign granulated	nom.	nom.	Greasy Crossbred	nom.	nom.
laid, first market	nom.	nom.	New Zealand	nom.	nom.
f.o.b., spot	nom.	nom.	(scoured) Merino	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Greasy Crossbred	nom.	nom.
French Cubes	nom.	nom.	Cape snow white	nom.	nom.
prompt	nom.	nom.	<b>Indiarubber</b> p. lb.		
Crystallised, West	2 6 9	2 6 9	Plantation, Spot	0 2 4½	0 2 3½
India ..	nom.	nom.	Crepe ..		
Beet, 88% f.o.b.	nom.	nom.	<b>Coal</b> —per ton		
<b>Tea</b> —per lb., duty s. d. s. d.	s. d. s. d.	s. d. s. d.	Durham, best ..	nom.	nom.
1½ lb.			Seconds ..	nom.	nom.
Indian Pekoe ..	nom.	nom.	East Hartlepool ..	nom.	nom.
Broken ..	nom.	nom.	Seconds ..	32 6	32 6
Orange ..	nom.	nom.	Streams, best ..	29 6	29 6
Broken ..	nom.	nom.	<b>Lead</b> —per ton.	£ s. d.	£ s. d.
Pekoe Souchong	nom.	nom.	English Pig ..	nom.	nom.
Ceylon Pekoe ..	nom.	nom.	Foreign soft, net	£ 29½-£ 28½	£ 29½-£ 28½
Broken ..	nom.	nom.	<b>Quicksilver</b> —per		
Orange ..	nom.	nom.	bottle first hand	nom.	nom.
Broken ..	nom.	nom.	<b>Tin</b> —per ton		
Pekoe Souchong	nom.	nom.	English Ingots	£ 297-300	£ 301-303
<b>Cocoa</b> —per cwt., duty 6d. per lb.	s. d. s. d.	s. d. s. d.	Do, bars	£ 298-301	£ 302-304
Trinidad—per cwt.	87 0-99 0	87 0-99 0	Standard cash	£ 299	£ 299
Grenada ..	85 0-98 0	85 0-98 0	Tin Plates, per box	nom.	nom.
West Africa ..	68 0-77 0	68 0-77 0	<b>Copper</b> —per ton.		
Ceylon Plantation	77 0-94 0	77 0-94 0	English, Tough	nom.	nom.
Gaayaquil Arriba ..	110/-112/-	110/-112/-	per ton ..	nom.	nom.
<b>Coffee</b> —per cwt., duty 42/- per cwt.			Best Selected ..	£ 110-£ 123	£ 110-£ 123
East India ..	97 0 116 0	97 0 115 0	Sheets ..	£ 147	£ 147
Jamaica ..	77 0 120 0	77 0 121 0	Standard ..	£ 110-110½	£ 110-110½
Costa Rica ..	97 0 118 0	97 0 118 0	<b>Jute</b> —per ton.		
<b>Provisions</b> —			Native firsts for	nom.	nom.
Butter, per cwt.			shipment	nom.	nom.
Australian finest	252/-	252/-	<b>Oil</b> —		
Argentine ..	252/-	252/-	Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Irish Creameries	nom.	nom.	Rape, refined ..	£ 71	£ 71
Dutch ditto ..	nom.	nom.	" crude ..	£ 66	£ 66
Russian finest	nom.	nom.	Cott'n Seed, crude	£ 60	£ 60
Paris baskets ..	nom.	nom.	Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
Danish finest	nom.	nom.	Petroleum Oil, per		
Brittany rolls ..	nom.	nom.	8 lbs.	1/7½	1/7½
doz. lb. ..	nom.	nom.	Water White ..	1/8½	1/8½
<b>Bacon</b> —per cwt.			Oil Seeds, Linseed		
Irish ..	172/-	172/-	Calcutta—per ton		
Continental ..	nom.	nom.	Spot	29 15 0	29 15 0
Canadian ..	171/-172/-	171/-172/-	Rape ..	£ 29-10£ 30	£ 29-10£ 30
American ..	172/-180/-	172/-180/-	<b>Iron</b> —per ton		
<b>Hams</b> —per cwt.			Cleveland Cash ..	nom.	nom.
Irish ..	203/-	203/-	<b>Tobacco</b> —per duty		
Canadian ..	162-165/-	162-165/-	unmanufactured		
American ..	125-165/-	125-165/-	7/4 to 8/6 per lb.		
<b>Cheese</b> —per cwt.			Maryland & Ohio ..	nom.	nom.
Dutch ..	129/6-160/-	129/6-160/-	per lb. bond	nom.	nom.
Canadian ..	nom.	nom.	Virginia leaf ..	0 8-2 1	0 8-2 1
English Cheddar	142/-	142/-	Kentucky leaf ..	0 7-3 11	0 7-3 11
Wilts loaf ..	nom.	nom.	Latakia ..	2 0-5 0	2 0-5 0
New Zealand ..	nom.	nom.	Havana ..	1 6 6 0	1 6 6 0
<b>Rice</b> —per cwt.	s. d.	s. d.	Manna ..	nom.	nom.
Japan ..	nom.	nom.	Cigars, duty 10/-		
Rangoon 2 stars ..	26 3	26 3	per lb. ..	2/ upds	2/ upds.
<b>Eggs</b> —per 120.			<b>Timber</b> —Wood.		
English ..	44 0 45 0	44 0 45 0	Pitch Pine ..	303/-400/-	300/-400/-
Irish ..	40 0 41 0	40 0 42 0	Indian Teak ..	38½-700/-	38½-700/-
Danish ..	nom.	nom.	<b>Turpentine</b> —		
<b>Spelter</b> —			American Spot ..	127/-	126/-
G.O.B. as to position	nom.	nom.	<b>Copra</b> —per ton		
.. ..	nom.	nom.	Malabar ..	46 0 0	46 0 0
<b>Flour</b> —per sack.			Ceylon ..	46 0 0	46 0 0
Country Straight	44/3	44/3	F.M.S. Singapore	45 15 0	45 15 0
Runs ex Mill ..	44/3	44/3	F.M. Straits ..	45 10 0	45 10 0

the figures required by Lancashire manufacturers. Some demand has been about in well-known makes for China, but comparatively little has been done. Some moderate sales have been mentioned for Java. The turnover for Egypt continues smaller, but there are plenty of goods on order for that outlet. The home trade continues busy, and the prospects for the spring and summer are believed to be healthy. American yarns for home use have moved off slowly at about late rates. In certain counts and qualities a little more irregularity in prices is now showing itself, but most spinners are still in a position to hold out for full quotations. Some fair lots have changed hands in export yarns for India and France, without there being any general buying movement. Egyptian spinnings have been firm in quotation, with a limited offtake in both carded and combed qualities.

## The Week in Mines.

Business in the Mining Markets has again been fairly active this week, and the tone generally has been firm. Rhodesian shares have been in particular demand, partly because the market generally is under the influence of the recent good developments in the Gaika and Lonely Reef mines, and partly because great hopes are entertained as to possible developments in land and cattle raising. Tin shares have shown strength, but Russian mines have been very weak, naturally.

## SOUTH AND WEST AFRICANS.

In the South African market Mozambiques have risen 1s. 3d. to 13s. 9d., Robinson Deep "A's"  $\frac{1}{8}$  to  $\frac{1}{4}$ , and Wit. Deep's have recovered to 8s. 9d., but City Deep's have weakened to 3 9-32 on provincial selling. New Modderfonteins have relapsed  $\frac{1}{4}$  to 23 $\frac{1}{2}$ , and Modder Leases are easier at 3 $\frac{1}{2}$ . Daggafonteins have been active at 1 19-32. Springs Mines have been in request at 3 $\frac{1}{2}$  on news that the new lease has been signed, and that the guarantors have abandoned their options on the new shares, and have taken 500,000 shares firm at £3 apiece. South African shareholders are to have the right to apply for one share for every ten held at £3. The consent of the Treasury is being asked for similar rights for English shareholders. In the Rhodesian section, Falcons have been in good demand, and are 2s. 3d. higher at 21s. 9d.; Lonely Reefs, on a good development report, have risen 3s. to 37s. 6d.; Tanganyikas  $\frac{1}{4}$  to 3 17-32; Zambesias 1s. 3d. to 26s. 3d.; British Central Africas 1s. 3d. to 8s. 6d.; and Rezendes  $\frac{1}{4}$  to  $\frac{1}{2}$ . Profit-taking has caused Gaikas to relapse  $\frac{1}{4}$  to 1 $\frac{1}{2}$ . Chartered's have improved to 16s. Diamond descriptions have moved irregularly. West Africans have been more active, notably Gold Coast Consolidated Lands at 5s., and Gold Coast Developments at 6s. 9d.

## COPPER AND MISCELLANEOUS.

Copper shares have been a little more lively. Despite the resumption of smelting, Mount Elliotts have relapsed  $\frac{1}{4}$  to 4, but Arizonas have spurted to 2 15-32. Broken Hill shares have been in demand again; Norths are 2s. higher at 57s. 3d., and Zinc Corporations 1s. higher at 21s., but Proprietary's have relapsed 1s. 9d. to 55s. 9d. Tin has risen £5 to £299 $\frac{1}{2}$  per ton, and the shares of the companies producing this commodity have advanced in sympathy. South Croft's have risen 2s. to 26s. 9d., Siamese  $\frac{1}{4}$  to 3 $\frac{1}{2}$ , Anglos 1s. to 15s. 3d., and East Pools 9d. to 22s. 9d. Mexican shares have been inquired for, especially Esperanzas, which are up to 9s. 3d. Indians have been easier, including Burmas, which have fallen 3-32 to 4 5-32.

Russians have been flat on the news of the expropriation of the Kyshtim and other properties. Irtysh Corporations have fallen 11-32 to 1 $\frac{1}{2}$ , Kyshtims  $\frac{1}{8}$  to 1 $\frac{1}{2}$ , Lenas  $\frac{1}{4}$  to 1 $\frac{1}{2}$ , Russo-Asiatics  $\frac{3}{8}$  to 2 $\frac{1}{2}$ , and Tanalyks  $\frac{1}{8}$  to 1 $\frac{1}{2}$ . Holders would be ill-advised to throw away their shares at present, for obviously the position cannot be regarded as final.

## MINING NEWS.

MOUNT LYELL.—The full report for the year ended September 30 shows that the ore mined decreased from 334,890 to 260,379 tons, owing to the miners' strike in May, which resulted in the introduction of a 44-hour week. This will permanently affect future production and costs. Reserves of ore are estimated at 3,011,343 tons, against 3,260,257 tons. There were treated altogether 239,940 tons, which produced 5,832 tons of blister copper as against 6,576 tons in 1915-16, the contents being: Copper, 5,766 tons, against 6,505 tons; silver, 295,126 ozs., against 371,170 ozs.; gold, 7,455 ozs., against 8,865 ozs. Cost of production again shows a considerable increase, the total being 26s. 6d. per ton of ore against 23s. 6d. and 19s. per ton in previous two half-years. Profit on working was £549,587, and the nett profit, after providing £49,722 for depreciation, and £180,634 for taxes, was £268,611 against £239,003. The dividend is again 2s. 6d. per share, but no bonus is paid this time, whereas last year 9d. per share was paid, and £236,697 was carried forward, against £129,236. Liquid assets exceed liabilities by £542,996.

BROKEN HILL BLOCK 14.—Operations during the half-year ended September 30 were interrupted by the strike. Work was confined to the carbonate zone, and the quantity raised and sold to the associated smelters was 2,933 tons. The Scheelite Mine, in which the company holds a 42 per cent. participation, began work in July, and to September 30 produced 2,108 tons of an average value of 63s. 10d. per ton. The nett profit for the half-year was £1,340. Sixpence per share was paid on all shares in September, together with the half-yearly payment on the preference shares, absorbing £6,500, and leaving £42,828 to be carried forward.

BROKEN HILL BLOCK 10.—The report for the September half-year states that operations were stopped on August 18 by the general strike. There were produced 4,322 tons of concentrates, containing 148,807 ozs. of silver, 2,668 tons of lead, and 344 tons of zinc. The nett profit was £28,613, against £21,136, and two dividends of 1s. each were paid, absorbing £10,000. The balance carried forward is £83,190. Liquid assets exceed liabilities by £93,429, against £75,232.

## PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and January 19, 1918:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Jan. 19, 1918.	Total Receipts into the Exchequer from April 1, 1916, to Jan. 20, 1917.
Balances in Exchequer on April 1—			
Bank of England ..	—	25,209,947	25,111,065
Bank of Ireland ..	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs .....	70,750,000	56,894,000	55,326,000
Excise .....	34,950,000	39,733,000	45,420,000
Estate, &c., Duties .....	29,000,000	25,073,000	23,907,000
Stamps .....	8,000,000	6,151,000	5,956,000
Land Tax .....	—	—	—
House Duty .....	2,600,000	920,000	920,000
Property and Income Tax and Super Tax .....	224,000,000	101,070,000	81,397,000
Excess Profits Duties, &c. ....	200,000,000	163,722,000	98,513,000
Land Value Duties .....	400,000	479,000	257,000
Post Office .....	33,700,000	27,200,000	26,700,000
Crown Lands .....	600,000	460,000	470,000
Receipts from Sundry Loans, &c. ....	7,500,000	1,925,975	5,154,238
Miscellaneous .....	27,100,000	47,005,576	12,050,003
Revenue .....	638,600,000	460,973,551	356,059,141
Total, including Balance .....		487,409,410	381,634,147
OTHER RECEIPTS.			
Repayment of Advances for Bullion .....		1,970,000	3,030,000
Repayment of Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		169,818	36,918
Under Telegraph (Money) Act, 1913 .....		100,000	210,000
Under Post Office (London) Railway Act, 1913 .....		68,000	160,000
Under Military Works Acts, 1897 to 1903 .....		—	8,824
Under Public Buildings Expenses Act, 1903 .....		—	8,000
Under Housing Act, 1914 .....		394,500	74,600
For Treasury Bills (for supply) .....		2,232,032,000	1,758,865,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....		1,300,000	—
For 4 per Cent. War Loan, 1925-1945 .....		—	424
For 5 per Cent. Exchequer Bonds, 1919 .....		—	34,222,000
For 5 per Cent. Exchequer Bonds, 1920 .....		—	84,740,469
For 5 per Cent. Exchequer Bonds, 1921 .....		—	62,468,806
For 5 per Cent. Exchequer Bonds, 1922 .....		82,284,400	—
For 6 per Cent. Exchequer Bonds, 1920 .....		48,000	160,837,000
For War Expenditure Certificates .....		—	29,878,500
For War Savings Certificates .....		37,100,000	43,559,000
For other Debt created under the War Loan Acts, 1914-1917 .....		575,657,253	199,875,038
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .....		166,913,580	—
For National War Bonds .....		262,393,000	—
East Africa Protectorate Loan: Repayments on account of Principal and Interest .....		5,940	5,940
Cunard Loan: Repayment on a/c. of Principal .....		130,000	130,000
China Indemnity .....		—	400,000
Temporary Advances—Ways & Means (including Treasury Bills £345,000,000 in 1916-1917) .....		815,103,500	720,553,000
Total .....		4,693,043,171	3,483,168,266

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

\* Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Jan. 19, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Jan. 20, 1917.
EXPENDITURE.			
Permanent Charge of Debt ..	17,000,000	17,006,991	18,003,300
Interest, &c., on War Debt ..	194,500,000	147,750,453	99,872,995
Payments to Local Taxation			
Accounts, &c. ....	9,700,000	6,643,186	6,687,392
Other Consolidated Fund			
Services .....	1,695,000	1,497,931	1,689,522
Supply Services .....	2,543,830,000	1,994,682,857	1,552,049,051
Expenditure .....	2,766,725,000	2,167,581,418	1,678,302,170
OTHER ISSUES.			
For Advances for Bullion .....		2,120,000	3,150,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		169,818	91,370
Under Telegraph (Money) Act, 1913 .....		100,000	210,000
Under Post Office (London) Railway Act, 1913 .....		95,000	200,000
Under Military Works Acts, 1897 to 1903 .....		—	8,008
Under Public Buildings Expenses Act, 1903 .....		—	8,000
Under Housing Act, 1914 .....		394,500	98,900
For Treasury Bills for Supply .....		1,610,854,000	1,307,813,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....		1,300,000	—
For War Loans, Exchequer Bonds, &c., under Section 34 of Finance Act, 1917 .....		8,922,706	417,785
For other Debt under the War Loan Acts, 1914 to 1917 .....		38,410,081	9,651,957
For Depreciation Fund under the Finance Act, 1917 .....		27,490,200	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908 .....		10,000	69,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..		20,000	53,160
Old Sinking Funds, 1911-12 and 1913-14, issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914 .....		949,000	250,000
East Africa Protectorate Loan Repayments—Issued to reduce Debt under the Finance Act, 1911 .....		5,940	5,940
Cunard Loan Repayments—Issued to reduce Debt under the Cunard Agreement (Money) Act, 1904 ..		130,000	130,000
China Indemnity—Issued to reduce Debt under the Finance Act, 1906 .....		—	400,000
Temporary Advances repaid—Ways and Means (including Treasury Bills £337,380,000 in 1916-17) ..		817,849,000	455,173,000
		4,676,401,603	3,459,119,890
Balances in Exchequer—			
Bank of England .....	1918. Jan. 19.	1917. Jan. 20.	
Bank of Ireland .....	£5,180,054	£22,613,316	
	1,452,684	1,435,000	
Total .....		16,617,738	24,048,376
		4,693,043,401	3,483,168,266

MEMO.—Treasury Bills outstanding on Jan. 19, 1918, £1,085,081,000. \* Includes £205,000, the proceeds of which were not carried to the Exchequer within the period of the account, besides an amount (not yet ascertained and brought to account) for Bills tendered as subscription to National War Bonds.

Mr. Patrick James Pringle, 2, Rothesay Place, Edinburgh, has been appointed a director of the Scottish Union and National Insurance Co., in place of the late Mr. Thomas Hector Smith.

## DIVIDENDS ANNOUNCED.

Anglo-American Telegraph.—To the close of 1917 a balance of £1 10s. per cent. upon the ordinary consolidated stock; of £1 10s. per cent. upon preferred stock; a first and final dividend of £1 10s. per cent. upon the deferred stock.

Bandjarsarie (Java) Rubber.—Interim at the rate of 5 per cent. (1s. per share), less tax.

Bengal and North-Western Railway Co.—Final for year ended Sept. 30 of 3 per cent., together with a bonus of 1 per cent. on ordinary stock, making a total payment of 8 per cent. per annum, against 7½ per cent.

Banco Espanol del Rio de la Plata.—Interim at rate of 5 per cent. per annum for half-year ended Dec. 31.

Bank of Montreal.—2½ per cent. for quarter ending Jan. 31, the same as a year ago.

Bristol Brewery Georges and Co.—At the rate of 22 per cent. per annum for six months to December 31, making 15 per cent. for 1917, against 11 per cent. Forward £69,700, against £54,120 a year ago.

British Commercial Bank.—Interim for quarter to Dec. 31 at the rate of 7 per cent. per annum on the preference shares.

Baltimore and Ohio Railroad.—2½ per cent. on the common stock from the surplus earnings.

Bank of Victoria.—On the ordinary shares at the rate of 6 per cent. per annum:—To officers' guarantee provident fund, £2,000; to reserve, £25,000; forward, £10,808. A year ago the dividend was the same.

Batu Tiga (Selangor) Rubber.—Second interim 2s. per share, less tax.

Commercial Bank of Australia.—At the rate of 4 per cent. per annum on preference shares, the same.

City of London Brewery.—Final of 5 per cent. on ordinary stock and 5 per cent. on amounts paid up on the ordinary shares, making in all 10 per cent. for year, less tax, and a bonus of 20 per cent., free of tax, on both the ordinary stock and on the amounts paid up on the ordinary shares. For 1916 the dividend was 5 per cent.

Civic Investment and Industrial Co.—1 per cent. on the paid-up capital stock (being at the rate of 4 per cent. per annum) for quarter ending January 31.

Charcoal Iron Co. of America.—2 per cent. for Dec. quarter on common stock.

Canadian Bank of Commerce.—2½ per cent. on the capital stock for the three months ending Feb. 28, payable March 1, the same as a year ago.

Gas Light and Coke Co.—For the half-year to Dec. 31 at the rate of £3 14s. 8d. per cent. per annum, carrying forward £251,044.

Gaika Gold Mining Co.—Interim of 3 per cent., less tax, for year ending June 30, payable on Feb. 14. A year ago the dividend was 5 per cent.

Glynn's Lydenburg.—8½ per cent. for the period ending Jan. 31, payable less tax. A year ago the dividend was 10 per cent.

Imperial Tobacco Co. (of Great Britain and Ireland).—Final 3 per cent., making 10 per cent. for the year, and a bonus of 2s. 6d. per share, both free of tax, on the ordinary shares, placing to general reserve £1,000,000; forward, £271,000. The dividend is the same as a year ago.

Jones Sewing Machine Co.—Interim of 3 per cent. (actual), free of tax, on the ordinary, the same as last year.

Kuala Klang Rubber Estate.—Final 20 per cent. (actual, less ss. tax), making 40 per cent. for the year; forward, £7,547.

Kawie (Java) Rubber Estates.—Interim 5 per cent. actual, less tax.

Kuala Selangor Rubber.—Third interim, 8d. per share.

Liebig's Extract of Meat Co.—Interim of 10 per cent., free of tax, same as a year ago.

Metropolitan Railway Co.—At the rate of 1 per cent. per annum for past half-year, the same as a year ago; at the rate of 2½ per cent. on the surplus lands stock, also same as a year ago.

Mutual Tontine Westminster Chambers Association.—3½ per cent. for half-year to Dec. 31, making 7 per cent. for year, less tax. The serial number of the coupon to be presented on Feb. 28 is No. 99.

Montreal Light, Heat and Power Co.—2 per cent. on the paid-up capital stock.

Northern Corporation.—Final at the rate of 17 per cent. per annum (making 12½ per cent. for the year) on the ordinary shares for half-year ended Dec. 31 last.

Parkes' Drug Stores, Ltd.—Final of 4½ per cent., free of tax, on ordinary shares, for half-year to Sept. 30, with £500 to general reserve fund. A year ago 4 per cent., less tax, was paid.

Pawsons and Leafs.—6s. per share, making 7½ per cent. for year, together with a bonus of 2s. per share; forward £44,148, against £37,041. A year ago the dividend was the same, but no bonus was paid.

Richard Seed and Co.—Ordinary share dividend for past year of 10 per cent., less tax, carrying forward £20,743, against £20,362 last year, when dividend was 5 per cent.

Scottish American Investment.—Final for 1917 on ordinary shares, 4s. 4-d. per share, less tax, the same as last year.

Threlfall's Brewery Co.—Interim of 10 per cent. (actual) compared with 5 per cent. (actual) a year ago.

## Tea, Oil and Rubber.

In dealing, a month ago, with the agitation for an enforced restriction of rubber outputs, we remarked:

"No doubt people who never know when to stop preaching higher prices would like to see some spectacular scheme to help them out of their present difficulty, but if the Rubber Growers' Association is foolish enough to fall a victim to the snare, we should have to warn investors to sell, sell, sell everything."

The scheme to cut down production by 20 per cent. except by grace of the Association, which might be given or withheld quite arbitrarily, was adopted, and the result is that the price of the commodity has fallen steadily ever since, while many previously active shares have become almost unsaleable, and quotations have sagged heavily. Of course, it may be argued that the price of rubber could not be favourably affected until the restriction of output becomes really operative several months hence, but it is perfectly certain that the advocates of the scheme never contemplated anything like that which has actually taken place. Yet the explanation of the movement appears to be simple enough. Both users of rubber and buyers of shares were greatly influenced by the semi-official estimates of an impending shortage of supplies as compared with the ever-increasing demand, and when the organisation which officially represents the industry suddenly lopped over and declared that output must be reduced by one-fifth, the result could be foreseen without the aid of Sam Weller's double-magnifying glasses "of extra power." Confidence was shaken, and once that is gone, it usually requires a great deal to re-establish it. The plea that the policy adopted is largely designed from patriotic motives to save shipping is sheer flapdoodle, just as much as it would be to urge that young producers subject to the full effect of the excess profits duty should over-tap their trees in order to hand over 80 per cent. of the product to the Treasury. We have said again and again that, especially in the case of young estates, a policy of "resting" is not only justifiable, but imperative in the interests of good management, but that is a very different matter from a flat-rate reduction of 20 per cent. without regard to anything except the supposed interests of speculators. Up to now they have lost instead of gained by their cleverness, but mischief has been done which it may take a long time to repair.

There is no sign of reaction in the prosperity which the Dunlop Rubber Co., Ltd., has enjoyed for a good many years past, and the report to August 31 is the best yet issued. Trading profits were £36,000 higher at £567,000, but royalties produced £32,000 less, and after minor adjustments the nett profit is £3,000 to the good at £435,000, while £7,000 more was brought in. Preference dividends require £52,000 more under the scheme arranged with the Parent Tyre Co., and the ordinary shares again receive two "interim" dividends amounting to 15 per cent. Only £75,000, however, or £100,000 less, is written off buildings, plant, &c., but £90,000 is written off expenses of new capital issues, against £52,000 off debtors last year, and the balance to be carried forward is £20,000 up at £103,500. Nor does this disclose the whole of the story. It is stated that the rubber estates up to April last made a profit of £165,800, but this has not been brought into the accounts, and no credit has been taken for the profits earned by the D.R. Cotton Mills, as they have not yet been ascertained, while certain royalties due to the company from Russia have also been excluded. When a company can afford to ignore items of that kind and still pay handsome dividends it must indeed be doing well.

## BOOKS RECEIVED.

Mathieson's Highest and Lowest Prices. January, 1918, issue. Price 2s. 6d. Publishers, Fredc. C. Mathieson and Sons, 16, Copthall Avenue, E.C. 2.

The total quantity of wheat in store in Canada is said to be 100,000,000 bushels, of which 30,000,000 are required for seed and 30,000,000 for home consumption, leaving 40,000,000 bushels for immediate export if we could only get the shipping.

It is estimated that the Government of Holland will have to pay £20,000,000 during the current year for food over and above what the people themselves are able to buy, in order to keep hunger from the door.

## What Balance Sheets Tell.

## NATIONAL BANK OF AUSTRALASIA, LTD.

In the half-year to September 30 the gross profits were £207,160 and the nett profit is £6,000 up at £84,490. After placing £25,000, or £5,000 more, to reserve, the dividend of 7 per cent. per annum is repeated, and the balance forward is increased by £2,050 to £15,745. Bills in circulation have expanded £160,000 to £744,000, and deposits are £1,660,000 higher at £12,445,000. Cash and money at short call have risen £914,000 to £3,277,000, and investments are £1,400,000 up at £1,798,000, but discounts and advances are £400,000 lower at £9,052,000. Liquid assets total £6,300,000, or 46½ per cent. of the liabilities to the public, indicating a very strong and satisfactory position.

## ROYAL BANK OF AUSTRALIA.

For the half-year to September 30 the gross profits were £43,480, an increase of £4,500, and including £8,150 brought in the nett profit is £30,460, an increase of £3,000. After placing £10,000, or £2,500 more, to reserve, the dividend of 8 per cent. per annum is repeated, and £8,460 is carried forward. Bills in circulation have increased £200,000 to £326,000, Government deposits are down £33,000 at £534,000, but other deposits are £300,000 up at £2,245,000. Cash and investments have advanced £750,000 to £1,692,000, but loans and discounts are £290,000 lower at £1,942,000, so that altogether general business does not appear to have been particularly brisk.

## BANK OF TORONTO.

In the year to November 30 nett profits amounted to \$803,000, an increase of \$70,000, and with a larger sum brought in the available balance is \$140,000 higher at \$1,311,000. Four dividends of

## THE CAPITAL AND COUNTIES BANK,

LIMITED.  
(ESTABLISHED 1834.)

Head Office — 39, THREADNEEDLE STREET, E.C. 2.

SUBSCRIBED CAPITAL ....	£8,750,000
PAID-UP CAPITAL ....	1,750,000
RESERVE FUND ....	800,000

## Directors.

WILLIAM GARFIT, Esq., *Chairman.*

CAPTAIN SIR CHARLES BATHURST, K.B.E., M.P.  
MAJOR ELIOT G. BROMLEY-MARTIN.  
LEONARD D. CUNLIFFE, Esq.  
SIR LIONEL E. DARELL, Bart.  
SIR RICHARD C. GARTON, G.B.E.  
SIR JOHN T. GOLDNEY.  
GEORGE A. HARVEY, Esq.

ARTHUR HENTY, Esq.  
HERBERT J. W. JERVIS, Esq.  
SIR HENRY KIMBER, Bart.  
GEORGE BUTLER LLOYD, Esq., M.P.  
SAMUEL SAMUEL, Esq., M.P.  
SIR GRIFFITH THOMAS.  
ERNEST D. VAISEY, Esq.

## BALANCE SHEET, 31st December, 1917.

LIABILITIES.			ASSETS.		
	£	s. d.		£	s. d.
Capital, viz.:—			Cash at Head Office,		
175,000 Shares of £50 each, £10 paid	1,750,000	0 0	Branches and Bank of		
Reserve Fund	800,000	0 0	England	12,174,496	12 0
Amount due on Current, Deposit and other			Money at Call and Short		
Accounts, including provision for bad and			Notice	10,624,518	11 1
doubtful debts	58,646,453	19 7			22,799,015 3 1
Acceptances and Endorsements on behalf of			Investments:—		
Customers	1,367,249	18 1	War Loans and other Securities of, or Guaranteed by, the British Government (of which £134,800 is lodged for Public Accounts)	14,099,787	4 10
Net Profits	£484,067	14 0	India Government Stocks, British Railway Debenture and Preference Stocks, and Colonial Government Stocks and Bonds	830,904	8 0
Interim Dividend, subject to deduction of Income Tax	£122,500	0 0	English Corporation Stocks and other Investments	419,931	17 8
Final Dividend, subject to deduction of Income Tax	122,500	0 0			15,350,623 10 6
Reduction of the cost of Premises	25,000	0 0	Bills discounted, loans, and other accounts, including pre-moratorium Stock Exchange loans		38,149,638 13 7
Officers' Superannuation Fund	10,000	0 0	Liability of Customers for Acceptances and Endorsements, as per contra		22,195,347 12 5
	280,000	0 0	Banking premises in London and country at cost, less amounts written off for depreciation		1,367,249 18 1
		204,067 14 0			1,055,535 7 7
					£62,767,771 11 8

NOTE.—This statement of Liabilities does not include the Bank's Guarantee of £89,286 to the Yorkshire Penny Bank, Limited.

NOTE.—The Bank's Investments in War Stocks are taken at cost prices and other Investments at or under prices ruling on 31st December, 1917.

W. GARFIT,  
HENRY KIMBER,  
G. BUTLER LLOYD, } *Directors.*

G. A. HARVEY,  
E. D. VAISEY, } *Joint General Managers.*

ED. SMITH,  
Chief Accountant.

## AUDITORS' REPORT TO THE SHAREHOLDERS.

We have obtained all the information and explanations we have required, and having satisfied ourselves of the correctness of the Cash Balances, and examined the Securities held against the Money at Call and Short Notice, and those representing the investments of the Bank, and having examined the foregoing Balance Sheet and Profit and Loss Account, and compared them with the Books at the Head Office, and with the certified Returns from the Branches, we are of opinion that the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs, according to the best of our information and the explanations given to us, and as shown by the Books of the Bank.

14th January, 1918.

TURQUAND, YOUNGS & CO., Auditors.

2½ per cent. each, making 11 per cent. in all, have again been paid, and \$100,000 (new) written off bank premises, but \$7,000 less has been allotted to war subscriptions, and the balance forward is raised by \$48,000 to \$555,000. Deposits have increased nine millions to \$63,607,000, and notes in circulation have expanded \$900,000 to \$7,600,000. Cash is up \$2,160,000 at \$12,582,000, Canadian Government securities have increased \$4,760,000 to \$6,170,000 and other investments \$4,500,000 to \$10,200,000, but loans and discounts are practically stationary at \$42,314,000. The balance-sheet totals at \$84,294,000, an increase of \$11,000,000, and as the reserve of \$8,000,000 exceeds the paid-up capital by a million, the position is undoubtedly a strong one.

#### LONDON MERCHANT BANK, LTD.

Comparatively small changes are shown in the report for the past year. Gross profits were £1,500 higher at £68,840, but expenses rose £1,000, and with £2,300 more brought in the amount available is £2,800 up at £69,580. The dividend of 5 per cent. is repeated, and the carry forward is increased by £2,800 to £32,080. As might be expected, under present conditions business has not been particularly brisk, and acceptances show a decrease of £340,000 at £2,132,000, while current accounts are £42,000 lower at £328,000. Cash and short loans are practically unchanged at £214,500, investments are £36,000 down at £250,500, bills receivable £26,000 at £121,750, and current accounts, &c., £312,000 at £2,990,000. It is satisfactory to note that Stock Exchange advances under the Treasury arrangement of 1914 are being gradually liquidated, the amount having been reduced by £7,000 to £59,500 during the year.

#### PALATINE BANK, LTD.

This small bank made some progress in the past year, and the gross profit show an increase of £4,600 at £22,190. Expenses, however, advanced £1,800, and the net profit of £10,550 is £2,800 up. After again paying a dividend of 5 per cent., £5,000 is placed to reserve (raising it to £7,500), against £1,500 written off for depreciation last time, and the balance forward is about the same at £2,050. Deposits, &c., have increased £108,000 to £603,000, in spite of the fact that customers subscribed £340,000 to War Loan issues, or 68 per cent. of the total deposits at the beginning of the year. Cash has increased £27,000 to £201,550, and Treasury bills appear for the first time at £75,000, but other bills are down £26,000 and investments £110,000. Loans and advances have increased £46,000 to £348,000.

#### BANCO DE BILBAO.

This bank announces the opening of a London branch at 5, Bishopsgate, E.C., with the object of encouraging the development of Anglo-Spanish commerce. It is the only Spanish bank operating in England. At December 31 deposit and other accounts amounted to 16 pts. 70,050,000, savings bank deposits pts. 50,360,000, bankers (creditors) pts. 43,206,000, and sundry creditors pts. 37,664,000. Assets include cash pts. 15,575,000, bills pts. 26,865,000, securities pts. 98,207,000, loans against security pts. 3,384,000, advances pts. 46,650,000, bankers (debtors) pts. 24,966,000, and sundry debtors pts. 17,594,000. Reserves stand at pts. 15,000,000, against an issued capital of like amount, and the balance-sheet total is pts. 251,134,000. Net profit for the past half-year amounted to pts. 5,459,000, of which pts. 2,275,000 was carried to reserve. A dividend of 10 per cent. was paid in September, and a further dividend of 7 per cent. is declared.

#### J. SEARS AND CO. (TRUE FORM BOOT CO.), LTD.

Last year the profit of £77,600 (after deducting excess duty) was only a trifle higher than for the previous twelve months, but the balance brought in was larger and the amount available is £7,700 up at £83,300. The dividend of 12½ per cent. and bonus of 5 per cent. are repeated, and after again placing £15,000 to reserve (raising it to £75,000), there remains £25,420, or £7,700 more, to be carried forward. It is stated that the year's trading has been satisfactory, and the demand for the company's goods has been considerably greater than in any previous year, but owing to shortage of labour and requisitions for Army boots, it has not been possible to fully meet this demand. Changes in the balance-sheet are mostly unimportant, but we may note that investments are up £40,000 at £94,000 owing to War Loan subscription, and cash is £5,000 higher at £39,500.

### COMPANY MEETINGS

#### AUSTRALIAN PASTORAL.

The ordinary general meeting of the Australian Pastoral Company, Limited, was held on Monday at Cannon Street Hotel, E.C., Mr. Francis A. Keating (chairman of the company) presiding.

The Secretary (Mr. C. Bright) read the notice and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said he had the pleasant task of congratulating the shareholders on the fact that after two years of diminishing earnings the company had returned to a higher scale of profit and an increased dividend. The war, which had disorganised so many industries, had added to their difficulties by the extra cost of labour and increased taxation, but, on the other hand, there had been an increased demand for sheep and cattle, which had fetched higher prices. The flocks and herds of Australia were becoming increasingly important as an Imperial asset, and would be increasingly in request not only during the war, but after, so that they need feel little anxiety about markets. The factor which was always uncertain, but which was vital to their interests, was the weather, and just as the period of low earnings was due to bad seasons, so the improvement

in the present accounts was mainly the result of the bountiful rainfall with which they had been favoured. "Australia was not a country where they could expect conditions like those to continue, and dry seasons would occur, but shareholders would be glad to hear that the present season, so far as it had gone, promised to be as good as its predecessor. In a cable received a few days ago Mr. Young (their general manager) said there had been excellent rains, and that prospects were quite bright. Last year their net revenue from stock—that was to say, the balance of stock sales over stock purchases—was £111,732, of which £24,000 was derived from sheep and £87,000 from cattle. The average price obtained for sheep had been 25s., against 18s. 6d. in the previous year, and for cattle nearly £13, against £11 10s. The figure of £111,732 compared with £89,129 in the previous year. They were understocked last year, and he was sure the shareholders would consider the board had acted wisely in restricting sales, especially as the price of stock in Australia for the current year was even higher than it had been for the previous year, and they were more likely to gain than to lose by the delay in realisation. The number of sheep and lambs now on their stations was about 477,000, against 392,000 in their return at June 30, 1916. The number of cattle and calves shown in the return of June 30 last was 47,000, against 50,500 shown in the return of June 30, 1916, but they had reason to think that the reduction of 3,500 head in the cattle was more imaginary than real, because a good many calves that in ordinary years would have been branded before June 30 and included in last year's numbers had remained unbranded owing to the wet season and the scarcity of hands. They would go to increase the current year's numbers, and the board anticipated that they would be able in their next accounts to show an increased income from sales of stock. In that respect they had already made an excellent commencement by the sale last month of 40,000 sheep at the increased price of 33s. a head. The prediction made last year of a reduction in their income from wool as a result of losses of stock through drought, and the almost total failure of the lambing in the previous year had been realised. The wool clip had amounted to 5,631 bales, against 10,141 bales, and the revenue from wool at £169,700 showed a decrease of £68,000. The difference, as a fact, was even greater, as £18,768 of that total was attributable to a surplus on the 1915-16 clip in excess of its valuation in that year's accounts. The value per bale had been very satisfactory, however, having amounted to nearly £27, as compared with about £25. The whole of the 1916-17 clip had been taken over by the British Government on the basis of 1s. 3½d. per lb. f.o.b. Australia, and although that was considerably below the open market price for wool offered by the Government for sale, it had given them a higher return per bale, and had relieved them from the increasing difficulty of obtaining freight. For the current year they should have a somewhat larger clip, and, as it had been taken over by the British Government on the same terms, they might anticipate a larger revenue, although they would not have the advantage of so large a credit as before from surplus on the previous year's clip. At the same time, they had hopes of recovering a considerable sum in respect of 1,769 bales which, as mentioned last year, had been taken over by the Government as part of the 1916-17 clip, although shorn before June 30, 1916. The company contended that it properly formed a part of the 1915-16 clip, and had been wrongly taken over, and they looked forward with some confidence to recovering something like £25,000 from that source as an addition to the current year's wool income. Dealing with the estates, the chairman remarked that the company's leaseholds, as the shareholders knew, were subject to resumption by the Crown of parts of the leased areas at certain fixed periods, and the rents were also subject to reappraisements at intervals of ten years. The settlement of the resumption on the Maranoa group had been completed, and their general manager, Mr. Young, considered that the division had been equitably made. Nevertheless, but for their purchase of Warendia in 1912, made in order to provide against that eventuality, they would feel the loss very severely.

Mr. Andrew Williamson seconded the motion, which was carried unanimously.

#### FREEMAN, HARDY AND WILLIS.

The annual meeting of Freeman, Hardy, and Willis, Ltd., was held on Wednesday at Leicester, Alderman Jonathan North, J.P. (Mayor of Leicester), chairman of directors, presided.

The Chairman, moving the adoption of the report and balance-sheet, said the result of the year's trading after the payment of all working expenses, debenture interest, depreciation of shop fixtures, leases, and freehold buildings, was a net profit of £128,698, which, with the sum of £57,293 brought forward from last year, made an available balance of £185,992. The dividend proposed was 12½ per cent., with a 5 per cent. bonus to the ordinary shareholders. This was the same as paid a year ago, and he hoped they would agree that it should be considered highly satisfactory. He knew, however, that some were growing a little impatient, and considered that the strong financial position of the company would justify a larger disbursement, but he must remind some of what had been stated repeatedly, that experience had fully justified the conservative policy adopted in the administration of the finances of the company. It had guaranteed for many years a respectable dividend; the capital of the shareholders had been safeguarded and considerably augmented, and when it was remembered that the market value of the shares had appreciated by something like 25 per cent. during the last ten years, he hoped and believed that they would share his view that no better justification for

port that the output of the company's goods has largely increased during the financial year. The English factories have been principally engaged in supplies to the troops abroad, either through the War Office, the Navy and Army Canteen Board, and other organisations, or our own depots, so much so that about 80 per cent. of our English manufactures reach the Army or the Navy. We have laid ourselves out to give as many supplies as possible to the troops, though we are unable to turn out anything like the quantity asked of us. Reference is made in the report to the large increase in output of the American factories during the financial year under review as compared with the pre-war year. We early came to the conclusion that the war might be prolonged, and made additions to our American factories, not only in buildings, but in plant and machinery, whilst the opportunity presented itself, with the gratifying result that the output in America is over three times that of the pre-war year. In that way we have been enabled to continue supplies of our products throughout the world, and thus maintain the profits, which we should not have been able to do had we depended upon our English factories. Our general trade from England has necessarily decreased to a material extent, because of our supplies to the troops, but the decrease has been more than compensated for by the additional output from the American factories. Our total output is largely in excess of any previous year. We hope to be able to continue that output, but as against that there is the fact that, unfortunately, one of our American factories (though only a small one) was burnt down last month. We have, however, rented another building, and are endeavouring to equip it. Further, it is only right to point out, as is indicated in the report, that supplies of many materials are difficult to obtain, and transport facilities are much more limited, and they must necessarily affect our opportunities. At present we are unable to fill all our orders, and I have no reason to believe that that position will change during the present year. It is almost unnecessary to

FRED. JOHN YOUNG, F.C.A., G. E. SENDELL, F.C.A., Auditors.

say that prices of all materials have gone up, and in many instances by leaps and bounds, for that is common knowledge, but what is, perhaps, of more importance is the difficulty of getting some supplies in the necessary quantities. The principal item upon which we are dependent is, of course, leaf tobacco, nearly all of which, so far as our English factories are concerned, has to be brought from America. In my observations to you last year I mentioned that a scheme, known in the trade as the "British-American Scheme," under which leaf from the United States for manufacture into tobacco and cigarettes for the export trade, for the troops abroad, for ships' stores, and for Admiralty requirements was in force, under which tobacco was imported in addition to the ration of one-third, authorised by the Board of Trade, provided the tobacco was carried in neutral steamers not habitually trading with this country, and which should also carry goods of national importance. We arranged for the necessary steamers, and the tobacco was carried, not only for ourselves, but for the other manufacturers, until the scheme expired in May last. Other goods of national importance were also carried. The Board of Trade, however, did not see their way to sanction the renewal of the scheme to the full extent for the year ending May next, but limited the import to less than one-half the previous quantity. Whilst all the steamers are not now available, it is, however, hoped that substantial supplies will reach this country during this year by the vessels still available, and in that way do something to redress the deficiency in stocks in this country, and particularly those required for supplies to the troops.

After dealing fully with the balance-sheet, the Chairman continued: You will remember that we recommended in the annual report last year the distribution of one ordinary share of \$5 of the Canadian Company in respect of every four ordinary shares of the company. In consequence of certain difficulties which then arose, the recommendation was withdrawn at the annual meeting, with a view to making certain alterations in the articles of association to permit the distribution to be made in the form we were advised it should take. A few days after the annual meeting an Order in Council was issued, which had the effect of preventing the distribution of any shares of a company incorporated abroad, as the Imperial Tobacco Company of Canada, Ltd., is, to any shareholders outside the United Kingdom, or the sending of any certificates or transfers of any shares out of the country. The Treasury at the time did not see its way to grant permission for the distribution, and later on in the year, in October, we circularised the shareholders, and informed them that we were satisfied that the consent of the Treasury was not likely to be given during the war, and we had decided to abandon the idea of the distribution. We said that an important point which determined us in coming to this conclusion was the fact that, in consequence of the enormous increase in the cost of leaf tobacco, in many cases at least double the price of a year before, it was absolutely necessary, in order to purchase the necessary supplies, to employ some millions of additional working capital, and we had, therefore, agreed to sell out of the holding of the company 1,000,000 ordinary shares of Imperial Tobacco Co. of Canada, Ltd., and the Treasury had consented thereto. I may say that in asking for permit to sell the shares, we explained that we wished to remit the proceeds to the United States in payment for leaf tobacco, and the Treasury consented to the sale if the shares were sold to persons ordinarily resident in the United Kingdom, also to our remitting the proceeds. The sale took place after September 30, 1917, the date to which the balance-sheet under review is prepared, and, therefore, the amount realised from the sale of the 1,000,000 shares does not come into these accounts. It is, however, proposed to carry the difference between the amount realised and the value at which those shares stood in the books to the credit of the item which I am now discussing—namely, the special reserve—when the accounts for the year ending September 30 next come to be prepared, and this addition will bring up that account to nearly a million pounds. You will, no doubt, appreciate that by the creation of a special reserve of that amount the financial position of the company will be materially strengthened, especially as it will be in addition to the item of £1,500,000 general reserve to provide against possible losses arising from the war, which still remains on the balance-sheet. I do not know that I can offer any additional observations upon that item of 1½ millions—which represented nearly the whole of our assets in enemy countries—beyond those I have made in previous years, as it is impossible until after the end of the war to say what our losses will be and to what extent there will be an inroad upon the item. I have no reason to believe that our estimate of the loss will be greater than that which I mentioned last year—viz., something approaching half the amount reserved. I may mention that the question of claims against enemy countries has been, as you are probably aware, receiving the consideration of the Government for a long time past, and a Special Committee was appointed, called the Enemy Debts Committee, to consider the process to be adopted after the war in settlement of claims of this nature, as well as ordinary debts owing from one belligerent to another. I had the opportunity of giving evidence before that Committee of the views we entertained as to what should be done, and I have no doubt the whole subject has received the serious attention of the Government. The profits for the year amount to £3,705,002, as compared with £2,733,361, an increase of £971,640, which, I feel sure, will be satisfactory to you. We have been working, so far as our English factories are concerned, at a reduced profit, but on the other hand, as I previously mentioned, our output in America has been very substantially increased, and it is principally due

to that and other advantageous circumstances that we are enabled to show this increased profit. The available balance standing to the credit is now £2,901,958, subject to excess profits duty for the year. It is difficult to make any definite statement with regard to that duty, because of the possibility of a set-off of capital losses arising from the war against the duty, which is a matter which can only be determined after the war, when the losses are definitely ascertained, and in addition there is the necessity to make provision for excess profits duty in respect of those companies (even although operating entirely abroad, and making the whole of their profits there), in which we own the whole of the ordinary share capital, which are treated for this purpose as branches of the company. We are, therefore, not in any position to say what amount will have to be deducted from the £2,901,958 to provide for the excess profits duty which may become payable. You will observe that the directors recommend the distribution of a final dividend (free of British income-tax) on the ordinary shares of 6 per cent., amounting to £375,259, making 30 per cent., free of British income-tax, for the year, as compared with 30 per cent. last year, leaving £2,526,699 to be carried forward, subject to whatever amount is payable in respect of excess profits duty for the year. I need hardly say that the question of the final dividend has received our anxious consideration, and whilst I do not doubt that some of you may feel some disappointment that you did not get the bonus distribution which was recommended last year, and will not get any increased dividend this year as compared with last, except so far as you are relieved from the additional income-tax, which is equal to a dividend of 2½ per cent., yet we do not think that we would be justified in recommending a larger dividend, although, of course, the figures if taken alone warrant it, in view of the uncertainties of the future and of the impossibility of forecasting what the course of business may be in the present year, and what the balance-sheet which we hope to present to you this time next year will disclose. In particular we do not think it would be prudent on our part to recommend a larger dividend, owing, as we do, such a large additional amount as 2½ millions to our bankers for borrowed money. There is the further point which we had to consider that, in consequence of the large increase in the cost of leaf and materials necessary to carry on the business, something like three millions sterling additional money has been required for the working capital of the company, and apparently there is no finality to the increase of prices of materials. Practically that three millions has been provided by the additional loans from our bankers and undistributed profits. A company of this character, with its large world-wide business, cannot stand still, but must either advance or go back, and therefore it is absolutely essential that it should have the necessary working capital to enable it to continue, so far as it is possible, to advance rather than to go back. It may also not have appealed to you that after the war, when prices of materials have fallen, the company, in common with others, may be left with stocks bought at high prices, but it is a point we cannot leave out of consideration. I know that is a point which is causing a good deal of thought to many directors of public companies. However, if we can secure the necessary leaf and materials and the transport to enable us to continue our manufacturing operations to the full we may look forward when the horizon is a little clearer to the time when we shall be able to make our distributions more commensurate with the earnings of the company. I am glad to be able to say that the output of the company and its associated companies abroad shows an increase of 20 per cent. for the first three months (October to December) of our present financial year as compared with last.

Mr. Lawrence Hignett seconded the resolution, which was carried unanimously.

### AFRICAN BANKING CORPORATION.

The 48th ordinary general meeting of the members of the African Banking Corporation, Ltd., was held on Thursday, at Winchester House, Old Broad Street, E.C., the Right Hon. the Earl of Selborne, K.G. (the chairman), presiding.

The Secretary (Mr. Alexander Duncan) read the notice convening the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report, said that the directors were glad to be able to submit such a satisfactory balance-sheet to the shareholders. It showed a strong liquid position. The cash and securities on the asset side equalled over 37 per cent. of the deposits, and if they included also the bills of exchange which were maturing from day to day they got over 68 per cent. The reserve was increased to £250,000, as they were able to put £30,000 this year, as against £10,000 last year, to the credit of this account. Deposits, &c., amounted to £6,722,172, or an increase of about £986,000. The total figures of the balance-sheet were £8,414,926, and they bore convincing evidence to the growth and extension of the bank's business. They also indicated the soundness and expansion of the commercial and agricultural position of South Africa, notwithstanding the ravages in other parts of the world caused by the war. Looking at the profit and loss account, it would be seen that the increase of the bank's business had naturally yielded better results. The directors now proposed a further dividend at the rate of 8 per cent. per annum, making 7½ per cent. for the year, carrying forward to next account the balance of £28,740. Referring to the exports and imports, he said that not only had South Africa responded to the war stimulus by greater self-sufficiency in regard to staple foods and necessities for itself, but it had, out of its abundance, been able to minister to the needs of other parts of the world, principally Great Britain. Generally speaking, South Africa could be said to be

taking a more and more important share in food production for the benefit of the Empire. If they cast their eyes over the whole of this old world, staggering under the greatest affliction that the human race had ever experienced, they would see that this wonderful country of South Africa, smiling under a beneficent sunshine, rich in minerals, grains, fruits, and cattle, and protected by the sure shield of the British Navy, had suffered less than any other country in the world, and was as sound and prosperous commercially as any on the globe. He told the shareholders last year that he saw no prospect of the early close of this terrible war, and he said exactly the same thing to-day. There was no evidence whatever that he could see that German military autocracy had abandoned its ambition to secure dominion of the earth; nor was there any evidence that it had ceased to be the one power in Germany which counted. That military autocracy considered perjury and murder to be proper weapons, if used on behalf of the German State. It followed that no ordinary arrangements or treaties with that military autocracy could be reckoned on as of any more value than scraps of paper. It therefore depended upon the Allies to make their own securities for the future. He could not think that any greater condemnation would ever be passed on any nation by historians in the future than it would be upon us if, after this terrible sacrifice of our sons and our brothers, we allowed this war to come to such a termination that the earth might have a repetition of this horror within the next generation. He had complete and absolute confidence in the nerve of our race, and that those who had put their hands to the plough would go forward and drive the furrow through.

Mr. Robert Littlejohn seconded the motion, which was carried unanimously.

## INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			Wks.	GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.		Amount	In. or dec. on last year.	
Assam Bengal ..	Nov. 3	Rs. 1,23,535	—	28,726	Rs. 5,94,789	—	1,07,494
Barsi ..	" 24	25,900	—	6,800	5,38,100	—	1,59,000
Bengal & N.-W. ..	" 17	3,25,220	—	1,50,461	21,96,620	—	4,39,188
Bengal Nagpur ..	" 24	9,85,000	—	8,000	3,45,31,358	—	26,69,358
Bombay, Baroda ..	Jan. 5	14,39,000	—	1,53,000	1,87,00,000	—	10,21,000
Burma ..	Nov. 17	3,84,540	—	25,199	1,27,14,720	—	2,46,886
Delhi Umballa ..	Jan. 12	85,900	—	16,500	13,54,986	—	1,50,747
East Indian ..	" 12	24,28,000	—	1,14,000	3,44,17,000	—	14,16,000
Gt. Indian Penin. ..	" 12	24,92,700	—	9,69,200	3,16,05,300	—	22,82,003
Lucknow-Bareilly ..	Nov. 17	20,81,100	—	5,73,000	2,91,12,600	—	13,12,803
Madras and S. ..	" 24	9,40,000	—	32,788	70,90,000	—	3,37,615
Mabratia ..	" 24	1,29,478	—	499	9,37,223	—	68,272
Nizam's Gd. (Broad) ..	" 24	81,521	—	4,777	5,17,509	—	38,995
" (Metre) ..	" 24	30,736	—	8,182	2,65,117	—	4,467
Rehikund and ..	" 17	6,43,136	—	63,810	49,69,114	—	3,05,617
Kumaon ..	" 24						
South Indian ..	" 24						

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.		£		†	£		†
		Jan. 11	Jan. 11		Jan. 11	Jan. 11	
Dublin United ..	Jan. 11	6,824	—	655	11,006	—	963
Hastings and Dist. ..	" 21	855	—	28	2,611	—	268
Isle of Thanet ..	" 5	164	—	104	2,290	—	1,434
Lancashire United ..	" 16	2,202	—	492	5,334	—	1,098
Provincial ..	" 5	2,316	—	250	32,291	—	4,268
Yorks. (Wst. Rdng.) ..	" 20	2,125	—	399	6,807	—	1,205

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.		£		Ms.	£		Ms.
		Nov. 1	Nov. 1		Nov. 1	Nov. 1	
Alabama Power ..	Nov. 1	114,696	—	24,747	1,277,830	—	359,725
Anglo-Argentine ..	Jan. 21	52,850	—	6,032	160,264	—	10,271
Auckland Electric ..	Oct. 26	22,308	—	880	92,118	—	7,832
Brazilian Traction ..	Nov. 1	M7,695,000	—	M535,000	M84,310,000	—	M655,800
Brisbane Elec. Inv. ..	Nov. 1	33,580	—	820	328,420	—	2,000
British Columbia ..	Nov. 1	141,369	—	31,772	432,644	—	29,124
B.A. Lacroze ..	Dec. 1	40,901	—	795	230,476	—	419
Burmah Electric ..	Nov. 1	Rs. 26,224	—	Rs. 6,327	109,108	—	Rs. 1,483
Calcutta ..	Jan. 12	Rs. 74,397	—	Rs. 642	Rs. 131,539	—	Rs. 3,104
Cartagena and ..	Dec. 6	4,424	—	2,025	49,566	—	19,776
Herreries ..	Dec. 6						
Cordoba Light ..	Oct. 1	12,481	—	1,052	95,376	—	2,640
P. & T. ..	Nov. 17	12,308	—	55	622,330	—	40,243
Hongkong ..	Dec. 6	4,605	—	169	48,962	—	1,873
La Plata ..	Nov. 1	16,965	—	1,998	159,413	—	4,850
Madras Electric ..	Jan. 15	Rs. 37,730	—	Rs. 1,243	Rs. 37,730	—	Rs. 1,243
Manila Electric ..	Aug. 8	65,467	—	4,667	547,492	—	70,625
Mexico ..	Nov. 1	215,256	—	108,669	3,193,106	—	197,227
Rangoon ..	Dec. 1	5,438	—	534	54,751	—	2,509
Singapore Electric ..	Oct. 27	12,357	—	860	529,661	—	12,549
Toronto ..	Nov. 1	423,556	—	88,753	5,032,176	—	239,133
United of Monte V. ..	Dec. 1	34,025	—	2,661	65,085	—	5,317
Vera Cruz ..	Oct. 1	56,300	—	9	520,700	—	
Winnipeg ..	Nov. 1	86,888	—	14,744	748,976	—	327,782

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

## COLONIAL RAILWAYS.

NAME.		£		10	£		10
		Aug. 1	Aug. 1		Aug. 1	Aug. 1	
Beira ..	Aug. 1	54,914	—	12,287	706,175	—	4,297
Canadian Northern ..	Jan. 7	565,800	—	32,900	22,422,600	—	1,924,400
Canadian Pacific ..	" 14	2,363,000	—	49,000	24,711,000	—	856,000
Gr. Trk. Main Line ..	" 21	128,269	—	41,150	446,561	—	67,205
Gr. Trk. Western ..	" 21	26,753	—	4,624	93,410	—	1,377
Detroit G. H. & M. ..	" 21	9,134	—	1,078	31,408	—	360
Gr. Trk. Pac. Prairie Sc ..	" 14	22,814	—	9,710	22,814	—	9,710
Mashonaland ..	Sep. 1	47,670	—	9,630	47,670	—	9,630
Mid. of Westn. Aus. ..	Nov. 1	8,206	—	199	33,562	—	1,108
New Cape Central ..	Dec. 8	2,241	—	443	91,594	—	14,600
Rhodesia ..	Oct. 1	99,687	—	11,023	99,687	—	11,023

\* Months. † July 1. † Jan. 1. c From Oct. 1.

## FOREIGN RAILWAYS.

NAME.		Ps. £		1	Ps. £		1
		Jan. 12	Jan. 12		Jan. 12	Jan. 12	
Alcoyand Gandia ..	Jan. 12	Ps. 9,000	—	Ps. 3,000	Ps. 15,000	—	Ps. 5,570
Antofagasta (Chili) ..	Nov. 3	37,510	—	5,335	101,350	—	10,590
Arauco ..	Jan. 19	15,000	—	3,500	117,580	—	21,200
Argentine N.E. ..	Oct. 1	10,100	—	3,400	231,580	—	41,798
Bilbao R. and Cantia ..	Dec. 1	3,911	—	1,426	35,861	—	10,946
Bolivar ..	Dec. 1	12,000	—	4,193	67,132	—	22,821
Brazil ..	Oct. 1	M4,200,000	—	M208,171	M4,060,000	—	M457,452
Brazil Gt. Southern ..	Aug. 1	M18,38,300	—	M2,080	M325,937	—	M43,467
B. Ayres & Pacific ..	Jan. 19	113,000	—	17,000	2,162,000	—	321,000
Do. Central ..	Dec. 1	30,817	—	8,031	145,925	—	5,054
Do. Gt. South'n ..	Jan. 20	140,000	—	1,000	2,822,705	—	315,549
Do. Western ..	Jan. 20	58,000	—	1,000	1,209,000	—	299,000
Central Argentine ..	" 19	153,000	—	50,100	2,674,200	—	502,600
C. Ur'g'ay of Mte V. ..	" 19	18,272	—	4,708	510,063	—	141,274
Do. East'n Ex. ..	" 19	4,767	—	1,555	136,618	—	7,695
Do. North'n Ex. ..	" 19	3,619	—	879	87,346	—	24,288
Do. West'n Ex. ..	" 19	2,722	—	364	60,152	—	4,689
Cordoba Central ..	Jan. 19	35,700	—	8,865	877,180	—	13,230
Costa Rica ..	Dec. 8	1,998	—	1,997	67,165	—	47,299
Cuban Central ..	Jan. 19	28,120	—	2,599	380,876	—	79,942
Dorada Extension ..	Dec. 1	8,200	—	300	106,900	—	7,200
Egyptian Delta ..	Nov. 20	10,177	—	1,693	162,393	—	28,492
Entre Rios ..	Jan. 19	19,200	—	6,800	389,300	—	57,700
French Sante Fé ..	Aug. 1	132,000	—	29,009	900,336	—	173,429
Gt. South. of Spain ..	Jan. 12	Ps. 30,354	—	Ps. 59,813	Ps. 54,211	—	Ps. 12,124
Gt. West. of Brazil ..	" 19	20,300	—	4,300	53,100	—	11,550
Havana Central ..	" 5	9,523	—	1,389	208,772	—	37,875
Inter. of C. Amer. ..	Nov. 1	11,712	—	5,238	240,451	—	34,242
La Guaira and Car. ..	Dec. 1	6,500	—	750	87,000	—	5,500
Leopoldina ..	Jan. 19	35,372	—	16,222	49,569	—	37,601
Midland Uruguay ..	Dec. 1	15,106	—	1,520	83,506	—	10,009
Mogiana ..	Oct. 1	M2,411,000	—	M125,198	M192,700	—	M25,272
N.W. of Uruguay ..	Dec. 1	33,000	—	8,382	159,682	—	813,092
Nitrate ..	Jan. 15	34,803	—	2,590	24,308	—	2,590
Paraguay Central ..	" 19	2,800	—	600	82,300	—	8,250
Paulista ..	Oct. 1	M3,475,000	—	M245,626	M2714,800	—	M846,388
Peruvian Corp. ..	Dec. 1	Si. 101,000	—	Si. 210,248	S. 6,088,270	—	S. 582,778
Salvador ..	Jan. 12	82,203	—	836	845,029	—	8,815
State of Bahia S.W. ..	Nov. 1	M85,000	—	M45,000	M1,021,000	—	M66,000
S. Paulo (Brazilian) ..	Jan. 25	32,582	—	5,844	110,617	—	28,964
Sorocabana ..	Dec. 1	M2,107,000	—	M224,206	M16,988	—	M73,520
Taitai ..	" 19	29,108	—	13,306	150,366	—	38,895
United of Havana ..	Jan. 19	77,401	—	22,577	1,228,738	—	245,660
West'n of Havana ..	" 19	9,944	—	3,710	210,422	—	44,202
Zafra and Huelva ..	Nov. 1	10,538	—	403	123,820	—	3,332

\* Months. † From Jan. 1. ‡ From July 1. c Nett. b 15 days. a 10 days.

## MONTHLY STATEMENTS.

NAME	NETT EARNINGS FOR MONTH.			No. of Mths.	NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year		Amount.	In. or Dec. on last year	
		Dols.	Dols.		Dols.	Dols.	
Atholston T. & S. Fé ..	Nov.	4,500,000	—1,062,000	11	44,686,000	—1,488,000	
Atlantic Coast Line ..	Sep.	757,000	+ 132,000	9	8,260,000	+ 537,000	
Baltimore & Ohio ..	Nov.	1,918,000	+ 1,050,000	11	28,797,000	+ 2,260,000	
Canadian Northern ..	"	18,583,600	— 437,500	5	3,269,800	— 2,202,500	
Canadian Pacific ..	"	5,258,000	— 306,200	11	42,635,000	— 2,820,000	
Chesapeake & Ohio ..	Oct.	1,303,000	— 91,000	10	11,663,000	— 1,262,000	
Chicago & N.W. ..	"	2,747,000	— 527,000	10	22,230,000	— 3,023,000	
Chicago Burl. & Q. ..	"	2,943,000	—1,365,000	10	29,640,000	— 1,925,000	
Chicago G.W. ..	"	283,000	— 196,000	10	4,556,000	— 942,000	
Chicago Mil. & S.P. ..	"	3,005,000	—1,064,000	10	24,916,000	— 5,017,000	
Chicago, Rock I. & P. ..	"	2,128,000	— 224,000	10	17,285,000	— 2,201,000	
Colorado & Southern ..	"	536,000	— 116,000	10	4,875,000	+ 603,000	
Cuba ..	"	89,465	— 56,433	4	671,275	— 180,128	
Delaware & Hud. ..	"	489,000	— 246,000	10	5,491,000	— 1,130,000	
Denver & Rio Gran. ..	"	336,325	+ 254,508	10	2,237,824	— 1,324,514	
Erie ..	"	1,246,000	— 392,000	10	9,340,000	— 6,270,000	
Gr. Tr. Main Line ..	Nov.	6,862,000	—1,186,000	11	1,907,300	— 6,627,900	
Grand Trunk Westn	"	6,615,650	— 1,195,000	11	3,345,500	— 3,602,400	
Detroit G.H. & Mil. ..	"	6,661,700	— 1,100	11	2,677,700	— 2,999,900	
Gt. Northern ..	Oct.	2,684,000	— 905,000	10	19,880,000	— 3,187,000	
Illinois Central ..	"	1,854,000	+ 135,000	10	16,073,000	+ 2,999,000	
Kansas City Southn.	"	351,000	— 77,000	10	3,756,000	+ 583,000	
Lehigh Valley ..	"	921,000	— 404,000	10	10,483,000	— 1,657,000	
Louisville & Nashvl.	"	1,983,000	— 408,000	10	15,653,000	— 658,000	
Minn. S.P. (Soo) ..	"	335,598	— 216,521	10	4,422,293	— 2,460,286	
Mias. K. & Texas ..	"	926,000	— 170,000	10	6,429,000	+ 2,174,000	
Missouri Pacific ..	"	2,212,000	+ 1,112,000	4	7,735,000	+ 2,241,000	
New York Cent. & H. ..	"	5,662,000	— 75,000	10	42,110,000	— 1,593,000	
N. Y. N. & Texas ..	"	1,875,000	— 186,000	10	18,128,000	— 1,057,000	
New York Ont. & W. ..	"	150,000	— 69,000	10	2,019,000	— 45,000	
Norfolk & Western ..	"	1,991,000	— 135,000	4	16,570,000	— 8,375,000	
Northern Pacific ..	"	3,147,000	— 126,000	10	24,582,000	— 156,000	
Pennsylvania East ..	"	"	"	"	"	"	
and West Lines ..	Nov.	5,338,000	— 3,181,000	11	86,449,000	— 16,000,000	
St. Louis & San F. ..	Oct.	1,875,000	+ 133,000	4	7,264,000	+ 1,447,000	
Seaboard Air Line ..	"	744,000	+ 61,000	10	6,113,000	+ 304,000	
Southern ..	"	3,104,000	+ 671,000	4	9,334,000	+ 1,748,000	
Southern Pacific ..	"	7,077,000	+ 1,163,000	10	51,112,000	+ 8,293,000	
Union Pacific ..	Nov.	3,961,000	— 668,000	11	39,664,000	— 2,312,000	
Wabash ..	Oct.	1,214,000	— 134,000	10	10,269,000	— 166,000	

# LONDON PROVINCIAL AND SOUTH WESTERN BANK LTD.

AUTHORISED CAPITAL	£7,500,000
SUBSCRIBED CAPITAL	£4,250,000
PAID-UP CAPITAL	£2,125,000
RESERVE FUND	£3,000,000
DEPOSITS	£75,000,000

## DIRECTORS:

Sir JOHN H. BETHELL, Bart., M.P.  
ARTHUR BILBROUGH, Esq.  
JOHN WOODROW CROSS, Esq.  
Sir J. FORTESCUE FLANNERY, Bart., M.P.  
EDWIN HENRY GALSORTHY, Esq.  
Lt.-Col. ALFRED GILBEY.

Sir HERBERT HAMBLING.  
The Rt. Hon. Lord CLAUD HAMILTON, M.P.  
H. TYLSTON HODGSON, Esq.  
WM. EDGAR NICHOLLS, Esq.  
The Rt. Hon. The VISCOUNT PEEL.  
Sir JOSEPH SAVORY, Bart.

General Manager ..... Sir HERBERT HAMBLING.  
Deputy General Manager... WILLIAM CARRUTHERS. Assistant General Managers (WILLIAM JOHN STOKOE.  
FREDERICK STRAKER.

**Head Office: 170, FENCHURCH STREET, LONDON, E.C.3.**

**Registered Office: 3, BANK BUILDINGS, LOTHBURY, E.C.2.**

**Foreign Branch: 168, FENCHURCH STREET, E.C.3.**

The Bank issues Drafts and Letters of Credit on all the Principal Towns of the World, also Travellers' Cheques payable at all the Chief Cities Abroad, Effects Mail and Telegraphic Transfers, Undertakes Foreign Collections, Establishes Documentary Credits, and generally conducts any form of Foreign Banking Business.

Special Facilities are offered in FRANCE through the Bank's French subsidiary, COX & COMPANY (FRANCE) LTD., and in ITALY through the arrangements made with the BANCA ITALIANA DI SCONTO.

**THE BANK HAS OVER 560 BRANCHES IN ENGLAND AND WALES.**

## THE UNION BANK OF MANCHESTER, LIMITED.

ESTABLISHED 2nd MAY, 1836.			
NOMINAL CAPITAL .. .. .	£2,500,000	PAID-UP CAPITAL .. .. .	£550,000
SUBSCRIBED CAPITAL .. .. .	1,250,000	RESERVE FUND .. .. .	355,000
<b>BOARD OF DIRECTORS.</b> —LIEUT.-COL. The Right Hon. LORD ROCHDALE, Chairman; G. C. HAWORTH, Esq., Deputy Chairman; J. R. OLIVER, Esq.; MICHAEL CARABE, Esq.; ALLAN H. BRIGHT, Esq.; Sir JOSEPH VERDIN, Bart., D.L.; CHARLES HARDY, Esq.; P. FORRESTER, Esq. (Managing Director).			
<b>HALIFAX DISTRICT LOCAL BOARD.</b> —ENOCH HILL, Esq. ( <i>Halifax</i> ); H. C. LONGSDON, Esq. ( <i>Keighley</i> ); THOMAS WHITELEY, Esq. ( <i>Bradford</i> ); WILLIAM M. GRAY, Esq., F.C.A. ( <i>Bradford</i> ); WILLIAM RAMSDEN, Esq. ( <i>Huddersfield</i> ).			

Managing Director: P. FORRESTER.  
Head Office: YORK STREET, MANCHESTER.

DR.		BALANCE SHEET, 31st DECEMBER, 1917.		CR.	
		£ s d		£ s d	
To Capital .. .. .	550,000	0	0	By Cash on Hand, Call, etc. .. .. .	1,715,030 11 6
Reserve Fund .. .. .	355,000	0	0	British Government Treasury Bills .. .. .	2,150,000 0 0
Current, Deposit, and other Accounts .. .. .	11,127,088	3	0	British Government Securities .. .. .	1,678,630 8 9
Bills Accepted by the Bank on account of His Majesty's Treasury and of Customers .. .. .	591,513	14	3	Other Investments .. .. .	197,549 15 11
Open Credits, Foreign Bills negotiated, etc., as per Contra .. .. .	310,140	5	2	Bills of Exchange .. .. .	955,205 8 0
Amount of Dividend payable 21st January, 1918.. £50,000 0 0					
Less Income Tax at 5s. in the £.. .. .	12,500	0	0	Advances to Customers.. .. .	£2,696,416 4 2
		37,500	0	Loans to take up 5% War Loan, and National War Bonds .. .. .	4,645,019 19 10
Balance of Profit and Loss Account .. .. .	40,447	17	2	Liability of His Majesty's Treasury and of Customers for Bills Accepted by the Bank .. .. .	591,513 14 3
		£13,011,689	19 7	Open Credits, etc., as per Contra .. .. .	310,140 5 2
				Bank Premises at cost, less depreciation funds.. .. .	300,000 0 0
					£13,011,689 19 7

### BRANCHES IN MANCHESTER AND SALFORD.

All Saints—137 Oxford road	Corn Exchange—66 Corporation street	Royal Exchange—11 St. Mary's gate	Swan street—50 Swan street
Ardwick—8 Ardwick green	Deansgate—166 Deansgate	St Peter's—2 Oxford street	Weaste—(See Seedley)
Blackley—9 & 11 Rochdale road	Didsbury—87 Wilmslow road	Salford—280 Chapel street	West Gorton—49 Hyde road
Broughton Bridge—2a Lr Broughton rd	Irlams-o'-th'-Height—371 Bolton road	Salford Docks—172 Trafford road	Whitworth street—67
Campfield—314 Deansgate	Pendlebury—487 Bolton road	Seedley and Weaste—138 Eccles New rd	Withington—85 Wilmslow road
Cheetham Hill—567 Cheetham Hill rd	Piccadilly—10 Piccadilly	Strangeways—12 Bury New road	

### LIVERPOOL BRANCH: 45 Castle street.

### OTHER BRANCHES IN LANCASHIRE AND CHESHIRE.

Accorington	Bredbury (see Wood ley)	Garston	Leigh	Patricroft	Stoneclough and Kearsley
Alderley Edge	Brierfield	Great Harwood (open shortly)	Littleborough	Penketh	
Altrincham & Bowdon	Brooklands	Hale (burton)	Lymm	Prestwich	Styal
Ansall & Fairhaven	Burnley	Heasley and War.	Middleham	Radcliffe	Summit
Ashton-in-Makerfield	Burnley, Colne road	Heywood	Middlewich	Rawtenstall	Tyldesley
Ashton-under-Lyne	Bury	Hollinwood	Mossley	Rochdale	Warburton
Astley	Chester (open shortly)	Holmes Chapel	Nantwich	Romiley	(see Heasley)
Audlem	Church and	Horwich	Nelson	Royton	Warrington
Bacup (open shortly)	Oswaldtwistle	Kearsley (see Stoneclough)	Norden	St. Ann's-on-Sea	Whitworth
Blackburn	Colne	Knutsford	Northwich	St. Helens	Wigan
Blackpool	Fairhaven (see Ansall)	Lees	Northwich, Station rd	Shaw	Wilmslow
Bolton	Farnworth		Oldham	Southport	Winsford
Boothstown (ham)			Oswaldtwistle (see Chnurb)	Stockport	Woodley and Bredbury
Bowdon (see Altrincham)					

BRADFORD—13 Market street.

Do. —St. James' markets.

HALIFAX—45 and 47 Commercial street.

LONDON AGENTS: GLYN, MILLS, CURRIE & Co.

Foreign Business of every description transacted. Foreign Bills and Coupons collected or negotiated. All kinds of Foreign Notes and Coin bought and sold.

Telegraphic Transfers of funds made to all parts of the world. SAVINGS DEPARTMENT.—Accounts may be opened with £1 and upwards. Full particulars on application. No notice for withdrawals. Important documents taken charge of free. War Saving Certificates and National War Bonds issued.

(ESTABLISHED 1836.)

**DIRECTORS.**

E. M. RODOCANACHI, Esq.  
Sir EDWARD D. STERN, D.L.  
EDMUND B. TURTON, Esq., M.P.  
LEWIS H. WALTERS, Esq.  
SIR DAVID YULE.

**The Bank has 310 Metropolitan and Country Branches and Sub-Branchees.**

		ASSETS.			
By	Cash in hand and at the Bank of England	11,087,460	2	7	
"	British Government Treasury Bills	16,852,400	0	0	
"	Money at Call and Short Notice	2,150,393	0	0	
					31,590,144 2 7
"	Investments—				
	5% War Loan, Exchequer Bonds, National War Bonds and other Securities of, or guaranteed by, the British Government, of which £24,561 5s. Od. (Stock) is lodged for Public Accounts	11,161,554	16	11	
"	Indian, Colonial Government and other Securities..	1,093,464	9	2	
					13,145,029 8 1
"	Bills Discounted				1,527,749 16 0
					46,263,323 5 2
"	Loans, Advances, and other Accounts and Securities, including Stock Exchange Loans under Treasury Minute of 31st October, 1914				15,468,529 0 10
"	Liabilities of Customers, &c., for Acceptances as per contra				2,947,106 14 1
"	Freehold and Leasehold Premises				1,019,582 11 10
					£55,698,411 11 11

London: 15th January, 1918.

**Established 1872.**

January 8th, 1918.

# BARCLAYS BANK LIMITED.

Head Office:—54, Lombard Street, London, E.C. 3.

AUTHORISED CAPITAL - - - - - £13,500,000.

CAPITAL SUBSCRIBED - - - - - £12,679,440

In 474,861 "A" Shares of £4 each, fully paid, 450,000 "B" Shares of £16 each, £4 paid, and 894,999 "B" Shares of £4 each, £1 paid.

Paid-up Capital - - - - - £4,594,443

Reserve - - - - - £2,200,000

## BOARD OF DIRECTORS:—

FREDERICK CRAUFURD GOODENOUGH, Esq.,  
Chairman.  
COSMO BEVAN, Esq., Vice-Chairman.  
EDMUND HENRY PARKER, Esq., Vice-Chairman.  
HUGH GURNEY BARCLAY, Esq.  
ROBERT LEATHAM BARCLAY, Esq.  
FRANCIS AUGUSTUS BEVAN, Esq.  
HENRY BIRKBECK, Esq.  
THOMAS ROBINS BOLITHO, Esq.  
WILLIAM EDWARD THOMAS BOLITHO, Esq.

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GEOFFREY FOWELL BUXTON, Esq.  
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GEORGE MACPHERSON, Esq.  
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HUGH EXTON SEEBOHM, Esq.  
SIR JAMES SMITH.  
HAROLD EDWARD SNAGGE, Esq.  
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FRANCIS BARRY WHITFIELD, Esq.  
CECIL MERCER WOODBRIDGE, Esq.

WILLIAM FAVILL TUKE, Esq., General Manager.

EDWIN FISHER, Esq., Secretary.

WILLIAM NORMAN SHELLEY, Esq., EVELYN COOPE RUGGLES-BRICE, Esq., Assistant Secretaries.

Drawing and Deposit Accounts opened at any of the Branches, according to the usual custom of Bankers.  
Payments may be made through any Branch of the Bank to the credit of Customers' Accounts at any other Branch.  
Orders for the Purchase or Sale of Stocks, Shares, &c., executed through the Bank's Brokers or through Brokers selected by Customers.  
Dividends, Pensions, and Annuities received for Customers of the Bank.  
The Bank undertakes all classes of Foreign Business, including the collection of Foreign Bills, and the remittance of moneys abroad.  
Circular Notes, Circular Letters of Credit and Fixed Letters of Credit issued payable in the principal Cities and Towns of the world.  
The Bank undertakes the office of Executor and Trustee on terms, particulars of which may be obtained at Head Office and Branches.

Dr.	BALANCE SHEET, 31st December, 1917.		Cr.	
LIABILITIES.			ASSETS.	
£ s. d.			£ s. d.	
To Current, Deposit and other Accounts (including balance of Profit and Loss) .. .. .	129,067,991	15 1	By Cash in hand, and with the Bank of England .. .. .	24,826,868 3 10
" Acceptances and Endorsements for account of .. .. .			" Money at Call and Short Notice .. .. .	8,929,400 0 0
" Customers .. .. .	2,151,136	13 11	" Balances with other British Banks and Cheques in course of collection .. .. .	4,257,563 4 9
" Capital viz.— .. .. .	£ s. d.		" Bills Discounted .. .. .	29,089,048 5 1
474,861 A Shares of £4 each, fully paid .. .. .	1,899,444	0 0	" INVESTMENTS— .. .. .	£ s. d.
450,000 B Shares of £16 each, £4 paid .. .. .	1,800,000	0 0	(Including £400,730 9s. 9d. Securities lodged for County and other Public Accounts) .. .. .	
894,999 B Shares of £4 each, £1 paid .. .. .	894,999	0 0	British Government Securities and Bank Stock .. .. .	21,618,254 5 0
	4,591,443	0 0	British Corporation & Public Boards Stocks and Bonds .. .. .	466,085 10 2
" Reserve Fund .. .. .	2,200,000	0 0	Indian and Colonial Government Securities, including Guaranteed Railways .. .. .	2,416,240 13 0
			British Railway Debenture Guaranteed and Preference Stocks .. .. .	781,311 6 8
			Other Securities (including 31,250 Shares of £5 each, £3 paid, in the Yorkshire Penny Bank, Ltd.) .. .. .	984,985 5 2
				26,246,876 0 0
			" Advances to Customers and Other Accounts (including Loans to Stockbrokers under Treasury Minute of 31st October, 1914) .. .. .	44,201,341 13 0
			" Liability for Acceptances and Endorsements (per contra) .. .. .	2,151,136 13 11
			" Bank Premises and adjoining Properties .. .. .	2,200,000 0 11
				2,151,136 13 11
				2,200,000 0 11

Dr.	PROFIT AND LOSS ACCOUNT.		Cr.	
	£	s. d.	£	s. d.
To Salaries and other Expenses at Head Office and Branches, including Income Tax and Staff Bonus .. .. .	1,355,939	3 0	By Profit unappropriated on 1st January, 1917 .. .. .	120,939 0
" Directors' Remuneration .. .. .	24,098	7 8	" Gross Profit, full Provision having been made for Rebate and for Bad and Doubtful Debts .. .. .	2,562,200 11 11
" Reduction of Premises and payment for Buildings .. .. .	80,000	0 0		
" Reserve for Staff Pensions .. .. .	40,000	0 0		
" Contingency Account .. .. .	350,000	0 0		
" Staff Widows' Fund .. .. .	100,000	0 0		
" Interim Dividend of 4/- per Share on A Shares, 7/- per Share on B Shares, £4 paid, and 1/9 per Share on B Shares, £1 paid, less Income Tax .. .. .	248,088	9 2		
" Final Dividend of 4/- per Share on A Shares, 7/- per Share on B Shares, £4 paid, and 1/9 per Share on B Shares, £1 paid, less Income Tax .. .. .	248,088	9 2		
" Bonus of 2/- per Share on 450,000 B Shares, £4 paid, and 1/9 per Share on 894,999 B Shares, £1 paid, less Income Tax in each case .. .. .	80,331	4 8		
" Balance, being Undivided Profit, carried forward to next year .. .. .	156,373	7 3		
	£2,683,139	0 11		£2,683,139 0 11

F. C. GOODENOUGH, Chairman.  
W. FAVILL TUKE, General Manager.  
E. E. WILSON, Chief Accountant.

COSMO BEVAN, Vice-Chairman.  
EDMUND H. PARKER, Chairman.  
F. G. H. CLAYTON, Director.

## AUDITORS' REPORT.

We have compared the above Balance Sheet with the Balances on the Books at the Head Office, and with the detailed Returns from the Branches. We have verified the Cash at the Lombard Street Office and at the Bank of England, and the Investments of the Bank, as well as the Securities held against Money at Call and Short Notice, and having obtained all the information and explanations we have required, we are of opinion that the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the Books and Returns of the Company. War Loan Stocks are taken at net cost, and the remaining Investments at Market Value.

London, 12th January, 1918.

KEMP, SONS, SENDELL & CO. } Auditors.  
PRICE, WATERHOUSE & CO. }

# The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

Vol. XLI.—No. 1,048.]  
NEW SERIES.

[Registered as a  
Newspaper.]

SATURDAY, FEB. 2, 1918.

[Price 6d.]

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## NATIONAL PROVINCIAL BANK OF ENGLAND, LIMITED.

ESTABLISHED IN 1833.

SUBSCRIBED CAPITAL = £15,900,000.  
CAPITAL—Paid, £3,000,000; Uncalled, £2,300,000;  
Reserve Liability, £10,600,000.

RESERVE FUND (Invested in English Government Securities),  
£2,100,000.

### DIRECTORS.

C. F. CAMPBELL, Esq.  
MAURICE O. FITZGERALD, Esq.  
CHARLES R. GILLIAT, Esq.  
W. H. N. GOSCHEN, Esq.  
The Rt. Hon. LORD INCHCAPE,  
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FRANCIS A. JOHNSTON, Esq.  
Col. Sir CLAUDE V. E. LAURIE,  
Bart., C.B., D.S.O.  
The Rt. Hon. The EARL OF  
LICHFIELD.  
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G. F. MALCOLMSON, Esq.  
SELWYN R. PRYOR, Esq.  
ROBERT WIGRAM, Esq.

### Joint General Managers.

D. J. H. CUNNICK, Esq., F. ELEY, Esq., and A. G. HOPEWELL, Esq.

HEAD OFFICE: 15, BISHOPSGATE, E.C. 2.

French Auxiliary—

LLOYDS BANK (France) and NATIONAL PROVINCIAL BANK (France), LTD.

## THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial  
Japanese Government, 1899.

HEAD OFFICE - - - - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hong-  
kong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang,  
Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia,  
Manchuria, Indo-China, India, Philippine Islands, Java,  
Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

## THE YOKOHAMA SPECIE BANK, LIMITED.

Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital .. .. Yen 48,000,000  
Capital Paid Up .. .. Yen 36,000,000  
Reserve Fund .. .. Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Bombay.	Honolulu.	New York.	Singapore.
Calcutta.	Hong Kong.	Osaka.	Sydney.
Changchun.	Kobe.	Peking.	Tientsin.
Dairen (Dalny).	Los Angeles.	Rangoon.	Tokyo.
Fengtien (Mukden).	Lyons.	San Francisco.	Tsinanfu.
Hankow.	Nagasaki.	Seattle.	Tsingtau.
Harbin.	Newchang.	Shanghai.	

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

## THE COMMERCIAL BANK OF LONDON, LIMITED.

Chairman—The Right Hon. SIR CHARLES HOBHOUSE, BART.,  
P.C., M.P.

CURRENT ACCOUNTS opened, and every description of Banking  
business transacted. Bills discounted, and advances made to  
customers on approved security.

SPECIAL FACILITIES GRANTED TO COMMERCIAL AND  
INDUSTRIAL UNDERTAKINGS.

THE PURCHASE AND SALE OF SECURITIES undertaken, also  
the receipt of dividends.

COUPONS AND DRAWN BONDS negotiated.

DEPOSITS received at call, or for fixed periods, at rates which may  
be ascertained on application.

6, Austin Friars, London, E.C. 2.

ARTHUR H. KING, Manager.

## HONGKONG AND SHANGHAI BANKING CORPORATION.

Capital (all paid up) .. .. \$18,000,000  
Sterling Reserve, held in London at exchange of 2s. per \$ = £1,800,000 .. .. \$18,000,000  
Silver Reserve .. .. \$18,000,000 .. .. \$33,500,000

Reserve Liability of Proprietors .. .. \$18,000,000

HEAD OFFICE—HONGKONG. Chief Manager—N. J. STABB.

BRANCHES AND AGENCIES:—Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Colombo, Fochow, Hankow, Harbin, Hongkew (Shanghai),  
Ipoh, Johore, Kobe (Hiogo), Kuala Lumpur, London, Lyons, Malacca, Manila, Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San Francisco,  
Shanghai, Singapore, Sourabaya, Tientsin, Tsingtao, Yloilo, Yokohama.

LONDON COMMITTEE:

HENRY KESWICK, Esq., M.P.

WM. GAIR RATHBONE, Esq.

J. R. M. SMITH, Esq.

A. M. TOWNSEND, Esq.

GRACECHURCH STREET, LONDON, E.C. 3.

SIR CHARLES ADDIS,  
H. D. C. JONES,

Managers in London.

JOHN MACLENNAN, Sub-Manager  
W. M. BLACKIE, Accountant.

## BANKS.

# CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA, 38, Bishopsgate, London, E.C. 2.

INCORPORATED BY ROYAL CHARTER.

Capital, £1,200,000. Reserve Fund, £1,900,000.

## Court of Directors.

SIR MONTAGU CORNISH  
TURNER, Chairman.  
SIR HENRY S. CUNNINGHAM,  
K.C.I.E.  
THOMAS CUTHBERTSON, Esq.  
SIR ALFRED DENT, K.C.M.G.  
WILLIAM HENRY NEVILLE  
GOSCHEN, Esq.  
THE RIGHT HON. LORD GEORGE  
HAMILTON, G.C.S.I.  
WILLIAM FOOT MITCHELL,  
Esq.  
LEWIS ALEXANDER WALLACE,  
Esq.  
Managers: T. H. WHITEHEAD and W. E. PRESTON. [Esq.  
Sub-Manager: J. S. BRUCE.

## Bankers:

THE BANK OF ENGLAND.  
THE LONDON CITY AND MIDLAND BANK, Limited.  
THE LONDON COUNTY & WESTMINSTER BANK, Limited.  
THE NATIONAL PROVINCIAL BANK OF ENGLAND, Limited.  
THE NATIONAL BANK OF SCOTLAND, Limited.

The Corporation buy and receive for collection Bills of Exchange, grant  
Drafts and transact general banking business connected with the East.

DEPOSITS OF MONEY are received for fixed periods on terms which  
may be ascertained on application. Interest payable half-yearly,  
30th June and 31st December.

# THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital ..... £4,000 000  
Paid-up Capital ..... 1,800,000  
Reserve Fund ..... 2,000,000

## BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia  
Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once  
(Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires),  
Calle B de Irigoyen (Buenos Aires) URUGUAY.—Montevideo,  
Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto  
(Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Per-  
nambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILI—  
Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in  
New York and Agents throughout the world.  
Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated,  
advanced upon or sent for collection.—7, Princes Street, E.C. 2.

# FARROW'S BANK

Incorporated under the Joint Stock Companies Acts. LIMITED

Authorised Capital, £1,000,000. Shares Issued, 700,000.  
Shareholders, 4,000.

Chairman - - - - - Mr. Thomas Farrow.

## EVERY DESCRIPTION OF JOINT STOCK BANKING TRANSACTED.

CURRENT ACCOUNTS opened and interest paid where  
approved Credit Balances are maintained.  
DEPOSIT ACCOUNTS. Interest paid according to notice of  
withdrawal.

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## Passing Events.

A decline in the sales of National War Bonds was to be expected. Bursts of enthusiasm are never lasting, and besides the taxes are now being pulled in so rapidly that after paying them people for a time have often no money to spare. In view of the circumstances, it is amazing to find the sales keeping up as well as they do. In the week ended last Saturday, for example, of the Bank of England issue £24,097,018 was sold to 20,397 buyers. This is a decrease of £6,676,225 on the previous week's sale and of 3,353 in the number of subscribers, but it was for all that a very good display. The total number of applications has now been brought up to 289,543 and the total amount subscribed to £308,760,325. The Post Office also did less well in the week ended January 19. Yet it sold to 35,200 buyers £1,067,000 of its issue of National War Bonds. This was a decrease of 5,800 in the number of buyers and of £90,000 in the amount netted, but the total number of sales since the Post Office issue began has been 604,400 and the aggregate of money yielded £14,628,000. Altogether, therefore, the War Bond issue has thus far produced £323,378,000 since the sales began in October last. This is not nearly all the money required, but it is more than we expected, and we must just persevere and be thankful. Unquestionably the bond is good and attractive, much less likely to shrink in price than a long-dated security. Of War Savings Certificates sold during the week ended January 19 the number was 2,335,065, making the total sales to date 144,152,470. That number of fifteen-and-sixpences, equivalent to £111,718,164, has been netted by the Treasury, but it does not follow that the number of certificates disposed of represent 144 million different buyers. On the contrary, we should doubt whether half-a-million different people have indulged themselves with this form of investment.

Last week's summary of the Treasury receipts and payments show a gross expenditure of £139,061,000, but of this happily—in a sense at least—only £37,485,000 was the actual outgoings of the week on current requirements. Supply services took £36,029,000, war debt interest £1,056,000, and miscellaneous expenditure, £400,000, making up the larger total. It was barely £5,360,000 per diem, and

the daily expenditure on supply was quite modest at £5,147,000. How then did the gross outlay of the week come to be so enormous? The cause is found in the floating debt, the management of which becomes increasingly irksome and onerous as the mass expands. Last week, for example, the Treasury bills maturing amounted to £73,520,000, and the Treasury had to renew the whole of this, or £73,298,000, in spite of the fact that it got £37,497,000 from National War Bond sales and £2,500,000 from War Savings Certificates, besides £4,125,000 drawn from other war debt sources. And with all these helps the receipts were £124,296 less than the outgoings, and to this extent the Exchequer balances were reduced to £16,517,000. A year ago they were £24,163,000, and undoubtedly the Treasury is running it fine, as the market slang has it. Last week, besides the expenditure just mentioned, £1,649,000 had to be applied as depreciation fund to support the market. Probably this propping will have to be continued, at any rate until after the end of the fiscal year in April next, because not a few subscribers to the War Loan of a year ago are probably being obliged to sell some of their allotments in order to pay their taxes. The Treasury also had to pay off £1,159,000 of War Loan and Exchequer bonds and £3,133,000 of other war debt, but the greatest call of all on its resources was the necessity of repaying £22,000,000 of temporary advances. So altogether last week upwards of £105,000,000 of the overturn was finance, and finance alone. Perhaps "necessity" is not the right word to apply to the repayment of so large a mass of temporary advances, but there can be no question of the expediency of doing so whenever funds are available.

An interesting debate was raised by Mr. Herbert Samuel, chairman of the Committee on National Expenditure, in the House of Commons, last Tuesday, on National expenditure. His speech was an instructive one, and it led to other good speeches. Dealing, for example, with the question of inflation, Mr. Samuel gave it as his opinion that "the increase of our paper money has played a somewhat subordinate part in raising prices," and we think that view the correct one. An all-round increase of 10 per cent. in prices and wages would involve the State in an increased expenditure of £130,000,000 a year. Our most important paper money, however, is not Bank or Treasury notes,

but cheques. That is to say, cheques are our active and universal paper money, and the inflation, which means the decreased purchasing power of the currency against commodities, may be due to the augmented volume of payments by cheque, or caused by the increase in prices themselves through other influences, and by the ever-extending expansion of credit by the Government. One of the chief causes in the rise in prices is accordingly, as Mr. Samuel pointed out, the inflation of credits, the financing of the war by various expedients other than taxation, and the raising of loans drawn from the savings of the people. Our issues of paper money have been quite insignificant compared to those of Germany. Here the note issues of all kinds had increased since the war began up to December last from £45,000,000 to £277,000,000, and the "large part of the increase is represented by paper issued in exchange for gold withdrawn from circulation." But the visible, or acknowledged, paper money of Germany has risen from £100,000,000 in round figures to £841,000,000, and this is by no means all of it.

Turning to another subject—the business of the Committee over which Mr. Samuel presides, was to try to secure economy in spending, but its efforts in that direction have been continually thwarted by the increasing needs of the Government. Since the Committee was appointed last August, there have been a dozen specific increases of National expenditure sanctioned by the Government, and it is worth while setting them out as given by Mr. Samuel:—

Subsidy given to reduce the price of bread .....	£45,000,000
Subsidy given to growers of potatoes .....	5,000,000
Further bonus given to bakers to encourage them to use potatoes in the making of bread .....	150,000
Increase in the payment of soldiers and sailors .....	65,000,000
Additional sums paid in increased pay to officers of the Army and Navy .....	7,850,000
Bonus or wage advance to miners .....	20,000,000
Bonus or wage advance to munition workers, direct and indirect .....	40,000,000
Ditto, railway workers .....	10,000,000
Ditto, Civil servants .....	3,000,000
Ditto, teachers in Ireland .....	170,000
Ditto, Irish police .....	100,000
Additional grant to the National Insurance Fund...	400,000
<b>Total increase .....</b>	<b>£196,170,000</b>

Here we have upwards of £196,000,000 added to the current annual expenditure of the Treasury within a few months, an amount larger than the total expenditure of the country a year or two before the war. No wonder people begin to be anxious about the taxation or "conscription" of capital and things of that kind, and although Mr. Bonar Law, in a very frank and manly speech, did his best to conjure away the *malaise* which has been excited in the public mind by his informal private talk with Labour representatives about a possible conscription of capital, we fear the sight of the actual figures of expenditure cannot prevent men of means of all degrees from being uneasy about the future. How is the revenue to be raised unless capital is seized on one pretext or another? That is the problem lying ahead, and its urgency may, perhaps, have led Mr. Asquith to refrain from giving any pledge on the subject. It must not dismay us, however, because after all the greater the strain, the more resolute must be the determination of all concerned to increase the wealth of nation and Empire—to produce more while consuming less, and so, by enlarging the resources of the country and the Empire as well as helping our Allies, to make concurrent progress in obtaining the means with which to pay our way. We shall be pinched, but with goodwill we can overcome. The burden also calls for a wisely conceived method of applying spare capital to the reduction of the mass of the debt; for to allow all free communities to lie permanently beneath the crushing burdens now being imposed upon them by this devouring conflict would be to condemn our civilisation to ultimate extinction. Nor must we ever forget that the Germans will have to pay the damages, even should it take them a century of bondage.

Russia continues to present an aspect of chaos and anarchy let loose well calculated to fill the mind with despair. But we must not despair because we can hope that out of the disorder now prevailing a new constitution of society must ultimately spring. It is said that Trotsky has gone back to Brest-Litovsk ready to patch up a betraying peace on any terms with the Prussian tricksters there, and if that be true we regard it as good news, for the worse the "peace" the greater will be the stimulus to Russian patriotism. Also, should that peace be concluded, its terms will show democracies everywhere what to expect from Hohenzollern or Habsburg professions of Liberalism. But it is not certain that Trotsky can fulfil his alleged purpose, or even that he has that purpose. His actions look tortuous and his aims often contradictory, but his words, though fiery enough, appear sometimes to be charged with a greater insight into the wiles of the Teuton and the problems of Russian reorganisation than we should have expected. Meanwhile anarchy is rampant in Finland, where the Nationalists have appealed to Sweden for help against the Bolshevik and rebel "Red Guard" treacherous attacks. And in the Ukraine both parties claim victory, so that we cannot tell whether or not the local patriots have the upper hand. In the South, however, Rumania seems to be taking action with a view to rescuing the oppressed in Bessarabia from their irresponsible masters. Away to the East and in Siberia, where Bolshevik influence has robbed British shareholders of the Kyshtim and much other property, all is darkness, and we know not what to look for, but again we say it would be unwise to despair of Russia.

The report of the board of Lloyds Bank, Ltd., for the year 1917 tells the same story that all the others tell. Liabilities on current, deposit and other accounts rose £22,699,740 to an aggregate of £174,068,047. This is exclusive of the profit and loss balance at the end of the year, which was £629,897, bringing up the aggregate liability to £174,697,944. The bank has also expanded its acceptances business. It forms a cross entry of £10,375,536, which was £4,054,421 larger than at the end of 1916. The paid-up capital remains at £5,008,672, but the reserve is larger by £400,000 added to it out of the profits of the year, and now stands at £4,000,000. Changes in the assets correspond to these figures, and show the bank to have been one of the most effective helpers in providing the Government, through its customers, with the means to prosecute the war. Cash in hand and at the Bank of England is £3,430,713 lower at £34,684,836, but the call and short notice money in the market is £761,553 up at £7,191,891. War Loans at cost and other British Government securities, which form an item of £34,227,841, also show a reduction of £1,546,969, but bills of exchange are larger by £24,594,707, and now stand at £39,901,359, and a great proportion of this increase may be assumed to represent money advanced to the bank's customers to enable them to subscribe to Government loans. The fixed investments in Indian and Colonial Government stocks, British Corporation stocks, English Railway debentures, &c., are £2,575,726 smaller at £3,292,233. Advances, on the other hand, are £7,609,867 up at £61,466,708, but there is a decrease of £131,099 in the value of premises, now £2,701,746. This is £31,000 more than the amount assigned from last year's revenue to write this asset down. The aggregate of the balance-sheet is now £194,082,153, an increase of £22,449,666. The nett profit of the year was £179,320 better at £1,463,126, and after paying the usual dividend at the rate of 18½ per cent., or 29s. per share, half six months ago, the other half now, the directors were able to place £400,000 to reserve, as we have stated, to write £100,000 off the cost of premises as compared with £60,000 a year ago, and to devote £100,000 to payment of a staff bonus. A year ago no staff bonus was provided for, but then £520,000 was placed to depreciation in the value of the bank's investments, which this year needs no-

adjustment. The actual amount of revenue devoted to other than dividend purposes was therefore the same in each of the two years, viz., £600,000, but as the profit was £179,564 better, including the balance of £107,205 brought forward, it follows that the amount carried forward is this time £289,464, an improvement of £182,250. Lloyds Bank, therefore, follows the fashion, and does not pay away its larger profits. Shareholders may well give ungrudging support to this wise conservatism.

The Capital and Counties Bank, Ltd., for the first time issues its report for the complete calendar year, and at all points the display is a fine one. Gross profits amounted to £1,147,000, an increase of £120,000 over the previous complete year to June 30, 1916, and the expenditure was £92,000 higher at £750,000. Consequently the nett profit is £397,000, an increase of £28,000, and £12,000 more was brought in. The dividend remains at 14 per cent., but £10,000 more at £25,000 is written off premises, and the superannuation fund again gets £10,000. Nothing, however, as against £70,000 has to be allowed for depreciation, and the carry forward of £204,000 is £117,000 larger than the sum brought in. As compared with December, 1916, deposit and current accounts have increased £6,350,000 to £58,646,000. Cash in hand and at Bank of England is £980,000 up at £12,175,000, and money at call, &c., has risen £4,013,000 to £10,625,000. Bills discounted and advances are £2,023,000 higher at £22,195,000, but investments have been reduced by £520,000 to £15,350,000, acceptances by £100,000 to £1,367,000, and bank premises by £19,000 to £1,055,000. The balance-sheet reaches the handsome total of £62,768,000.

Martin's Bank, Ltd., has fallen into line with the other leading banks in issuing its report for the calendar year. Compared with the two halves of 1916, gross profits for the past year amounted to £202,976, an increase of £27,000, and expenses were £22,700 higher at £145,530. Nett profits come out £4,400 higher at £57,445, and with a little more brought in the directors are able to repeat the dividend of 6 per cent., to set aside £5,000 more at £27,500 for depreciation and other contingencies, and still leave the balance forward practically unchanged at £23,480. Deposits have increased £727,000 to £5,035,000, cash is up £220,000 at £1,142,000, and money at call, &c., £348,000 at £1,343,000. British Government securities have increased £47,000 to £942,000, but other investments are £26,000 down at £245,000. Bills receivable have risen £36,000 to £574,000, and advances £133,000 to £1,380,000. The balance-sheet total is £702,000 up at £6,084,000, and although the figures are small compared to many others we have become accustomed to recently, the business is quietly progressive.

Another very successful year has been experienced by the Canadian Bank of Commerce. In the twelve months to November 30 nett profits amounted to £541,960, an increase of £40,000, and as £70,000 more was brought in the available balance is £110,000 up at £706,820. The dividend of 10 per cent. and bonus of 2 per cent. are repeated, £17,460, or £1,000 more, is transferred to pension fund, and the balance forward is increased by £109,000 to £273,710. Notes in circulation are a million higher at £4,930,000, and deposits, &c., have risen £9,500,000 to £56,800,000. Cash has increased £1,700,000 to £11,230,000, and balances due from other banks are £800,000 up at £4,609,000. Call and short loans are half-a-million lower at £6,890,000, but investments have increased £5,700,000 to £11,480,000, and advances three millions to £33,835,000. The balance-sheet totals £70,762,000, an increase of 10½ millions, and it is evident that the bank is securing a good share of the prosperity which Canada is enjoying at the present time. As an indication of the strong position of the bank we

may mention that the reserve and balance forward are practically equal to the paid-up capital of £3,082,000.

In the past year the gross profits of the Clydesdale Bank, Ltd., expanded £47,500 to just over half-a-million, but expenses were £26,500 higher, and the nett profit is £21,000 up at £286,260. Consequently the directors feel justified in raising the dividend from 15 per cent. to 16 per cent., but they do not neglect reserves, and £5,000 is again written off premises, and £10,000 is placed to superannuation fund. It is only considered necessary to set aside £40,000 against £100,000 for depreciation of investments, but on this occasion £70,000 is placed to reserve, raising it to £1,070,000, and the carry forward is a little larger at £28,070. Business activity is reflected in an expansion of half-a-million in the note circulation, which now stands at £2,226,000, and deposit, &c., accounts have increased four millions to £26,426,000. Cash balances are up £650,000 at £4,932,000, bills £2,625,000 at £8,212,000, and advances £2,355,000 at £7,207,000, but investments have fallen £1,600,000 to £10,407,000. The balance-sheet totals £31,550,000, an increase of £3,800,000, and everything looks healthy.

For the first time the Gas Light and Coke Co. issues its report and accounts for the whole year instead of half-yearly as hitherto, and the figures make a dazzling display. Total revenue amounted to £7,029,500, or very nearly a million more than in 1916. Sales of gas (thanks largely to two increases in price) showed an increase of £540,000 at £4,475,000, and residuals brought in £400,000 more at £1,997,000, while meter rentals also showed a substantial improvement. Unfortunately, the whole of the gain was swallowed up in higher costs and expenses, with the result that the nett revenue is about £2,000 down at £1,029,000. Altogether expenses totalled six millions, against £5,021,000 in 1916, nearly the whole increase being in the manufacture of gas, which cost £4,564,000, or £965,000 more. The cost of coal alone was £680,000 higher, and the balance was made up of other materials and wages. Total wages paid amounted to £1,525,000, an increase of £260,000, while salaries absorbed £204,000, an increase of £9,000. About £30,000 was saved on distribution, but that was offset by an increase in rates and taxes. With £95,000 less brought in the revenue balance is £1,380,700, out of which the ordinary stock gets a dividend at the rate of £3 14s. 8d. per cent. per annum, against £4 4s. for 1916, and the balance forward is reduced by £100,000 to £251,000. The quantity of gas made was 31,480,510 thousands, an increase of 2,233,000 thousands, and the total amount sold was 28,373,000 thousands, an increase of 1,575,000 thousands, or 6 per cent., while there has been an advance of 3,870 in the number of consumers and of 43,370 in the number of gas stoves sold or let on hire. The company lost several valuable steamers during the year, which the directors have only been able to replace to a limited extent, and in other respects work has been carried on under great difficulties. A Bill has been deposited in Parliament for the purpose of altering the sliding scale arrangement temporarily, and there is a good case for some concession under the present exceptional conditions, but the public has not always been so well served by the company in the past that it has any strong claim for particularly generous treatment. However, Parliament is in a spendthrift mood, and will probably do whatever it is asked.

Not much light is thrown on the railway position by the report of the Great Eastern Railway Co.—the first of the trunk lines to issue its accounts for the past year—but there are encouraging points if you search for them. In the capital account the receipts and expenditure result in a credit of £70,000, following a credit of £53,400 in 1916, and the debit balance is reduced to £1,660,000, but evidently a fresh issue will be necessary whenever conditions permit. Gross re-

ceipts for the year amounted to £7,842,000, an increase of £686,000, but expenses were £687,000 higher at £5,808,000, so that the nett earnings were a trifle less at £2,034,200. Miscellaneous nett receipts were £3,000 lower at £123,000, and the amount brought in was £7,000 down, with the result that the total balance is £12,000 smaller at £2,259,000. On the other hand, fixed charges, interest, &c., required £37,000 less, and after placing £25,000 (new) to reserve the surplus is practically the same as last year at £1,259,460. Consequently, the dividend of  $1\frac{1}{2}$  per cent. for the year (of which  $\frac{1}{4}$  per cent. has been paid as interim) is repeated, and the balance forward is roughly unchanged at £101,780. In the balance-sheet the most noteworthy point is that the depreciation fund (including deferred maintenance) has been increased by £485,000 to £1,351,740, and the steamboat fund (including insurance) £52,000 to £664,200. Savings bank deposits, curiously enough, are £36,000 lower at £694,000. Cash in hand has increased £160,000 to £861,000, Government securities are £447,000 up at £1,123,200, and accounts receivable have risen £325,000 to £665,600. The fact that the company has tucked away over two millions for depreciation and renewals is the most satisfactory factor in the position, but after nearly four years of comparative neglect it will all be needed, and a good deal more.

Railway reports for the past year are not turning out so well as some people hoped, and there is little sign of the large earnings from invested funds which the market was talking about a few weeks ago. The Great Northern Railway Co. obtained gross receipts of £8,269,000, an increase of £470,000, but the expenditure was £451,000 higher at £6,047,000, and the nett receipts were therefore only £19,500 up at £2,222,000. On the other hand, miscellaneous nett credits were actually £11,400 smaller at £225,500, general interest alone showing a decline of £9,000, consequently total nett income was £8,000 up at £2,447,300. After meeting fixed charges and placing £70,000 to reserves against £50,000 last year, the dividend on the deferred and "A" stocks is again  $2\frac{1}{2}$  per cent., and the balance forward is £1,000 smaller at £139,600. From the general balance-sheet we find that the reserve for deferred renewals has been increased by £340,000, and now amounts to £745,500, and £33,000 has been placed to depreciation fund, raising it to £242,000, but it must not be forgotten that there are four years' arrears to make good, and the provision for them looks none too generous.

The report of the Ferreira Deep for the year ended September 30 shows very clearly the effect of the labour shortage and increased working costs on gold production. There were crushed 586,320 tons, as against 643,460 tons, and the yield, owing mainly to the mining of more ore from the eastern—and poorer—section of the mine, declined 2s. 6d. to 32s. 8d. per ton, the total revenue being £957,973 against £1,070,786. Working costs averaged 21s. 3d., or 4d. more per ton than in 1915-16, and the working profit was thus 2s. 10d. lower at 11s. 5d. per ton. The total working profit was £334,000, as compared with £458,695, and the nett profit was £219,032 less at £233,667. Consequently the dividend had to be reduced from  $38\frac{3}{4}$  per cent. to  $28\frac{3}{4}$  per cent., but the carry forward was raised from £117,462 to £135,477. Values exposed by development have been generally better than in the year before, but the ore completely developed has been less by some 77,000 tons, and of considerably lower value. The ore reserves are estimated at 1,305,500 tons, valued at 7.6 dwts. per ton as compared with 1,854,100 tons, valued at 35s. per ton. Little ground remains undeveloped, except in low-grade areas in the east, and these will be prospected now that the western section is nearing exhaustion.

It is unfortunately not possible to make an exact comparison of the results of A. and S. Henry and Co.,

Ltd., for the year to November 30 with those for the previous twelve months, but there would seem to have been a very serious set-back. Nett profits, "after charging the balance for excess profits for the past year and making provision for the present year's liability," are given as £54,845, or an apparent decrease of £350,000, which follows an increase of £155,000 last year and of £145,000 in the previous period. A year ago £35,000 excess duty was paid before striking the profit, and £100,000 was set aside as reserve for further liability in this connection. That has evidently all been absorbed, but what additional provision has been made is not disclosed. With £63,000 more brought in there is an available balance of £258,200, so the dividend of 9 per cent. and bonus of  $2\frac{1}{2}$  per cent. are repeated, but only £50,000 against £150,000 is placed to reserve, and the carry forward is reduced by £86,000 to £117,200. The reserve now stands at a round half-million. Sundry creditors have increased £423,000 to £872,000, and cash, bills, &c., have risen £230,000 to £335,000, while stocks and sundry debtors lumped together stand at the large sum of £2,100,000. Goodwill, amounting to £300,000, was entirely written off some years ago, and the company has always been very ably and prudently managed, so that it can stand a spell of bad trade without serious inconvenience. At the same time the drop last year seems to indicate a greater reaction in the wholesale drapery business than most people would have anticipated. Perhaps even the highly-paid munitioners and the huge army of Government officials find that in these days the larder must be their first consideration.

The Falcon Mines has marked its entry into the list of dividend-paying Rhodesian mining concerns by declaring a distribution of no less than 20 per cent. for the year ended June 30 last. Operations resulted in a profit of £194,266, and after allowing for interest charges, the nett profit was £176,137, an increase of £41,871 on 1915-16. The dividend absorbs £80,000, and £30,000 has been set aside for debenture redemption, while the balance carried forward is raised from £40,758 to £106,894, but this is subject to excess profits duty. The indebtedness to Gold Fields Rhodesian Development Co. has been reduced to £8,000 from £240,000, which was incurred in bringing the mine to the producing stage, which was first reached in June, 1914. High prices for copper and silver account for the growth of the company's prosperity, for the output of copper during the period under review was 3,423 tons, as against 3,451 tons in 1915-16, while that of gold and silver was 35,496 ozs. and 72,937 ozs. respectively, as compared with 36,852 ozs. and 68,592 ozs.

## The Banking Year and Points from Bank Chairmen's Speeches.

Of late years a fashion has grown up amongst our bankers to make instructive speeches at the annual meetings of shareholders. There were always speeches of sorts at these gatherings, we may be reminded, but in the good old days when banking was treated as a mystery unfit for display before the vulgar, speeches of chairmen at the yearly or half-yearly meetings of bank shareholders were generally most limited in scope, not to say rather bald. But nowadays—and the change is most welcome and refreshing—we are treated to discourses, not only about the affairs of each particular bank, but upon questions of national and international finance, questions of public policy as to taxation and trade, &c., or of banking reform, and so on, that help to educate the public and to bring shareholders, boards and customers together, as it were, as sharers in a bank's prosperity.

During the last fortnight we have had many of these speeches, and without exception they have been marked by a public spirit and breadth of view which promises well for the future of British banking. One of the first meetings to be held was that of Barclays, Ltd., and Mr. Goodenough, the chairman, who presided, had

LONDON BANK BALANCE-SHEETS FOR 1917 (in Thousands of Pounds).

Liabilities.

Name.	Paid-up Capital.	Shares (2nd Figure Paid Up).	Re-serve.	Deposit and Current Account Balances.	Gross Profits	Working Expenses, Including Interest.	Nett Profits	Absorbed Dividend.	Depreciation or Contingencies.	Premises Allowance.	Superannuation and Other Funds.	Divid'nd for Year.	Carried Forward.	+ or -
	£	£ { A 16 4 4 B 4 1 }	£	£	£	£	£	£	£	£	£	% { A 10 B 20 }	% { A 10 B 20 }	£
Barclays .....	4,594		2,200	129,068	21,777	2,562	280	1,380	209	1,182	71	547	34	350
Capital and Counties .....	1,750		800	58,646	6,350	1,147	120	750	92	337	28	245	23	150
Lloyds .....	5,069		4,000	174,068	22,700	—	—	—	—	1,463	179	681	—	—
London and Provincial .....	1,000		1,650	35,962	5,449	1,369	175	1,066	172	303	3	143	—	—
London and South-Western .....	1,200		1,350	38,664	8,013	1,490	244	1,178	240	312	4	153	—	—
London City and Midland .....	5,189		4,343	343,220	552	45,931	—	—	—	1,968	331	673	5	100
London County and Westmr. ....	4,149		4,726	726,142	268	24,998	—	—	—	1,272	202	708	78	460
London Joint Stock .....	2,970		1,325	57,979	8,901	1,347	139	735	76	612	64	297	—	—
Martin's .....	500		185	5,035	727	203	27	145	22	58	5	30	—	—
National Provincial .....	3,000		2,100	112,597	12,379	—	—	—	—	1,215	36	480	—	—
Parr's .....	2,424		2,100	68,647	6,635	—	—	—	—	576	68	345	7	350
Union of London and Smiths. ....	3,555		1,150	62,818	7,587	2,606	363	2,013	381	503	18	267	9	200
Williams Deacon's .....	1,250		750	28,444	4,025	580	70	282	52	208	18	175	—	—
	36,590		26,679	175,492	17,415	24,891	12,388	2113	10,219	991	4,744	84	2,198	2,051

(a) Allowing for £300,000 placed to reserve.

Assets.

Name.	Cash in Hand & at Bank of England.	+ or -	Credit at Call and Short Notice.	Investments in Stocks of or Guaranteed by British Government.	+ or -	All Other Investments.	+ or -	Acceptances, Endorsements, &c.	+ or -	Bills of Exchange.	+ or -	Loans and Advances.	+ or -	Bank Premises.	+ or -
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Barclays .....	24,827	844	10,172	21,618	587	4,646	4,013	1,251	187	28,089	11,209	44,201	5,997	2,606	156
Capital and Counties .....	12,174	979	10,625	14,100	58	4,013	762	1,367	471	(a) 22 195	2,022	—	—	1,056	18
Lloyds .....	34,685	3,431	7,192	34,228	1,547	(d) 3,532	2,258	10,376	2,576	39,991	24,594	61,467	5,610	2,702	131
London and Provincial .....	7,438	492	6,470	4,745	75	1,515	1,491	426	57	(a) 18,240	3,556	—	—	307	25
London and South-Western .....	7,648	173	5,183	4,382	365	1,576	3,709	2,356	621	6,689	3,860	15,171	3,809	695	12
London City and Midland .....	44,110	3,864	31,004	33,298	11	22,160	(b) 3,709	8,827	82	35,053	11,716	81,156	17,287	2,877	83
London County and Westminster ..	25,198	7,187	26,984	32,852	470	19,112	(c) 4,307	5,448	1,035	24,288	9,952	40,800	4,683	1,789	80
London Joint Stock .....	11,088	1,697	2,150	29,514	19,441	108	(c) 4,307	2,947	—	1,528	13,647	15,469	1,895	1,020	32
Martin's .....	1,142	220	1,343	942	5	349	(d) 4,691	326	27	574	35	1,380	132	132	—
National Provincial .....	17,295	845	8,101	37,712	2,069	2,608	(d) 4,691	1,983	104	(a) 49 257	7,364	—	—	835	19
Parr's .....	12,714	543	20,030	14,514	316	7,993	1,089	8,485	949	(a) 24,171	658	—	—	1,250	33
Union of London and Smiths .....	13,542	386	14,312	13,568	573	4,277	1,489	8,403	369	(a) 24,171	2,197	18,563	3,232	1,521	2
Williams Deacon's .....	6,193	277	2,542	5,289	588	613	841	1,803	63	5,101	254	10,180	3,640	458	19
	218,054	—	146,108	246,762	18,015	63,647	31,710	47,938	—	256,169	63,770	288,387	46,285	17,198	172

(a) Bills Discounted, Loans, &c., in one item.

(b) Including Belfast Bank shares, cost £1,225,908, taken at £752,639.

(c) Including Ulster Bank shares £1,861,494, and £400,000 (against £200,000) in L.C. and W. Bank (Paris).

(d) Including £240,000 shares in Lloyds and National Provincial Bank (France).

interesting things to tell the shareholders and the public about the growth of prosperity, the solidity and, one may add, the beneficence of "Barclays." He told us that our National Debt would amount to no less than £7,000,000,000 at the end of the war, and it may be more. In gross, it probably will be more, for, as he went on to point out, we must expect further borrowings by the Government for purposes of reconstruction. And the war is by no means over yet. In any event, the charges for the interest and redemption of the huge debt taken at the lowest figure will be "immense." How are they to be met? Nobody can devise how with any certainty, but our lawmakers would do well to pay attention to Mr. Goodenough's observation upon the policy of "levies" upon capital. "We cannot afford," he said, "to deprive the individual of the capital that is his. Capital in the hands of the individual is of greater value than in the hands of the State." That is a truth only too readily forgotten, and the whole question will require delicate handling if we are to avoid trouble. And how to obtain the needed money without impinging on capital may pass the wit of man to conceive.

As always, of late years, one of the most comprehensive speeches of the banking year is that of Sir Edward Holden, chairman and managing director of the London City and Midland Bank. No other bank chairman, except Sir Felix Schuster, has prepared himself systematically to take such a world-wide survey of banking interests and international finance as Sir Edward has done. And since the war began he has paid particular attention to the finances of the German Empire, following their tortuosities with a keenness that cannot be to the taste of the prime jugglers in Berlin. This gives a peculiar interest to his address, and some of the statements made by him on Tuesday deserve reproduction. He contrasts, for example, the balance-sheets of the German Imperial Bank of July 23, 1914, and of December 31 last. At the earlier date the total was £156,470,000; at the end of last December it was £1,034,259,000. In the interval the stock of gold has been increased from £68,000,000 to upwards of £120,000,000 by squeezing the metal out of the hands of the public and out of other banks, including—as has all along been alleged, and not improbably—the Imperial Bank of Austro-Hungary. The liability on notes issued alone has risen from £94,545,000 to £573,378,000, and the ratio of gold to notes has fallen from 71.7 per cent. in July, 1914, to 20.9 per cent. at December 31 last. Nor does this indicate the whole extent of the substitution of credit for substantial wealth, for, over and above, there is the Darlehnskassen note issue, which had risen by the end of last year to £384,400,000, of which £65,225,000 in lieu of gold is lodged among the assets of the Imperial Bank as part security for its own note issue. Well may Sir Edward Holden say that the Reichsbank had been working at "full stretch" for the Government, and with it all the difficulty of financing the war must be daily on the increase in Germany far more markedly than here. Sir Edward, indeed, says that the total issues of paper money in Germany, including not only Reichsbank notes, but Imperial Treasury notes, notes of other banks, and Darlehnskassen notes, now amounts to £984,000,000, and he is probably well within the truth.

The seven public loans issued by the Government of the Empire have totalled £3,647,000,000, but these two aggregates represent only a portion of the debt, and we believe Sir Edward is right in his assurance that the German people owe altogether a good deal more than we do. The total borrowings of Germany since the war began appear to be about £5,100,000,000, against total cash borrowings here of about £4,900,000,000. The difference is not great in appearance, but the resources of Germany are not comparable to those of the British Empire, and we wonder sometimes what German bankers, great iron masters, and other mighty men of Germany's mushroom, feverishly expansive industries think about how the Empire's debt now piling up at unexampled speed is going to be provided for when

the war does end. Will they be able to trade the scrip off upon other countries, as Sir Edward seems to imagine? We should doubt it.

There is much more in Sir Edward Holden's speech, and his description of the finances of the United States and the method adopted in America of raising loans is most interesting, but we have no space to deal either with that, or with his onslaught upon the antiquated constitution of the Bank of England. Undoubtedly the Bank of England does want reshaping. We said so, not exactly before Sir Edward Holden was born, but long before he emerged upon the City as one of the most eager-minded and go-ahead of English bankers—and nothing worth recalling came of the attempt, because the other banks were not united and ready. We doubt much whether this time, either, is the time to begin making changes, although changes are unquestionably demanded. The banking system, however—or no system, if you prefer it—of this country has adapted itself to the restrictions, and absurdities, even, of the Bank Act of 1844, until it may be said to fit its sphere like the oyster in his pearl-concealing shell, and in proceeding to reform the Bank of England we should probably be compelled to disturb the smooth working of our credit machinery in many ways. All our energies, meantime, are required to carry the war to a successful conclusion; we cannot give our minds to anything else. When the war is over it will be the time to remodel our methods of business and to harmonise and re-shape our banking system. But Sir Edward Holden's demonstrations are well worth noting, and should be kept for use when the day for action comes.

We have already dwelt so long over these two prominent and extensively reported speeches that we are forced to condense the further notes we have to make.

One or two general observations, however, must first be made. Apart from the amalgamations now so conspicuous, the most prominent of the changes gradually coming over our banking habits and ideals is the tendency to expansion abroad. Lloyds Bank and the National Provincial of England, for instance, have united in the ownership and control of the bank Lloyds has founded in France. It already has several branches in important cities of the Republic. The London and South-Western again, now united with the London and Provincial, has joined Messrs. Cox in the ownership of Cox's Bank in France, and the London City and Midland and the London County and Westminster have both acquired Ulster banks, which were hitherto "foreign" in too many senses, while Barclays Bank has entered into arrangements with the old Colonial Bank to work in close fellowship with it. Thus our banks are becoming world or international

## LLOYDS BANK LIMITED.

HEAD OFFICE: 71, LOMBARD STREET, E.C. 3.

CAPITAL SUBSCRIBED	- £31,304,200
CAPITAL PAID UP	- 5,008,672
RESERVE FUND	- 4,000,000
DEPOSITS, &c. (Dec., 1917)	174,697,945
ADVANCES, &c. do.	61,466,709

FRENCH AUXILIARY:

LLOYDS BANK (FRANCE) AND  
NATIONAL PROVINCIAL BANK (FRANCE) LIMITED.

bankers in a new sense, and no longer stand aloof in proud isolation, leaving the world to come to them or not as it pleased. Whether the change is to be carried further, and to prove satisfactorily remunerative, we shall not try to speculate, but we see no reason to be doubtful. The change is one to be cordially welcomed for many reasons, among the most weighty being the world's dependence on its banks, and the interdependence of Allied nations in all affairs of trade and progress when, after the war, the world begins a new life. Unless our banks and those of our Allies, of France and Italy especially, can hold themselves up and support each other amid all the ruins and destruction of wealth which the war has brought and is bringing upon the world, how will it be possible for the different populations to get a chance to restart their industries, rebuild their ruins, recreate their international commerce, or in any way drag themselves out of the pit into which the war will have flung them?

The world will depend on its banks more than on its statesmen for its material salvation. We are threatened with conflicts between capital and labour, and as the difficulty of living increases, the envy and wrath of the working man seems to grow hotter against the capitalist. May it not be possible for some development of banking usages, or adaptation of banking credit, to provide a way towards reconciliation, so that the interests of the man who earns and the man who pays the wage can be reconciled? Much will depend upon the spirit with which our banks everywhere face the new world which will open up before them when peace returns. It is a world whose characteristics we as yet can guess almost nothing about, and our whole future may depend upon the adaptability of those who lead us to take the new path promptly and resolutely. Among the leaders the banks must take a first place.

As we have already dealt fully with the report of each bank as it appeared, we need not now return to their accounts, which are besides brought together this week in our usual condensed exhibit. But some of the observations made at the shareholders' meetings deserve to be quoted relative to the mechanism of banking, the sources of profits and other matters. Mr. Milburn, for example, presiding at the London Joint Stock meeting, tells us that the world's production of gold in 1916 was some £95,000,000 in round figures, and that no less than £60,000,000 of this, or about two-thirds, was gold produced within the British Empire. He rightly emphasised that fact, and declared the gold in the reserve at the Bank to be "of far greater importance to the nation than gold in the form of trinkets," a sentiment with which we heartily concur, and wish some method could be lighted upon to turn the "trinket" gold into credit-sustaining metal.

As to how profits are earned, the handiest explanation was that furnished by Mr. Mendl in his speech as chairman at the annual general meeting of the National Discount Co. The whole secret is in the following sentences:—

The discount rates in January, 1917, averaged a little over 5 per cent.; in March they were round about 5 per cent.; in April they dropped to a little over 4½ per cent., and then they rose gradually to 4¾ per cent., at which rate they remained practically constant until the end of December, when they fell owing to the reduction in the rate on Treasury bills. The average rate of interest on deposits was: for call money, £4 2s. 7d. per cent., as against £4 4s. 9d. in 1916; and for money at notice, £4 7s. 7d. per cent., as against £4 9s. 9d. in 1916. The average rate of discount for the year was £4 15s. 7d. per cent., as against £5 4s. 6d. in 1916, and was evidence, he thought, of the financial strength which the country was showing. The fact that at the end of 1916 it was considered necessary by the Government to make an issue of three-year Exchequer Bonds at 6 per cent., whereas at the present moment the National War Bonds at 5 per cent. were having a very fair measure of support, and that at the end of December it was found possible to reduce the rate on Treasury bills to 4 per cent., although there were then £1,058,000 bills running, and naturally the total National Debt had much increased during the year, gave them every confidence as to the ability of the country to hold its financial position right through the war.

What may be called the mechanism of profit-earning is disclosed in the above extract. Discount houses and banks make their expenses and their nett profits

out of the difference between what the money or credit placed at their disposal costs them in interest allowed and what they can get for it. In ordinary times the margin sometimes differs considerably according to the condition of business. In war time—at any rate in this war—the margin may be said to be fixed by authority, as witness the arbitrary looking style in which the Chancellor of the Exchequer reduced the rate of interest paid by him on the Treasury bills. The change involved a reduction in rates all round, and may affect the profit margin, which was sufficient and good last year.

Let us now take a few other distinctive utterances of bank chairmen at their meetings. Every one of them had something important to say, not merely about the business of his particular bank, but about general financial business, and we should like to select a few of these facets, so to say, of banking opinion. Naturally, at the meeting of the London and South-Western, Sir Herbert Hambling, who presided, had much to say about the momentous step which unites it with the London and Provincial. When the new bank is organised it will have some 560 branches, and not only larger resources, but a larger scope for business, and all resources will be needed after the war. "Owing to Government control," Sir Herbert pointed out, and his words deserve our solicitous attention:—

Artificial conditions have prevailed during the past three and a-half years. The law of supply and demand has scarcely operated, and it will be no easy task to get back to normal conditions. Millions of men have been taken from productive to unproductive work, and not only have we, as a nation, been spending our accumulated savings, but devoting to a large extent our energy in production to destructive purposes. As I endeavoured to explain to you recently, our prosperity after the war will depend on the excess of production over consumption. Our standard of living will not be measured by the rate of wages paid, but by the volume of commodities we are able to create. We shall be faced with the alternative of either drastically lowering our standard of living and restricting the volume of our imports, or by organised and strenuous effort increasing production far beyond pre-war levels. That is the problem. We need to increase production to the greatest possible extent, and by efficiency and by all-round co-operation to compensate for the lack of output during the past years. How are we to do this? In the first place, we must have our plans prepared before hand, in order that we may get to work so soon as demobilisation is begun. In addition, we must improve our industrial machinery, in order that the last ounce of efficiency may be produced and the maximum results obtained. When I say that we must improve our industrial machinery, I mean that we must reorganise our whole industrial system in order that a maximum output may be obtained. Not only should the mechanical machinery used be of the most up-to-date description, but it must be utilised to the full. The relations between capital and labour must receive most careful attention, and some fair and equitable basis must be arrived at. Huge munition factories have sprung up all over the country, and in many cases these are capable of conversion into productive works. This will involve capital outlay, and it is our duty as bankers to assist the manufacturer in every way we can, and to see that such assistance is applied to increase the nation's output. There will also be a great need for raw materials, and the banks must see that facilities are available whereby manufacturers can obtain the necessary finance to enable them to be the first in the field in obtaining such materials, for, in my opinion, there is likely to be a great shortage in the supply. All over the world, including enemy countries, preparation is being made on a gigantic scale for after-the-war trade. What one might designate as super-trust organisations are being formed by our future competitors; great institutions, whose ramifications are world-wide, are already purchasing and storing raw materials for after-the-war purposes. In this country we have a very large number of small firms, and the opinion is often expressed that these small men must, in the fierce competition which is coming, go to the wall. It is felt that we shall have to meet the super-organisations of our competitors with super-organisations of our own.

Presiding at the last annual meeting of the London and Provincial Bank as a separate concern, Mr. J. W. Cross estimated that the National Debt at the end of the current year would probably amount to £7,500,000,000, and involve an annual interest charge of £392,000,000, with, in addition, a huge amount of pensions to pay—and, he might have added, of increased salaries in all departments of the Government as well as in the Army and Navy. Well might he declare that this enormous expenditure and the necessary gradual reduction of the debt can only be met by capital and labour working in harmony—and they do so work much more often than we often give them

credit for. Mr. Cross also gave some interesting particulars about the business in South Wales, which had had another year of remarkable prosperity:—

With regard to South Wales, another year of remarkable prosperity was reported. Trade in coal had been less, and there has been a reduction in tin plates and galvanised sheets, but there had been extraordinary activity in iron and steel, the production of which had undoubtedly greatly exceeded any past record. The most difficult of problems had been that of providing sufficient shipping. In the circumstances, it was not surprising that the price of ships had reached hitherto unheard-of heights, and that in freights there had been new records. The dry-dock companies had done an immense amount of work, the number of vessels repaired in the South Wales docks being about 2,500, with a tonnage of about 6,000,000 gross. Large extensions had been made in the spelter works in the Swansea district, and it was estimated that ultimately the output of spelter would be at least five times as great as before the war. Generally, they might hope to see a further expansion of business in South Wales when peace came.

At the meeting of the London County and Westminster Bank, the chairman, Mr. Walter Leaf, had a word to say about Government control of trade, which deserves bearing in mind. We are all, perhaps, rather given to looking round for changes to follow the war, and sometimes hail arrangements as permanent which are in reality quite temporary. We have never subscribed to the doctrine that the trade of this country could be better organised and carried on under direct Government supervision than by the traders themselves, and are glad to see that Mr. Leaf, as doubtless other bankers, sees eye to eye with us in this important question of policy; for to sit down and fold the hands, beguiled by the notion that trade will be all right after the war because this and that "Government Department" will see everything properly carried on would be altogether fatal. Merchants and manufacturers must constitute their own guiding organisations, and in doing so will do well to enlist the banker as their ally from the first. Trade will have to be conducted more economically after the war than it has ever been. Competition will have to be, if not avoided, kept under control and directed to definite ends, not necessarily antagonistic, but in harmony with requirements:—

Dealing with the question of the Government control of trade, Mr. Leaf said they must all recognise that such control was, in the present emergency, inevitable, but they could not view without some alarm the probably permanent results of some steps which were being taken, perhaps with the idea of retracing them in the period of reconstruction. If so, he feared that the idea was short-sighted and fallacious. He would mention two instances. The whole future of the labour question was in the melting-pot, and on the solution arrived at would depend the prosperity of the country, and therefore of the banks, after the war was at an end. It could hardly be said, he feared, that the recent action of the Government in the wages question was of good augury, or promised anything in the way of real settlement in the near future. Another direction in which Government Departments had been active caused the directors much apprehension. He alluded to what appeared to have been adopted as a deliberate policy—the extinction of the merchant, with the view of bringing directly together the producer and the customer. That was an object which might commend itself at first sight to the amateur; it looked like an economy and a simplification. To him it looked rather like a return to primitive conditions of trade unsuited to our modern requirements. To strike at the merchant was to aim a blow at the world-wide pre-eminence of London.

The chairman of Parr's Bank, Mr. Cecil Parr, got rather into hot water with some critics by stating that in his view "the funding of the present floating debt must within a measurable time be effected by another loan." "Nothing of the sort," he was told. "The Government has no intention of raising another loan after the pattern of last year's big issue," and perhaps the Government can hold a while yet to this position. We hope it can, because the short-dated security is much the handier, and safer for the investor. But how long is the war going to last? If it ends this year then a funding operation will probably have to be taken into consideration next year embracing all varieties of debt except those represented by securities maturing soon. If earlier, then the funding must come sooner. So there is no need to be ill pleased with Mr. Parr, who did not say only that in his speech, and was certainly the reverse of unfriendly to Government finance. In one particular he appeared to indicate that Parr's is striking out in a new direction and trying to

fulfil some of the functions of those rural or "agricultural" banks often talked about but never coming into effective existence. This is what he said about that and other matters:—

They had come under special arrangements for the lending of money to farmers, through the co-operation of the County War Agricultural Committees, though in that respect farmers had done—or ought to have done—so well that the great majority of them had no need to ask assistance from their bankers, but should rather have helped to swell the deposits of the banks with the profits they had made. In addition to all this, they had allowed their patriotism to override their banking instincts, and not only had they encouraged customers to subscribe their balances, but had advanced large sums to those who had no available balances. Much of this latter money had come back. But with the best will in the world, they could not make their deposits do duty twice or three times over. They could not lend them to customers for subscription to war funds as well as advance them for the production of munitions and food, and at the same time subscribe themselves to the War Loan. Yet some newspapers were never tired of letting them know that they ought to do all three.

As illustrative of the loyal and effective assistance given by banks to the Government in enabling it to carry on the war, the following information given at the meeting of Williams Deacon's Bank by the chairman, Mr. Gerard Powys Dewhurst, is worth prominence:—

The bank's customers applied for over 16½ millions of the War Loan—a figure equal to 68 per cent. of the deposits at that time. To enable them to do this the directors sanctioned advances of over £6,000,000, and to-day less than one-third of those loans were outstanding. It might help them to visualise the work involved if he told them that close on 18,000 separate applications passed through the bank, in addition to which they had issued over 400,000 of War Savings certificates. These figures were quite exceptional, and the directors saw evidence that it helped their own business by attracting customers; in fact, the broad-minded and helpful policy of the bank towards trade generally throughout the war had brought a most valuable accession of new business, and had added materially to the bank's reputation. They realised that the activity of trade, and the higher earnings of the working classes, had led to the opening of many new banking accounts all over the country; but when he told the shareholders that the net increase of the bank's accounts last year was more than four times the increase of 1908, and three and a-half times that of 1911, the directors felt they could justly congratulate themselves, and it was not only in actual numbers, but in the magnitude and importance of new accounts, that the war period had brought record increases, in spite of the fact that they had opened no new offices.

Mr. Garfit has always something worth attending to to say at the meetings of the Capital and Counties Bank, whose chairman he is, and in his speech last week he described the National War Bonds as "the most lucrative investment of the highest class that could be obtained anywhere," going on to describe the facilities the bank had given to its clients to enable them to apply for these bonds, and the following observations on the relative usefulness of large and small banks are opportune:—

The question was still occasionally raised that the present large banks did not give the same facilities that the old private banks used to do from their knowledge of the character and ability of those with whom they had to deal, but this criticism was really based far more on sentiment than on fact, and in many cases the old link was maintained by some of the partners and managers being appointed local directors, while every case referred to head office was carefully considered and loans as freely made as before. At the same time, the needs of large limited companies and important firms, and of those customers who required foreign and exchange facilities, were met in a way that was not possible with small institutions. Much attention had lately been given by the general public to the important banking amalgamations that had taken place. The Capital and Counties Bank was largely made up of amalgamations, and the present directors were no less favourable to fusions of the kind carried out on sound and beneficial terms than were their predecessors. It might be a matter upon which opinions differed whether the period of a great war was the best time to choose for carrying out transactions of the kind, and on that subject he expressed no opinion. He would only say that they had no reason to be otherwise than fully satisfied with the present position and prospects of the bank, and he thought the shareholders might feel assured that the bank, with approximately £60,000,000 of lodgments, was scarcely a minnow among the Tritons with which it had to compete.

[Several important speeches remain to be dealt with next week.]

Unquestionably the policy expounded by General Smuts the other day is the only practicable one for Africa. There must be no re-establishment of German slave colonies in that continent if the peace of the world is to be made secure.

### By-the-Way War Notes.

Free democracies everywhere ought to pass votes of thanks to the German Chancellor, Count Hertling, and the Austrian Prime Minister, Count Czernin, for their speeches. The two men play the rôle of Box and Cox in the play of Teutonic bamboozlement. It is quite a mistake to regard the Austrian attitude as expounded by Count Czernin as being less insolently grab-all than the Prussian. The language is more plushed, but the core is as hard, the brutality of the covetousness as insatiable. "Let us hold on to whatever territory we have overrun, stick fast to all mineral wealth now in the lands occupied by us, deny every claim which interferes with the right of the strong, and mock the world with words, words, and delusive offers of peace." It is well to know this. There can be no peace with Powers who put forward functionaries of this type to take leading rôles in the farce, "Peace by Arrangement."

Is our rather pharisaical Press right in assuming an attitude of superior virtue towards those Clyde engineers who are proving recalcitrant towards "combing out"? Our impression rather is that the rebellious engineers may be fundamentally in the right, although much too premature. We are all agreed that the peace we are now striving for must be a peace of peoples if it is to be worth ten pfennig in German discs of stamped millboard. But how is a democratic peace arrangeable with such Governments as those of the Habsburg and Hohenzollern tyrannies? The excited workmen ought to ponder well over that question, and we feel sure that when they have done so they will be as heartily in favour of "a fight to the finish" as the great majority of their fellows are already. With whom would they negotiate an "immediate armistice"?

We can say nothing to the purpose about the reasonableness of the claim put forward that the "dilutees" should be combed out first. That is a matter for arrangement between the Government and the men who toil in the workshops that serve it. We do, however, think that the clamour for more men and yet more men has been carried too far. It seems to us to be verging on hysteria to keep harping on this one point, as so many of our Press volunteer philosophers do. One of them, the ex-military correspondent of the *Times*, has grown rabid on the point. His one idea seems to be that we are fighting "a land war," and a land war alone. Therefore, the Western front on which the British armies are massed, as the one vital point in the field of strife, must be crowded with men, more men. A misconception so grotesque entertained by a man so able appears to illustrate the wisdom of the saying, "Evil communications," &c.

This is a siege, not an ordinary war of manoeuvre and open battle, and the sea power of the Allies, especially ours, plays fully as vital a part in this siege as our land armies. Moreover, amateurs of this kidney ignore the United States of America, treat its mighty effort as if no better than a "cinema show." One would think to read the essays of Carmelite Street and Printing House Square super-strategists that America had nothing to do with the real fighting, whereas it is already very much otherwise, and becomes more and more otherwise every week. As Mr. Baker has been telling us from Washington, the United States will soon have 500,000 soldiers in Europe, and this army will presently take its full share in the fighting in France. Within another year there will be another 1,500,000 men fully trained and capable of sustaining the fighting strength of the American army in Europe almost indefinitely. That being so, why such feverish clamouring for more and yet more men to be raised here, men most of whom cannot be spared from our industries without endangering the position of these industries not only during the war, but after the war ends? Doubtless it would suit the Germans that we should exhaust ourselves by "offensives" before the Americans are ready, but why should we play into their hands?

Sir Douglas Haig has never joined in this clamour. He wants more men, to be sure, always must while

the war lasts and siege fronts extend, but not half-a-million more all at once—unless a great offensive should be in contemplation this spring. But there can be no hurry for such offensive. We have no skill whatever in military strategy or tactics, and have not the slightest ambition to emulate those wonderful philosophers retained by the Harmsworths, who plan campaigns—in italics and large capitals—and move armies across deserts, swamps, and mountains with a speed that could not be exceeded were the roads they had to travel as smooth as the sea front at Eastbourne or St. Leonards, and win battles with magical facility; but we do not think a furious offensive should be necessary this spring. The besieged may be allowed to do the attacking, and our offensive kept well within bounds, just as it is now. The fighting at the front, indeed, is, owing to the season of the year, a model at present of what siege warfare ought to be—constant harassment of the beleaguered, unrelenting energy in destruction by our air forces, which are constantly growing in skill and in volume, unceasing devastation by our artillery wherever assemblages of troops can be discovered, depots "spotted" and lines of communication smashed.

The enemy is being worn down all along the Western front, and on the Italian front his sufferings this winter must be indescribable. And this week the Italian Army has assumed the offensive with brilliant success away up amongst the hills east of Asiago, where the foe has been dislodged and pushed back with the loss of 2,600 prisoners and much material Charles the Needy could ill spare.

Everywhere within the beleaguered empires the effect of the Allied constriction is daily becoming more visible. Suppress as they may, the Prussian military martinets cannot quite hide the fact that the population they deceive and oppress is rapidly yeasting up in a ferment of revolt. Strikes have broken out everywhere, and not least among the munition workers, owing to the scarcity of food, and hunger is rapidly bringing the mind of the masses to new conceptions of duty, of right and wrong. Whether Austria or Germany is in the worse plight we have no means of deciding, but both are rotten at the heart, and it is our conviction that we have merely to hold on immovable with an unrelaxing grip to see social disintegration and anarchy spread throughout both the Hohenzollern and the Habsburg Empires. Then they may be conquered without artillery and will soon be at our mercy. When we say "soon," it may be a matter of months, or of a year, but when the collapse our successful siege must produce does come about, that "peace of democracies" men talk and dream of will also heave in sight. We shall have done then for good and all with word jugglers and mummers who now play the game for tyrants and lie and threaten and bluster to order.

Of incidents in the beleaguerment there are few this week that demand consideration, for we cannot always be "storming the breach," but the Prussian bullies have favoured us with two attacks from the air this week, both on London and the eastern lands bordering the Thames estuary. They have caused the death and wounding of many women and children as well as of men—all civilians, all with no military gain whatever. The display was borne with a stoical calmness and a deepened sense of loathing, that was all. If the abandoned adversary chooses to waste what is left of his credit and manhood in this fashion, it is his affair, only he will have to pay for his crimes. Happily, our defence increases in efficiency, and on the war fronts we demonstrate it daily by continuing to assail German aerodromes, munition dumps, and so forth with ever increasing vigour and success. That is the best way, and most effective way, to combat and overcome this particular kind of fiendishness.

This week our losses of merchant vessels has been more than double that of the preceding week, nine ships of 1,600 tons and upwards having been sunk as well as six smaller vessels, making 15 in all, against seven in the week ended January 19 and only five in that ended January 12. A fishing vessel was also sunk. The enemy submarines have come back from their bases re-

charged with new torpedoes and oil. They may be more active still this week. These fluctuations must be allowed for in spite of all our endeavours, for the sea is pathless and wide; but by and by the pirates may get tired of drowning, for large numbers of them are being drowned. Had it not been so there would have been far more havoc going on now. It is far too great all the same, and every effort is being put forth to end the murder.

Last week 4,661 ships came and went at our ports, viz., 2,352 entrances and 2,309 clearances. This is 164 more than in the previous week and 371 more than in the week ended January 12. The sinkings of last week, in large ships alone, are exactly equal to the average for the whole of December. Apparently the enemy's attention is being turned towards the West Coast, which may mean that the Channel is getting too dangerous for them; but activity in the Mediterranean has also been unpleasantly prominent, and we have to lament the loss of two transports with over 800 lives. One of our destroyers also, while picking up the survivors from the *Aragon*, one of these transports, was itself torpedoed and sunk. No large French merchant vessel was sunk last week, but three of less than 600 tons were torpedoed, and last week two Italian steamers of over 1,500 tons were sunk and also two vessels of less than 100 tons. One Italian steamer damaged by the enemy managed to reach port. Six of our vessels were unsuccessfully attacked last week, after allowing for the two attacked the previous week, but only now added to the return.

The Arabs continue to thrash the Turks in the Land of Edom, on the Hadjez Railway east of the Dead Sea, and elsewhere, to our great comfort.

Officially American Headquarters in France make it known that the total capacity of the ships which formerly flew the German flag, seized by the United States Government, and now ready for sea, is approximately 500,000 tons. They will be employed mostly in conveying men and materials of war from America to France, and we hope Herr Ballin and his fellow ship-owners enjoy the spectacle. That little man must surely think with chagrin and rue sometimes that his Hamburg-American steamship enterprise had more chance to conquer dominance at sea and escape the impending bankruptcy in the peaceful days when he browbeat and bullied his rivals in Antwerp, and played dictator on every sea route upon which his company's ships interloped than it will ever have again. Thirteen of the best boats in the "Hapag" and other fleets, including those formerly named the *Grosser Kurfürst*, the *Kaiser Wilhelm II.*, the *Friedrich der Grosse*, and the *Kronprinzess Cecilie*, but now all renamed, will be busy henceforth in the service of that army which is massing in Europe to help us to put an end, we hope for ever, to the tyranny of brute force among men. Will Germany ever get the ships back? No, never. These and all the rest she still has will not be enough to make good the damage done by her U-boat assassins.

### American Business Notes.

Amid all our troubles about food we must never forget that they are not all due by any means to the action of the enemy. Lord Rhondda made it public in the end of last week that in December 3,000,000 lbs. of bacon and 4,000,000 lbs. of cheese had been sunk within a month, and such a mass of food lost was unquestionably a source of embarrassment in reducing the supplies available to feed the home population after the requirements of the Army and Navy had been satisfied. But had everything been normal in the United States we should not have been hurt much even by such a destruction of valuable food. Last year's harvest, however, was indifferent in nearly all our food reservoirs, so to say, especially for wheat. In the United States, for example, according to the latest estimates of the Department of Agriculture in Washington, the harvest of wheat was almost as poor as in the preceding year, the aggregate production being put at only 418,070,000 bushels, the smallest since 1912, and 62,000,000 bushels less than 1916. Com-

pared with 1914, which was a bumper year, the shortage was no less than 266,000,000 bushels, and the United States is now at war, therefore in the same position that France, Italy, and ourselves occupy. It will thus be economy all round, and already the Food Controller in America, Mr. Hoover, has arranged for a gradual increase in the mixture of other cereals in the loaf. It is to begin with a substitution of 5 per cent. of other meals, and will rise to one of 20 per cent.; that is to say, only 80 per cent. of United States bread will after a little time consist of wheat flour. Even so, as Mr. Hoover points out, the bread of the United States will be more wheaten than ours.

A short supply meeting an increased demand inevitably raises prices, and it is interesting to note that, according to the price index of the Department of Agriculture made on November 1 last, the price of all crops shows a rise of 46.1 per cent. on the year before. It is 116.1 per cent. higher than 1915, and 104.3 per cent. above the average of the five years 1911 to 1915 inclusive. Production in the same time has risen only 11.1 per cent. last year compared with 1916, and is only 4.1 per cent. above the average for the same five years. The farm price of wheat on December 1 was \$2.009 a bushel, compared with \$1.603 in 1916, and with a five years' average of 87.5 cents. Maize had risen to \$1.283 per bushel, as compared with 88.9 cents in 1916, and an average of 59.7 cents, and oats had risen to 66.9 cents compared with 52.4 and 38.5 cents on the five years' average. So it is with everything else. The average of cotton, for instance, for the five years 1911 to 1915 inclusive was 10 cents per lb., whereas for the past season it was 27.7 cents. The crop of maize or Indian corn was, however, the highest ever gathered, and is now officially stated to have amounted to 3,159,494,000 bushels. The increase was due to some extent to the greater extension of ground cropped, which was 14.2 per cent. above that of the previous year. Altogether the cereal crops of the United States, including maize, wheat, oats, barley, and rye, aggregated last year 5,666,728,000 bushels, which was almost 1,000,000,000 bushels larger than the yield of the same grains in the previous year, and was due almost entirely to the just-mentioned much heavier yield of maize, but it was still nearly 340,000,000 bushels below the highest previous yields. In 1915, too, the aggregate quantity of grain produced was upwards of 190,000,000 bushels greater than last year, consequently it is anything but matter of astonishment that there should be some pinch felt between now and next harvest, submarines or no submarines.

The Agricultural Department also compiles an estimate of the value of the crops to their producers, and from this point of view last year is, one may say, too satisfactory, the total value to the farmer being estimated at \$6,760,081,000, whereas in 1916 it was barely \$4,177,000,000, and in 1913 it was small as \$2,864,000,000. Add the potato crop, which was 442,536,000 bushels last year, the heaviest in the country's history, and the farmer in America would seem to be at the very highest pitch of prosperity. He should therefore be well able to pay his full share of the augmented taxation.

### REPUBLIC OF NICARAGUA STERLING LOAN OF 1909.

The Council of Foreign Bondholders give notice that they will be prepared on and after WEDNESDAY NEXT, the 6th instant, to deliver Funding Certificates in respect of 75 per cent. (less tax) of the Coupons due 1st July, 1917, and 1st January, 1918, on Bonds of the above Loan against presentation of the Tickets issued on payment of 25 per cent. of such coupons in cash.

In accordance with the directions of the Board of Inland Revenue, 25 per cent. of the amount of the Funding Certificates issued will be deducted in respect of income-tax in all cases except those of foreign holders who lodge the required affidavit for exemption.

JAMES P. COOPER,  
Secretary.

17, Moorgate St.,  
London, E.C. 2.  
February 1st, 1918.

## THE JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED,

announces that owing to the irregularity and delay in the mails, the issue of the quarterly reports to the Shareholders of the Mines of the Barnato Group is discontinued for the time being. In place thereof the following is a cable summary of the quarter's operations as advertised in the press.

10 and 11, Austin Friars, London, E.C.2.

30th January, 1918.

### GOVERNMENT GOLD MINING AREAS (Modderfontein) Consolidated, Limited.

(Incorporated in the Transvaal.)

Report for Quarter ended 31st December, 1917.

Tons Crushed, 309,900 tons.	Per ton, based on Tonnage Crushed
Total Working Revenue ...	£464,815 ...
Total Working Costs ...	290,996 ...
<b>Working Profit</b> ...	<b>£173,819 ...</b>
Sundry Revenue ...	1,524 ...
<b>Total Profit for the quarter</b>	<b>£175,343</b>

No allowance has been made in the above for the Government's share of the Profits.

The expenditure on Capital Account amounted to £23,352.

An acute shortage of native labour was experienced in October, but there was a slight improvement in November and December. As compared with the previous quarter, crushing shows a decrease of 16,600 tons. Working costs were reduced by 6d per ton. The grade of the ore milled was slightly lower. Gross Profit was £5,978 less than last quarter.

The development footage sampled totalled 6,280 feet, and gave the following results:—Payable 4,480 feet, having an average value of 12.7 dwts over 50 inches of reef. Reef partly exposed 110 feet, having an average value of 2.4 dwts over 56 inches of reef. Unpayable 1,690 feet, having an average value of 3.5 dwts over 26 inches of reef.

The Payable Ore Reserves are now being recalculated. It is estimated that the payable reserves have been increased by over 800,000 tons during the present quarter.

Plans and estimates are being prepared to enlarge the reduction plant by 5 additional Tube Mills, with necessary extension to cyanide plant.

This addition will bring the crushing capacity up to about 135,000 tons monthly.

Dividend No. 1 of 12½ per cent. (2s 6d per share) has been declared payable to shareholders registered at 31st December, 1917.

### RANDFONTEIN CENTRAL GOLD MINING COMPANY, LIMITED.

(Incorporated in the Transvaal.)

Report for Quarter ended 31st December, 1917.

Tons Crushed, 500,960 tons.	Per ton based on Tonnage Crushed
Total Working Revenue ...	£586,896 ...
Total Working Costs ...	489,029 ...
<b>Working Profit</b> ...	<b>£ 97,867 ...</b>
Sundry Revenue ...	3,338 ...
<b>Total Profit for the quarter</b>	<b>£101,205</b>

No allowance has been made in the above for Colonial Taxation. The expenditure on Capital Account amounted to £75,459, and Debenture Interest £39,513.

As compared with the previous quarter crushing shows an increase of 8,610 tons. Working costs were reduced by 5d. per ton. The recovery value was about 10d. per ton lower.

Gross Profit shows a reduction of £10,462.

Shaft sinking accomplished totalled 1,407 feet.

The development footage sampled totalled 18,985 feet, and gave the following results:—Payable 14,695 feet, having an average value of 21.6 dwts. over 19 inches of reef. Unpayable 4,290 feet, having an average value of 8.2 dwts. over 21 inches of reef.

### VAN RYN DEEP, LIMITED.

(Incorporated in the Transvaal.)

Report for Quarter ended 31st December, 1917.

Tons Crushed, 134,060 tons.	Per ton, based on Tonnage Crushed
Total Working Revenue ...	£290,325 ...
Total Working Costs ...	130,298 ...
<b>Working Profit</b> ...	<b>£160,027 ...</b>
Sundry Revenue ...	5,083 ...
<b>Total Profit for Quarter</b>	<b>£165,110</b>

No allowance has been made in the above for Colonial Taxation. The expenditure on capital account amounted to £4,926.

As compared with the previous quarter the crushing shows an increase of 4,850 tons. Costs and grade were practically unchanged. The Gross Profit was increased by £6,503.

Plans and estimates are being prepared for the addition of 10 Stamps and a Tube Mill, with the necessary Cyanide plant. The construction will be put in hand at an early date.

The development footage sampled totalled 1,331 feet, and gave the following results:—Payable 1,262 feet, having an average value of 34.4 dwts. over 20 inches of reef. Unpayable 69 feet, having an average value of 8.1 dwts. over 13 inches of reef.

Dividend No. 9 of 22½ per cent. (4s. 6d. per share) has been declared payable to shareholders registered at 31st December, 1917.

## CONSOLIDATED LANGLAAGTE MINES, LIMITED.

(Incorporated in the Transvaal.)

Report for Quarter ended 31st December, 1917.

Tons Crushed, 129,150 tons.	Per ton based on Tonnage Crushed
Total Working Revenue ...	£168,469 ...
Total Working Costs ...	122,425 ...
<b>Working Profit</b> ...	<b>£46,044 ...</b>
Sundry Revenue ...	510 ...
<b>Total Profit for quarter</b>	<b>£46,554</b>

No allowance has been made in the above for Colonial Taxation. The expenditure on Capital Account amounted to £5,182, and Debenture Interest £1,719.

Operations were considerably handicapped owing to the continued shortage of native labour.

As compared with the previous quarter crushing was decreased by 15,150 tons. Costs were 1s. 10d. per ton higher. The recovery value was improved by over 10d. per ton. The Gross Profit was £11,540 less than last quarter.

The East Incline Shaft was sunk 65 feet to a total depth of 4,286 feet. The West Incline Shaft 15 feet to a total depth of 3,710 feet.

The development footage sampled totalled 3,632 feet and gave the following results:—Payable 1,425 feet, having an average value of 22.4 dwts. over 15 inches of reef. Unpayable 2,207 feet, having an average value of 6.5 dwts. over 14 inches of reef.

Dividend No. 9 of 7½ per cent. (1s. 6d. per share) has been declared payable to shareholders registered at the 31st December, 1917.

## WITWATERSRAND GOLD MINING CO., LTD.

(Incorporated in the Transvaal.)

Report for Quarter ended 31st December, 1917.

Tons Crushed, 104,615 tons.	Per ton, based on Tonnage Crushed.
Total Working Revenue ...	£129,274 ...
Total Working Costs ...	93,729 ...
<b>Working Profit</b> ...	<b>£35,545 ...</b>
Sundry Revenue ...	4,896 ...
<b>Total Profit for quarter</b>	<b>£40,441</b>

No allowance has been made in the above for Colonial Taxation. The expenditure on Capital Account amounted to £4,256.

As compared with the previous quarter, crushing shows a decrease of 12,535 tons.

Working costs were increased by 1s. 3d. per ton.

The grade of the ore milled was 9d. per ton higher, but the Gross Profit was £6,776 less than last quarter.

The principal reason for the decreased profit is the shortage of native labour. Other factors are the increased costs of imported stores, and the fact that the reef in outcrop section of the Mine is becoming exhausted, making the mill dependent upon the South Section of the bulk of the ore mined. The rock here is much harder than in the upper levels; this greatly reduced fathomage broken per shift, thus accentuating shortage of native labour. Under normal conditions the reduction plant is capable of dealing with 45,000 tons monthly. But for reasons mentioned the profit would have been much higher.

The development footage sampled totalled 1,560 feet, and gave the following results:—Payable 770 feet, having an average value of 10.4 dwts. over 41 inches of reef. Unpayable 790 feet, having an average value of 4.5 dwts. over 40 inches of reef.

The Southern Incline Shaft was sunk 141 feet to a total depth of 2,794 feet.

Dividend No. 27 of 15 per cent. (3s. per share) has been declared payable to shareholders registered at 31st December, 1917.

## LANGLAAGTE ESTATE AND GOLD MINING COMPANY, LIMITED.

(Incorporated in the Transvaal.)

Report for Quarter ending 31st December, 1917.

Tons Crushed, 126,660 tons.	Per ton, based on Tons Crushed.
Total Working Revenue ...	£139,929 ...
Total Working Costs ...	113,673 ...
<b>Working Profit</b> ...	<b>£26,256 ...</b>
Sundry Revenue ...	506 ...
<b>Total Profit for the quarter</b>	<b>£26,762</b>

No allowance has been made in the above for Colonial Taxation. The expenditure on Capital Account amounted to £12,197.

Owing to a severe shortage of native labour crushing was decreased by 1,820 tons as compared with the previous quarter.

Costs were reduced by 11d. per ton. The grade of the ore milled was 1s. per ton lower.

Gross Profit shows a decrease of £945.

The Hebbard Incline Shaft was sunk 173 feet to a total depth of 2,979 feet.

The development footage sampled totalled 2,344 feet, and gave the following results:—Payable 1,478 feet, having an average value of 21.3 dwts over 22 inches of reef. Unpayable 866 feet, having an average value of 5.3 dwts over 20 inches of reef.

Dividend No. 54 of 5 per cent. (1s. per share) has been declared payable to shareholders registered at 31st December, 1917.

## Insurance News.

From the preliminary official announcement with regard to the fusion of the London Assurance Corporation with the British Law Fire Insurance Co. it was difficult to see how the new shares were to be allocated among the British Law shareholders. It now appears that each holder of 25 British Law partly paid shares will receive one ordinary share of £25 (£12 10s. paid) of the London Assurance, 25 preference shares of £1 each fully paid, cash or 5 per cent. War Loan amounting to £68 19s. 2d. A holder of a lesser number of shares will receive payment in proportion. With regard to the fully paid shares each holder of one will receive three 6 per cent. preference shares, and £3 3s. 2d. cash or 5 per cent. War Loan. Taking the preference shares at par and the ordinary shares of the London Assurance at £60, each share of the British Law will receive the equivalent of £6 2s. 6d. per share. The company proposes to pay in March the usual final dividend.

It is suggested in some quarters that the fire insurance companies may be compelled in the near future to raise premium rates in view of the great increase on the expenditure side of the business. At the same time, it would appear that if all property were insured for its full present-day value, current rates are sufficiently high, as the companies would then collect larger premiums, thus enabling them to meet their heavier outgo for expenditure. Many people are under-insured simply because they have lost sight of the greatly increased cost of renewing property of all kinds destroyed by fire. A more general application of the average clause might do away with the necessity of higher premiums. But property owners with long standing insurance contracts would be well advised thoroughly to overhaul them in order to find out whether, in order to meet the changed conditions, an increased amount of cover is now desirable. Amounts covered in policies effected only three or four years ago are quite inadequate now in consequence of the appreciation of all commodity values. Private householders should also revise the value of everything they possess, if they wish to be in a position of being able to replace any losses which may arise.

The profits of the Colonial Mutual Fire Insurance Co. for the year to September 30 were £415 higher, and the directors have decided to utilise the sum of £12,000 out of the profits and establish a reinsurance reserve fund. The ordinary reserve is credited with £5,000 (against £9,973), making the total £100,000, and the final dividend is 5 per cent., making 10 per cent. for the year, against 6 per cent., making 10 per cent., for the previous year, a balance of £1,976, or £917 more, being carried forward.

## DIVIDENDS ANNOUNCED.

Asbestos Corporation of Canada.—Quarterly \$1 per share, or at rate of 4 per cent. per annum on the preferred shares, payable Feb. 15.

Amalgamated Zinc (De Bavay's).—1s. per share to be paid Feb. 27, less tax at the rate of 4s. in the £. A year ago the same.

British Land Co.—2½ per cent., less tax.

Broken Hill Proprietary Co.—(No. 180) 1s. per share, payable Feb. 20. A year ago the directors decided not to declare the usual February dividend in consequence of the strike of engineers.

Birmingham Railway Carriage and Wagon Co.—At the rate of 15 per cent. per annum, including a bonus of 5 per cent.

British Burmah Petroleum.—Balance for year ended July 31 last of 4 4-5d. per share (free of tax), payable March 1, making 7½ per cent. for the year.

City Offices Co.—6s. per share (less tax) on the ordinary shares, being at rate of 5 per cent. per annum, for half-year, making a distribution for year of 12s. per share (less tax).

Cockermouth, Keswick, and Penrith Railway.—1 per cent. for past half-year, making with interim dividend 2 per cent. for the year.

Cork, Bandon, and South Coast Railway Co.—5½ per cent. per annum on the ordinary stock for the half-year ended December 31, making, with the interim dividend, 3½ per cent. for the year, against 2½ per cent. for the previous year, when £4,310 was carried forward. To reserve, £500, against £1,020 to reserve and locomotive renewals last year.

Dublin and South-Eastern Railway.—4 per cent. per annum for half-year ended Dec. 31 on consolidated preference stock; £5,900, against £2,100, to general reserve; forward, about £7,900, against £4,500.

Explosives and Chemical Products.—10 per cent. for year ended June 30.

Great Northern Railway.—2½ per cent. on deferred and "A" stocks for year, the same as for previous year; £35,000 to general reserve, against £25,000; forward, £139,615, against £140,684.

Great Eastern Railway.—For the past half-year on the ordinary stock of £2 5s. per cent., the same as a year ago, making, with interim of 5s. per cent., £2 10s. per cent. for 1917, the same as for 1916; forward, about £101,000, against a similar amount, with £25,000 to general reserve, against nil.

Great North of Scotland Railway.—At the rate of 1 per cent. per annum on the deferred, the same as a year ago, with £7,236, against £6,780, forward.

Highland Railway.—2½ per cent. on ordinary stock for year 1917, £3,000 to general reserve, and £14,755 forward. The dividend for 1916 was the same.

International Sponge Importers.—Final 4 per cent. on ordinary shares for six months ended Dec. 31, making a total of 6 per cent. for year.

London and Blackwall Railway Co.—For the past year at usual rate of £4 10s. per cent. per annum (less tax); the balance dividend of £2 5s. per cent. is payable on Feb. 6.

Lancashire and Yorkshire Railway.—At the rate of 2½ per cent., making 4½ per cent. for the year, the same as a year ago; £30,600 forward, against £40,800.

Midland Great Western Railway of Ireland.—At the rate of 3 per cent. per annum on the consolidated stock for half-year ended Dec. 31, the same as for 1916, placing £10,000 to general reserve, against nil; forward, £17,082, against £8,447.

May Mill Spinning Co.—Dividend and bonus equivalent to 53¼ per cent. per annum for past half-year.

Middle West Utilities Co.—Regular quarterly \$1.20 per share on outstanding preferred capital stock, payable March 1.

Perry and Co.—On ordinary shares at rate of 10 per cent. for year and a bonus of 1s. per share, making 12 per cent.

Taff Vale Railway.—At the rate of 4 per cent. for past half-year, making 2½ per cent. for year, against 2½ per cent. for 1916. £0.8-1 forward, £20,000 to special reserve.

Waihi Gold Mining Co.—Interim 1s. per share, free of tax, payable on March 1.

Zinc Corporation.—First interim in respect of profits for 1917 of 1s. 6d. per share on both the preference and ordinary shares, payable on March 27, less tax at 3s. 6d. in the £.

Vienna's largest flour mill at Kaiser Ebersdorf is said to have been burnt down last Saturday, and all the stocks of grain and flour, as well as the machinery, destroyed. The damage is said by the *Vorwärts* to be practically irreparable, as this mill played an important part in provisioning Vienna.

## STANDARD BANK OF SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa and to the Administration of Rhodesia.

Subscribed Capital ... £6,194,100  
Paid-up Capital... £1,548,525

Reserve Fund ... £2,000,000  
Uncalled Capital ... £4,645,575

## Board of Directors.

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SIR DAVID M. BARBOUR, K.C.S.I., K.C.M.G.  
ROBERT E. DICKINSON, Esq.

JAMES FAIRBAIRN FINLAY, Esq., C.S.I.  
HORACE PEEL, Esq.  
WILLIAM SMART, Esq.

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Head Office: 10 CLEMENTS LANE, LOMBARD STREET, LONDON, E.C. 4.

New York Agency: 68, WALL STREET, Over 250

Branches and Agencies in South and East Africa.  
EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, South-West Africa Protectorate, and the Belgian Congo, and with the Bank's Agencies in New York and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.  
DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED AND COLLECTED.

The officers of the Bank are bound not to disclose the transactions of any of its customers

MAIL AND TELEGRAPHIC REMITTANCES made.  
LETTERS OF CREDIT AND DRAFTS granted on the branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF CREDIT available in all parts of the world.

COMMERCIAL LETTERS OF CREDIT ISSUED.

PURCHASE AND SALE OF STOCKS AND SHARES effected.

DIVIDENDS, ANNUITIES, &c. received.

EXECUTOR AND TRUSTEE Business undertaken.

FRANCIS SHIPTON, *London Manager.*

# THE UNION OF LONDON & SMITHS BANK, LTD.

ESTABLISHED 1839.

Authorised Capital, £25,000,000. Subscribed Capital, £22,934,100. Paid-up Capital, £3,554,785 10s. Reserve Fund, £1,150,000

NUMBER OF PROPRIETORS—UPWARDS OF 10,500.

**DIRECTORS.**

**Sir FELIX SCHUSTER, Bart., Governor.**

**LINDSAY ERIC SMITH, Esq., Deputy-Governor.**

Major E. W. BARNARD.  
ALFRED F. BUXTON, Esq.  
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Right Hon. LORD SOUTHBOROUGH, P.C.  
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Rt. Hon. LORD STUART OF WORTLEY, P.C.  
Lt.-Col. A. M. H. WALROND,  
Rt. Hon. SIR ALGERNON WEST, G.C.B.  
CHARLES H. R. WOLLASTON, Esq.

**PRINCIPAL OFFICE—2, Princes Street, E.C.2.**

### GENERAL MANAGERS.

H. H. HART (Town and Foreign).

L. E. THOMAS (Country).

F. W. ELLIS, Manager (Town).

**H. G. HOLDERNESS, Deputy Assistant Manager.**

H. R. HOARE, Secretary.

Lt. L. J. CORNISH, Assistant Secretary.

**Trustee Department:—2, Princes Street, E.C.2.**

W. H. SIDEBOTHAM, Manager.

**LOMBARD STREET OFFICE** (Smith, Payne and Smiths) 1, Lombard Street, E.C.3.

**CORNHILL OFFICE** (Prescott's Bank, Limited), 50, Cornhill, E.C.3.

STATEMENT OF ACCOUNTS for the Year ending 31st December, 1917.

GENERAL BALANCE.		ASSETS.		Cr.
Dr.	LIABILITIES.			
Capital subscribed, £22,934,100 in 229,341 Shares of £100 each; paid up £15 10s per share .. .. .	£3,554,785 10 0	Cash in Hand .. .. .	£4,445,515 18 0	
Reserve Fund—		„ in Bank of England .. .. .	9,096,930 18 8	
Invested in War Loan 5 per Cent. 1929-1947, as per contra .. .. .	1,150,000 0 0	Money at Call and at Short Notice .. .. .	£13,542,446 16 8	
Current Accounts .. .. .	£43,651,175 15 5	Investments—	14,312,239 9 9	
Deposit Accounts .. .. .	19,167,212 12 1	*Securities of and guaranteed by the British Government .. .. .	12,343,767 0 0	
Acceptances and Guarantees .. .. .	62,818,388 8 6	India Stock and Indian Railways Guaranteed Bonds .. .. .	74,068 0 0	
Liabilities by indorsement on Foreign Bills sold .. .. .	1,756,123 18 1	Corporation Stocks, Railway and Waterworks Debenture and Preference Stocks, Colonial Stocks, Foreign Government and Railway Debenture Bonds .. .. .	1,341,465 0 0	
Other Accounts, including interest due on Deposits, unclaimed Dividends, &c. .. .. .	46,727 15 9	Other Investments .. .. .	147,449 0 0	
Rebate on Bills not due .. .. .	1,624,426 1 9		13,906,749 0 0	
Profit and Loss—	47,795 18 11	*Reserve Fund—		
Balance brought forward .. .. .	£82,543 5 8	£1,223,571 6s. War Loan 5 per Cent. 1929-1947 .. .. .	1,150,000 0 0	
Net profit for the year ending 31st December, 1917 .. .. .	593,369 10 10		15,056,749 0 0	
	£675,912 16 6	*The War Loans valued at cost.		
Less Interim Dividend for half-year ending 30th June, 1917 .. .. .	133,304 9 2	Bills Discounted—		
	542,608 7 4	(a) Three months and under .. .. .	5,501,356 19 6	
Less Amount provided in Profit and Loss Account, as below .. .. .	200,000 0 0	(b) Exceeding Three months .. .. .	579,301 11 10	
	342,608 7 4	Loans and Advances (including Stock Exchange Loans under Treasury Minute of 31st October, 1914) .. .. .	6,082,658 11 4	
	£71,340,856 0 4	Liabilities of Customers on Acceptances and Guarantees, as per contra .. .. .	18,562,871 2 7	
		Liabilities of Customers for indorsements, as per contra .. .. .	1,756,123 18 1	
		Bank Premises, chiefly freehold (at cost or under) .. .. .	46,727 15 9	
		Other Accounts, including interest due on Investments, &c. .. .. .	1,521,036 8 5	
			460,002 17 9	
			£71,340,856 0 4	

### PROFIT AND LOSS ACCOUNT.

<p>Interest allowed to Customers .. .. . £1,340,165 5 10</p> <p>Salaries, Contributions to Pension Fund, Bank Premises Account, and other Expenses at Head Office and Branches      625,091 18 5</p> <p>Rebate on Bills not due .. .. . 47,795 18 11</p> <p>Interim Dividend for half-year ending 30th June, 1917, at the rate of 10 per cent. per annum, less Income Tax .. .. . 133,304 9 2</p> <p>Provision for contingencies .. .. . 200,000 0 0</p> <p>Final Dividend for the year on 229,341 Shares at the rate of 10 per cent. per annum, less Income Tax.. .. £133,304 9 2</p> <p>Balance, being undivided profit carried forward to the next year .. .. . 209,303 18 2</p> <hr/> <p style="text-align: right;">342,608 7 4</p> <hr/> <p style="text-align: right;"><u>£2,688,965 19 8</u></p>	<p>Profit unappropriated on 31st December, 1916 .. .. . £32,543 5 8</p> <p>Gross Profit for the year ending 31st December, 1917, after making provision for all bad and doubtful debts and Income Tax .. .. . 2,606,422 14 0</p> <hr/> <p style="text-align: right;"><u>£2,688,965 19 8</u></p>
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<p>FELIX SCHUSTER, Governor, L. E. SMITH, Deputy-Governor, C. H. R. WOLLASTON,</p>	} Directors.	<p>H. H. HART, General Manager (Town and Foreign). L. E. THOMAS, General Manager (Country). S. H. BRIGGS, Chief Accountant.</p>
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## REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF THE UNION OF LONDON AND SMITHS BANK, LIMITED.

We have audited the above Balance Sheet with the Books at the Head Office and with the returns from the Branches. We have satisfied ourselves as to the correctness of the Cash and have verified the Investments held by the Bank, the Securities held against money at call and Short Notice and the Bills Discounted. We have obtained all the information and explanations we have required. In our opinion such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company.

WM. B. PEAT,  
C. W. M. KEMP.  
ARTHUR F. WHINNEY.

**Auditor**

London, 16th January, 1918.

## DON'T CASH YOUR VICTORY LOAN DIVIDEND.

£2 10s. Dividend will double your holding of War Stock and produce £100 new money for the War.

Write for particulars to Prudential Assurance Co., Ltd., 142, Holborn Bars, E.C.1, or to any of its Agents.

### NATIONAL BENEFIT

LIFE & PROPERTY ASSURANCE CO., LTD.

ASSETS EXCEED - - £1,000,000.

Attractive LIFE, FIRE, ACCIDENT & MARINE Policies.

HEAD OFFICES:

NATIONAL HOUSE, Newgate Street, LONDON, E.C. 1.

Managing Director: J. FRANCIS, J.P., F.S.S.

## The Investors' Review.

### Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from  $5\frac{1}{2}$  per cent. on Thursday, April 5, 1917.)

*Norfolk House, Friday Evening.*

Money has been wanted all week; that is to say, the taxes are making the market bare of floating balances, and although no changes are visible in discount rates, the price of floating credits has been generally firm at top figures. That is the case at least for day-to-day money, the pressure being insufficient to make any appreciable difference in the quotation for seven-day loans. A fair amount of general business has been done in bank paper, particularly American, but it all amounts to little.

The Bank return shows distinct traces of revenue collection, although the most prominent change is a decline of £3,578,000 in the public deposits. That merely shows that the Treasury has to pay away money faster than it comes in. Other deposits are also down £1,796,000, and other securities have diminished £3,324,000. Government securities are also £964,000 lower. The Bank, too, has lost gold to the amount of £308,000, and as the note circulation has expanded £673,000, it follows that the reserve is lower by £981,000 at £31,161,000. It is lower also by £6,295,000 than it was this time last year, but owing to the diminution in the liabilities its proportion to these remains unchanged at  $19\frac{3}{8}$  per cent.

The New South Wales Government is again in the market as a borrower, but on this occasion the issue is a large funding operation. On September 1 next £12,648,477 of  $3\frac{1}{2}$  per cent. stock falls due, and holders next week are to be offered the opportunity of converting their stock into  $5\frac{3}{4}$  per cent. inscribed stock of an equal amount. Cash applications at par will also be invited. The stock will be redeemable in 1922 or 1932. Five per cent. will be payable on application, and 95 per cent. on June 10; but a full six months' interest will be paid on November 1, equivalent to a bonus of about 10s., which brings the real issue price down to 99½. This was the price at which the £3,000,000 New South Wales loan, also in  $5\frac{3}{4}$  per cents, was issued in November last. The conversion is an expensive operation, but it is not quite clear why it should be under-

taken more than six months ahead of the necessary date. This lengthy anticipation of future needs is rather expensive, when the interest is so much higher.

We cannot accuse the New South Wales Government of any breach of contract in not providing a sinking fund to pay that loan off at the due date, for the original conditions under which the money was borrowed put no such obligation upon the colony. The first portion of the expiring loan was offered by the Bank of England in April, 1888, at a minimum of 102, and was sold at an average price of £103 12s. 2d. That was the highest price obtained for any portion of it. It was issued in successive amounts down to September, 1894, and the average interest paid on the whole sum was undoubtedly under  $3\frac{1}{2}$  per cent. In contrast with this "cheap borrowing" the loan to be issued in exchange is to bear  $5\frac{3}{4}$  per cent. and the nominal issue price is par, but in reality it is barely 99½, because the full six months' interest is payable on November 1. The yield is thus a very tempting one, and as the new stock will in turn come up for redemption or renewal in 1922, or at the option of the Government within the succeeding ten years, it is a short-dated investment which will commend itself to many. Present holders, therefore, should convert so as not to inconvenience the money market.

Rumour has for some time been busy over an impending issue of 5s. Treasury notes, and Mr. Bonar Law, in answer to a question, has confessed that a quantity of these notes has been printed and put in stock, but added that they will not be put into circulation just at present. Many people may be rather shocked at the news, but it is explainable enough. We have not been driven to an issue of 5s. notes by our own necessities. Silver is still cheap enough to make it a most profitable business for the British Mints to coin the metal and put it into circulation here by the ton. Were we to do that, however, and were the United States also to consume excessive quantities of the white metal, as has long been rumoured its Government intended to do, then what would become of India, where the position is exactly the reverse? Silver by weight is worth more there than silver coined into rupees. Rupees, therefore, get exported. To ease the strain upon India we must therefore try to lessen our consumption of silver here; hence the 5s. currency notes.

The efforts of a large number of holders of Russian bills to induce the Treasury to modify its scheme for exchanging them for 3 per cent. 12-year Exchequer bonds at par have unfortunately met with no success. A small deputation waited upon Mr. Bonar Law last Saturday, but the Chancellor declared that he saw little prospect of being able to amend the offer. The holders of the bills subsequently held a meeting, and there is no doubt that the incident has so impressed them that no support will in future be given to third party financing, since it leaves too much to the imagination. Direct financing is certainly to be preferred, for then the public is able to judge for itself the real value of a security, and the credit behind it. To connect an issue with someone else's credit or "moral responsibility" is calculated to mislead people.

We learn that since January 1 coupons of the Russian loans held in France have been paid by the French Government, but it is a condition of payment that the bonds must be held in France. Coupons sent to France from abroad for collection are not eligible for payment under this arrangement.

Paraguay, which failed to provide the funds required to meet the interest on her external debt on January 1, 1917, has just begun to resume monthly payments on account of the service of the debt, and a first remittance of £2,945 is being made to London. The amount of the debt outstanding is £714,400, and the amount required to pay off the arrears of interest is about £32,000. The amount of the monthly remittance, if maintained, would be sufficient to meet interest and sinking fund charges accruing during a year, but that would still leave the arrears to be made good.



## CURRENCY NOTES.

Return of Currency Notes for the week ended January 30, 1918.

	Issued.	Cancelled.	Outstanding.
£	£	£	£
for notes .. .. .	4,871,643	2,994,919	154,300,511
10s. notes .. .. .	1,202,000	1,165,890	36,654,785
Note certificates .. ..	200,000	320,000	21,010,000
Previous total .. .. .	811,714,116	601,571,136	210,142,985
	817,987,251	606,001,951	211,985,495

Ratio of gold held against notes, this week, 15.06 p.c.; last week 14.97 p.c.

## FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Dec. 28, 1917.	Dec. 21, 1917.	Dec. 29, 1916.
Gold coin and certificates ..	99,981,400	104,870,000	56,317,600
Gold Settlement Fund ..	63,504,000	60,900,800	34,094,200
Gold with foreign agencies ..	10,500,000	11,400,000	—
Total gold held by banks ..	177,985,400	176,200,800	90,411,800
Gold with Federal Res. Agent ..	156,370,200	149,014,400	56,504,600
Gold Redemption Fund ..	3,800,000	3,554,400	33,800
Total gold reserves ..	334,226,600	329,108,600	147,247,200
Legal tender notes, silver, &c. ..	9,927,000	6,675,400	3,507,600
Total reserves ..	344,153,600	335,784,000	150,754,800
Bills discounted—Members' ..	1,614,120	138,701,800	6,310,200
Bills bought in open market ..	55,073,200	55,548,600	25,411,400
Total bills on hand ..	191,144,400	194,200,400	31,335,000
U.S. Gov. long-term sec. ..	9,670,000	10,087,600	8,849,400
U.S. Gov. short term sec. ..	11,776,600	11,626,000	2,233,400
Municipal warrants ..	201,000	220,400	1,795,000
Loans on gold coin and bullion ..	—	—	—
Total earning assets ..	212,862,000	216,224,400	44,116,400
Due from other Fed Res. banks ..	2,387,200	8,275,000	9,391,600
Uncollected items ..	60,221,400	64,711,800	—
Total deducts from gross dep. ..	62,607,600	72,989,800	9,391,600
5% Red. Fund ag Fed. Res. banks ..	107,400	107,400	80,000
All other resources ..	56,160	515,600	1,241,000
Total resources ..	620,921,000	628,011,200	205,880,000
Capital paid in ..	14,088,400	13,970,400	11,139,300
Government deposits ..	21,641,600	44,352,200	5,707,400
Due to members Res. account ..	290,633,200	277,866,800	—
Due to non-memb.—clearing ac. ..	—	—	133,757,200
Members' bank deposits—nett ..	38,338,000	41,163,800	—
Collection items ..	3,591,000	2,811,600	—
Total gross deposits ..	354,207,400	366,234,400	139,524,600
F.R. notes in actual circulat'n ..	249,297,600	245,528,400	55,076,000
F.R. bk nts in circn—nett liab. ..	1,600,000	1,600,000	—
All other liab. in for Gov credits ..	1,100,000	1,238,000	155,600
Total liabilities ..	620,244,000	628,191,200	205,880,000
Gold res. ag nett deposit liab ..	59.7%	60.1%	69.9%
Gold & lawful money reserve ..	63.1%	63.4%	71.2%
against nett deposit liabilities ..	64.1%	62.2%	103.2%
Gold res ag F.R. nts in act circ ..	—	—	—

## NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Jan. 26, 1918.	Jan. 19, 1918.	Jan. 12, 1918.	Jan. 27, 1917.
Loans ..	815,104,000	814,370,000	818,168,000	694,478,000
Reserve held in own Vaults ..	3,704,000	4,012,000	4,074,000	110,764,000
Reserve held in Fed. Res. Bk ..	107,600,000	106,906,000	106,400,000	39,926,000
Cash in own Vaults ..	21,660,000	22,706,000	23,334,000	—
Reserve held in Other Depos. ..	1,734,000	1,799,000	1,700,000	11,355,000
Nett Demand Deposits ..	728,346,000	746,90,000	737,086,000	717,260,000
Nett Time Deposits ..	40,151,000	39,495,000	39,612,000	33,040,000
Circulation ..	6,816,000	6,870,000	6,816,000	5,736,000
Excess Lawful Reserve ..	15,986,000	13,254,000	13,852,000	38,142,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits

## NEW YORK STATE BANKS &amp; TRUST COMPANIES (dollar at 4s.).

	Jan. 26, 1918.	Jan. 19, 1918.	Jan. 12, 1918.	Jan. 27, 1917.
Loans ..	164,223,000	164,250,000	160,592,000	148,726,000
Specie ..	3,516,000	3,566,000	3,432,000	12,014,000
Deposits ..	167,606,000	169,492,000	167,292,000	160,732,000
Legal Tenders ..	15,330,000	14,900,000	15,518,000	2,044,000

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	Jan. 23, 1918.	Jan. 15, 1918.	Jan. 7, 1918.	Jan. 23, 1917.
Total Coin & Bullion ..	126,628,850	125,989,350	125,878,150	127,015,450
Treasury Notes ..	59,775,100	62,968,700	66,951,050	16,159,200
Bills discounted ..	620,901,850	640,679,200	658,320,900	408,631,850
Advances ..	286,350	331,050	334,050	509,500
Notes in circulation ..	545,941,600	552,197,300	557,163,250	325,539,150
Deposits ..	312,510,550	329,054,100	311,520,750	182,101,000

Clearing House return during December £427,631,765, against £424,889,705 in November.

## BANK OF SPAIN (25 pesetas to the £).

	Jan. 19, 1918.	Jan. 12, 1918.	Jan. 5, 1918.	Jan. 20, 1917.
Gold ..	78,704,796	78,690,479	78,680,107	50,980,370
Silver ..	28,356,739	28,290,124	28,294,329	29,754,407
Foreign Bills ..	3,561,879	3,613,878	3,632,319	3,477,751
Discounts and Short Bills ..	28,556,309	28,971,091	29,520,743	26,977,865
Treasury Account, &c. ..	27,073,345	26,825,713	26,001,509	27,755,713
Notes in Circulation ..	112,672,744	112,746,814	112,543,176	94,935,843
Current Accounts, Deposits ..	37,879,162	38,178,587	38,680,377	30,665,917
Dividends, Interests, &c. ..	2,128,861	2,570,860	2,512,760	2,494,423
Government Securities ..	1,652,66	1,799,075	2,045,557	1,590,296

## NETHERLANDS BANK (12 Florins to the £).

	Jan. 19, 1918.	Jan. 12, 1918.	Jan. 5, 1918.	Jan. 20, 1917.
Gold and Silver ..	59,593,166	58,409,416	58,676,750	49,698,583
Bi and Advances ..	15,413,500	15,200,000	16,149,333	13,874,150
Note circulation ..	7,921,416	73,966,331	74,825,000	61,582,250
Deposits ..	4,746,583	3,533,333	3,603,416	6,288,416

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	Jan. 29, 1918.		Jan. 31, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	10.78	10.83	10.80	10.85
" ..	Three months' bills ..	10.92	10.99	10.95	11.00
Paris ..	Cable transfers ..	27.13	27.18	27.13	27.18
" ..	Three months' bills ..	27.53	27.58	27.53	27.58
Switzerland ..	Cable transfers ..	21.30	21.40	21.43	21.55
" ..	Three months' bills ..	21.65	21.75	21.80	21.90
Petrograd ..	Cable transfers ..	nom.	nom.	nom.	nom.
Genoa, &c. ..	Cable transfers ..	4.50	4.60	4.45	4.95
Spain ..	Cable transfers ..	19.60	19.70	19.62	19.72
" ..	Three months' bills ..	574	584	574	584
Lisbon and Oporto ..	Cable transfers ..	294	301	294	301
Copenhagen ..	Cable transfers ..	15.38	15.48	15.38	15.48
Christiania ..	Cable transfers ..	14.55	14.55	14.51	14.73
Stockholm ..	Cable transfers ..	14.15	14.25	14.18	14.28

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	21.228	47.44	27.158
Amsterdam, cheques ..	Florins to £1 ..	12.107	10.748	10.79
Italy, sight ..	Lire to £1 ..	25.228	4.228	40.878
Madrid, sight ..	Pesetas to £1 ..	25.228	19.70	19.75
Lisbon, sight ..	Pence to milreis ..	534d.	2.8d.	29.2d.
Switzerland, sight ..	Francs to £1 ..	25.228	21.10	21.428
Christiania, sight ..	Kroner to £1 ..	18.59	14.57	14.64
Stockholm, sight ..	Kroner to £1 ..	18.159	14.008	14.22
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.24	15.438
Petrograd, sight ..	Roubles to £1 ..	94.57	365	365
Alexandria, sight ..	Piastres to £1 ..	978	978	978
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4	1/4
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4	1/4
Hong Kong, T.T. ..	Sterling to dollar ..	—	2/11	2/11
Shanghai, T.T. ..	Sterling to tael ..	—	4/28	4/28
Singapore, T.T. ..	Sterling to dollar ..	—	1/4	2/4
Yokohama, T.T. ..	Sterling to yen ..	2.58d.	2/18	2/18
New York, cable ..	Dollars to £1 ..	4.868	4.768	4.768
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	50.1	50.1
Valparaiso, 90 days ..	Pence to peso ..	—	138 1/2	138 1/2
Montevideo, T.T. ..	Pence to dollar ..	51d.	59d.	58d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13d.	13d.

## OPEN MARKET DISCOUNT.

	Last week.	This week.
Thirty and sixty day remitted ..	Per cent. ..	Per cent. ..
Three months ..	4 1/2	4 1/2
Four months ..	4 1/2	4 1/2
Six months ..	4 1/2	4 1/2
Three months fine inland bills ..	4 1/2	4 1/2
Four months ..	4 1/2	4 1/2
Six months ..	4 1/2	4 1/2

## BANK AND DEPOSIT RATES.

	Last week.	This week.
Bank of England minimum discount rate ..	Per cent. ..	Per cent. ..
short loan rates ..	5	5
Banks' rate on deposits ..	3 1/2	3 1/2
Bill brokers' deposit rate (call) ..	3 1/2	3 1/2
" 7 and 14 days' notice ..	3 1/2	3 1/2
Current rates for 7 day loans ..	3 1/2	3 1/2
" for call loans ..	3 1/2	3 1/2

## The Week's Stock Markets.

Business has been quiet to the point of utter stagnation on the Stock Exchange this week, but in the circumstances that is not altogether surprising. In the first place air raids have an unsettling influence, because so many people want to compare notes or personal experiences that they are inclined to put off doing anything which is not immediately pressing. Apart from that, the news, although generally satisfactory, has not been of a character to encourage enthusiasm, and the feeling most usually met with is one of lassitude or indifference. There have been a few bright spots, notably in the Rhodesian market, where the Falcon dividend created a little pleasurable excitement, but the effect of such incidents is much more circumscribed than would have been the case in the old days. Gilt-edged stocks were dullish, and sagged a little when it became known that a large New South Wales loan was in preparation, and the amount of dealings in the foreign bond market has been trivial for a long time past. Home Rails have not benefited from the dividend announcements, which are barely up to expectations, and Argentines suffer from the uncertainty regarding the labour outlook. Industrials have been about the best section in the House, and Brunner Monds were very prominent on the capital reorganisation scheme, which provides three new shares for every two at present held. Nearly the whole list was good, and among Bank shares Chartered of India and Bank of Australasia have been particularly prominent, for no specifically known reason. In spite, however, of these good spots, it has been a dreary week.

	Last Week	This Week		Last Week	This Week
Consols.....	55 1/2	54 1/2	N.S.W. 4 1/2 % 5 yr. bds.....	99	99
War Loan 3 1/2 %.....	86 1/2	86 1/2	" 4 1/2 % 1922-7.....	99	99
" 4 1/2 %.....	99 1/2	99 1/2	" 5 % 1921-3.....	97	97
" 5 % 1929-17.....	93 1/2	93 1/2	" 5 1/2 % 1920-2.....	98	93
" 4 % 1919-12.....	101 1/2	101 1/2	New Zealand 4 % 1929.....	86	86 1/2
India 3 %.....	55 1/2	55 1/2	Queensland 4 %.....	80 1/2	80 1/2
" 3 1/2 %.....	64 1/2	64 1/2	" 4 1/2 % 1920-5.....	94	94
Australian 5 1/2 % 1920-22.....	97 1/2	97 1/2	Union of S. Africa 4 1/2 %.....	92	92
Canada 4 % 1940-60.....	81 1/2	81 1/2	1920-5.....	92	92
" 4 1/2 % 1920-5.....	93	93	Victoria 4 1/2 % 1920-5.....	94	94
N.S.W. 4 % 1933.....	81 1/2	81 1/2	Westn. Aus. 4 %.....	79	79 1/2
Argentine 4 1/2 % 1900.....	67 1/2	67 1/2	French War Loan, 5 %.....	79 1/2	79 1/2
Belgian 3 %.....	63 1/2	64	Japan 4 1/2 % (1st), 1905.....	99	99 1/2
Brazil, 1913.....	70	70	" 5 % 1907.....	92	92 1/2
" 5 % 1914.....	80 1/2	80 1/2	Mexican 5 %, 1899.....	60	5 1/2
Chinese 1896.....	94	94	Russia 4 %.....	37 1/2	37 1/2
" 1912.....	83	83	" 4 1/2 % 1909.....	38 1/2	40
Egypt Unified 4 %.....	85	85	" 5 %, 1906.....	48 1/2	49 1/2
Caledonian defd.....	81	81 1/2	London and N.-W.....	93	92 1/2
Gt. Central prd.....	13 1/2	14	London and S.-W. dfd.....	24 1/2	24 1/2
" dfd.....	6 1/2	6 1/2	Do red. pf. 1914.....	94	94
Gt. Eastern.....	36 1/2	35 1/2	Metropolitan.....	23 1/2	23 1/2
Gt. Northern dfd.....	18	18	Do. 5 % pf.....	77	77
Gt. Western.....	87	86 1/2	Met. District.....	15 1/2	15 1/2
Lancs. and Yorks.....	67 1/2	67 1/2	Midland dfd.....	59	58 1/2
London Brighton defd.....	60	60	Nth. British dfd.....	14	14
London Chatham ord.....	8 1/2	8 1/2	Nth.-Eastern.....	9 1/2	9 1/2
			Sth.-Eastern dfd.....	30	29 1/2
Canadian Pacific.....	160	160	Chesapeake.....	56	56
E. Indian Guar. 4 1/2 % debts.....	84	84	Erie.....	21 1/2	21 1/2
Grand Trunk ord.....	93	92 1/2	Southern.....	25 1/2	25 1/2
Do. 1st pf.....	53	53			
Do. 3rd pf.....	21 1/2	21 1/2	Cent. Argentine ord.....	60	59 1/2
Antofagasta dfd.....	132 1/2	132 1/2	Leopoldina.....	39	38 1/2
Brazil Common.....	5	5	Mexican ord.....	18 1/2	18 1/2
B. A. & Pacific.....	40	40	San Paulo (Brazilian).....	182	183
B. A. Gt. Southern.....	75	73 1/2	United of Havana.....	75	75
B. A. Western.....	71 1/2	71 1/2	London City & Midland.....	82	8x
Anglo-South American.....	7 1/2	7 1/2	London County & West.....	15 1/2	15 1/2
Bank of Australasia.....	117	120	London Joint Stock.....	24 1/2	24 1/2
Bank of N.S. Wales.....	36	36	Nat. Prov. of Eng. (£104 pd).....	26 1/2	26 1/2
Barclay & Co. "A".....	7 1/2	7 1/2	Do. (£12 pd).....	30 1/2	30 1/2
Do. "B".....	124	124 1/2	Parr's.....	31 1/2	31 1/2
Capital & Counties.....	24 1/2	24 1/2	Standard of S.A.....	11	11 1/2
Chartered of India.....	70 1/2	73 1/2	Union Discount.....	10 1/2	10 1/2
Hongkong & Shanghai.....	88	88	Union & Smiths.....	27 1/2	27 1/2
Lloyds.....	25	25			
London & Brazilian.....	24 1/2	24 1/2	Kynochs.....	37 1/2	38 1/2
Armstrong, Whitworth.....	41 1/2	41 1/2	Mond Nickel ord.....	3 1/2	3 1/2
Birmingham Small Arms.....	54 1/2	53 1/2	South Durham Steel.....	4 1/2	4 1/2
Cammell-Laird.....	47	47	Thornycroft.....	40 1/2	40 1/2
Cargo Fleet.....	24 1/2	27 1/2	Vickers.....	42 1/2	42 1/2
Dorman, Long.....	40 1/2	40 1/2			
Associated Cement.....	3 1/2	3 1/2	Fine Cotton Spinners.....	35 1/2	36 1/2
Borax dfd.....	42 1/2	41 1/2	Forestal Land.....	47 1/2	47 1/2
Bovril.....	21 1/2	21 1/2	Furness, Withy.....	60 1/2	61 1/2
Brazil Traction.....	45 1/2	44 1/2	Harrods Stores.....	22 1/2	22 1/2
Briti-h Amer. Tobacco pf.....	18 1/2	18 1/2	Hudson's Bay.....	7 1/2	7 1/2
British Aluminium.....	33 1/2	33 1/2	Imperial Tobacco "C" pf.....	33 1/2	33 1/2
Briti-h Oil & Lake.....	33 1/2	33 1/2	Lever Bros. "C" pf.....	19 1/2	20 1/2
Brunner, Mond.....	4 1/2	5	Lyons, J.....	3 1/2	3 1/2
Castner-Kelner.....	3 1/2	3 1/2	Marconi.....	3 1/2	3 1/2
Coats.....	6 1/2	6 1/2	Maypole Dairy dfd.....	20 1/2	19 1/2
Courtaulds.....	6 1/2	6 1/2	National Steam Car.....	17 1/2	17 1/2
Cunard.....	4 1/2	4 1/2	Pears, A. & F.....	18 1/2	18 1/2
Dennis Bros.....	35 1/2	35 1/2	P. & O. dfd.....	34 1/2	34 1/2
Eastern Telegraph.....	15 1/2	15 1/2	Royal Mail.....	12 1/2	12 1/2
Eastmans.....	9 1/2	8 1/2	Underground Inc. Bds.....	8 1/2	8 1/2
English Sewing Cotton.....	56 1/2	55 1/2			
Anglo-Egyptian "B".....	29 1/2	30 1/2	North Caucasian.....	8 1/2	8 1/2
Baku (ros.).....	1 1/2	1 1/2	Roumanian Cons.....	8 1/2	8 1/2
Burmah.....	7 1/2	7 1/2	Royal Dutch (100 gulden).....	5 1/2	5 1/2
Lobitos.....	2 1/2	2 1/2	Shell.....	5 1/2	5 1/2
Malak Pipeline.....	3 1/2	3 1/2	Spies (10/-).....	6 1/2	7 1/2
Mexican Eagle pf.....	63 1/2	63 1/2	Ural Caspian.....	18 1/2	18 1/2
Allagar 2/-.....	3 1/2	3 1/2	Perak 2/-.....	7 1/2	7 1/2
Anglo-Java Rub. 2/-.....	7 1/2	6 1/2	Port Dickson 2/-.....	4 1/2	4 1/2
Anglo-Malay 2/-.....	13 1/2	13 1/2	Rub. Estates Johore £1.....	43 1/2	43 1/2
Ayer Kuning £1.....	50 1/2	50 1/2	Rub. Estates Krian 2/-.....	4 1/2	4 1/2
Batang Malaka 2/-.....	4 1/2	4 1/2	Rubber Trust £1.....	28 1/2	28 1/2
Bekoh 2/-.....	4 1/2	4 1/2	Sampang (Java) 2/-.....	2 1/2	2 1/2
Brit. N. Borneo Trust £1.....	17 1/2	16 1/2	Sapumakande £1.....	2 1/2	2 1/2
Bukit Cioh 2/-.....	5 1/2	5 1/2	Seaport £1.....	27 1/2	27 1/2
Bukit Kajang £1.....	71 1/2	71 1/2	Selangor.....	34 1/2	34 1/2
Bukit Mertajam 2/-.....	4 1/2	4 1/2	Sengat 2/-.....	3 1/2	3 1/2
Bukit Sentulawang 2/-.....	34 1/2	34 1/2	Seremb-n £1.....	40 1/2	40 1/2
Carey United £1.....	45 1/2	43 1/2	Shelford £1.....	40 1/2	40 1/2
Ceylon Para 2/-.....	10 1/2	9 1/2	Sialang £1.....	67 1/2	67 1/2
Chersonese.....	3 1/2	3 1/2	Singapore Para 2/-.....	4 1/2	4 1/2
Chevi 2/-.....	6 1/2	6 1/2	Singapore United 2/-.....	3 1/2	3 1/2
Dalkeith 2/-.....	3 1/2	2 1/2	Soemher Ajoe 2/-.....	2 1/2	2 1/2
Eastern Invest. Trust £1.....	25 1/2	25 1/2	Stagbrook £1.....	33 1/2	33 1/2
Grand Central /1.....	27 1/2	27 1/2	Straits Beriam 2/-.....	6 1/2	6 1/2
Gula Kalumpung £1.....	36 1/2	36 1/2	Sumatra Para 2/-.....	9 1/2	9 1/2
Highlands £1.....	60 1/2	59 1/2	Sungei Bahru £1.....	39 1/2	38 1/2
Java Investm nt £1.....	30 1/2	29 1/2	Sungei Kruil £1.....	56 1/2	56 1/2
Java Para 1.....	31 1/2	31 1/2	Tapiang 2/-.....	4 1/2	4 1/2
Johor-Rubber Lands £1.....	33 1/2	33 1/2	Tali Ayer £1.....	4 1/2	4 1/2
Kamunin 2/-.....	4 1/2	4 1/2	Tanjong £1.....	87 1/2	87 1/2
Kinta Kelas 2/-.....	4 1/2	4 1/2	Tanjong Malim £1.....	31 1/2	31 1/2
Kuala K bu 2/-.....	2 1/2	2 1/2	Tebrau £1.....	61 1/2	61 1/2
Labu 2/-.....	9 1/2	9 1/2	Telogedjo £1.....	45 1/2	45 1/2
Lingjen Java £1.....	45 1/2	45 1/2	Tempeh 2/-.....	2 1/2	2 1/2
London Asiatic 2/-.....	27 1/2	26 1/2	Uten Serdang 2/-.....	10 1/2	10 1/2
Malacca £1.....	8 1/2	8 1/2	Val d'Or 2/-.....	8 1/2	8 1/2
Malayan £1.....	5 1/2	5 1/2	Vallambrosa 2/-.....	23 1/2	23 1/2
Merlimau 2/-.....	40 1/2	39 1/2	Way Halim 1/8 pd.....	—	—
Padang Jawa 2/-.....	5 1/2	5 1/2			
Pataling 2/-.....	3 1/2	3 1/2			
Abbotston (10/-).....	43 1/2	41 1/2	Gt. Boulder (2/-).....	13 1/2	13 1/2
Bechuana Land Exp.....	4 1/2	4 1/2	Kysht m.....	8 1/2	8 1/2
Brakpan.....	7 1/2	7 1/2	Ma-honaland Agency.....	7 1/2	7 1/2
Brook H.H. Prop. (8/-).....	56 1/2	56 1/2	Meyer & Charlton.....	5 1/2	5 1/2
Cam & Moor.....	12 1/2	14 1/2	Modder "B".....	8 1/2	8 1/2
Central Mining (£12).....	6 1/2	6 1/2	Do. Deep.....	7 1/2	7 1/2
Chartered.....	15 1/2	16 1/2	Mysore.....	3 1/2	3 1/2
City Deep.....	3 1/2	3 1/2	R and Mines (5/-).....	3 1/2	3 1/2
Cons. Gold Fields.....	1 1/2	1 1/2	Rio Tinto (£5).....	6 1/2	6 1/2
Cons. Langlaagte.....	20 1/2	19 1/2	Ru so-A-tic.....	2 1/2	2 1/2
Crown Mines (10/-).....	2	2	Spring Mines.....	3 1/2	3 1/2
De Beers d.d. (£2 10/-).....	13 1/2	13	Ta-goyika.....	3 1/2	3 1/2
East Rand.....	6 1/2	6 1/2	Tanayik.....	1 1/2	1 1/2
Geduld.....	2	2	Van Kyn Deep.....	3 1/2	3 1/2
Gov. Areas Mod.....	3 1/2	3 1/2			

The turnover of business on the Stock Exchange this week has been the smallest for some considerable time past, and, generally speaking, the tone has been dull and unsettled. Gilt-edged stocks started with a fair show of strength, Consols, War Loans, Indian issues, and Bank of England stock all putting on fractions, but this did not last long, and the earlier gains, as a rule, were quickly lost. Colonial issues also received some support to begin with, but they became neglected, and afterwards weak, on the announcement of the New South Wales issue. In the Foreign Market very little transpired. Russians again dropped away, but picked up a little on repurchases and on the feeling that things must shortly take a turn for the better. Japanese were firm, and Chileans and Uruguayans also gained to some extent, but Mexican 5 per cents. lost as much as 2 points, and French stocks also were weak.

Home Railways have been dull throughout, and the dividend announcements so far made have done nothing to give the market confidence. The Midland dividend, given out yesterday afternoon, is at the same rate as last year, but the carry-forward is rather larger. The only case in which an increased distribution has been made is that of the Taff Vale, which pays at the rate of 3 1/2 per cent. against 3 1/2 per cent. last year, besides putting away a bit extra to reserve. American Rails were decidedly flat, both Denvers and Chicago Westerns dropping 1 to 3 points, but Mexican Nationals showed a slight amount of strength. Canadian Pacifics, Grand Trunks, and Mexicans were scarcely mentioned, and did not move appreciably. Argentine Rails opened well on more favourable views of the labour situation, and after some reaction again became moderately strong. San Paulos have been rather prominent, and have advanced smartly.

Bank shares have been more conspicuous than for many weeks past, and Chartered of India, National of India, and Bank of Australasia were particularly good, while several of the others gained 1/2 to 1. Brewery shares have suffered the natural reaction from the recent sharp rise, and Allsopps, City of London, Watney, Combe, and a few others gave way to a greater or less extent. Egyptian securities have been exceedingly firm, and all the leading shares are substantially higher, while Nitrates also have been in fair demand. Iron and Steel shares, generally, have been steady, but the most conspicuous movements have been rather sharp losses in Canadian Cars and Otis Steel. In the Land group, Nigers came suddenly to the front and advanced several shillings, but Hudson's Bays were weak. Brazilian Tractions and Mexican Trams gave way, but among Telegraphs, American Marconi gained a fraction. Textile shares, as a rule, have been uninteresting and neglected, with Coats a weak spot. In the Miscellaneous Industrial group, Brunner, Mond were very firm on the capital reorganisation scheme, and Welsbachs were in demand, probably in anticipation of a favourable report. The list generally showed a fair amount of strength.

Oil shares have not attracted much attention, and the movements have been irregular. "Shells," North Caucasians, Spies, and a few others were good, but the majority of the list has shown a dropping tendency. The Rubber market has fallen into a condition of comparative stagnation, and, although losses are not serious, there has been a sad lack of activity, and the changes that have taken place are mostly adverse.

## Another Big Bank Amalgamation.

We are informed that an agreement has been entered into between the boards of the London County and Westminster Bank, Ltd., and Parr's Bank, Ltd., for the amalgamation of the two businesses under the title of the "London County Westminster and Parr's Bank, Ltd."

Under the agreement, which is subject to the consent of the Treasury to the issue of the new capital, and of the shareholders to the passing of the necessary resolutions, two shares and one-fifth of a share in the London County and Westminster Bank (£5 paid) will be given for each share in Parr's Bank (£10 paid).

Circulars to shareholders, giving fuller details and notices of meetings, will be issued as soon as possible.

If the amalgamation goes through, as we have little doubt it must, the combined deposits of the two banks will amount to £211,000,000, while against a paid-up capital of £6,750,000 there are reserves totalling £6,826,000. Further details will be found in the banking table on another page. The joint concern will rank second only to the London City and Midland as the largest in the world, measured by deposit and current accounts.

## LONDON PRODUCE MARKETS.

A quiet state of affairs was again apparent in most directions, and occasional weakness was discernible in values.

SUGAR.—Market remained at previous level of prices.

COFFEE.—This market maintained a very steady tone, and, on balance, a fair amount of business was transacted. Auctions produced a moderate assortment, and of East India, bold Coorg, sold 108s.; washed Dumont, small to medium, 79s. to 89s.; bold, 95s.

to 96s. 6d., and Santos, quay terms, 71s. 6d. to 73s. 6d. Future deliveries firm, though quiet.

Cocoa nominal as a rule, trade being virtually at a standstill.

SPICE.—Only a small demand at easy rates. Fair black Singapore, spot, sold, 1s. 2d.; Tellicherry, sellers, 1s. 3½d.; Aleppy, 1s. 3½d.; and Muntok, 1s. 7½d. Fair Zanzibar cloves, spot, sellers, 1s. 9d. Tapioca steady, with moderate sales. Fair flake, spot, 7d., buyers. Fair Penang seed pearl, 70s.; medium, 67s. 6d.; and fair small sago, 67s. 6d.

Rice in good demand, and sparingly offered. Beans and peas unaltered.

HEMP.—East India slow, and business quite retail.

SHELLAC.—Market firm, but quiet. Fair T.N., spot, sold, 385s.; March, 385s., 387s. 6d.; May, 380s., 383s.

#### CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING FEBRUARY 1, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 14½, 98% polarisation	£ s. d.	£ s. d.	<b>Wool</b> —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed .. ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated .. ..	2 6 9	2 6 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granulated, first marks	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	New Zealand	nom.	nom.
German Cubes f.o.b.	nom.	nom.	(scoured) Merino	nom.	nom.
French Cubes	nom.	nom.	Greasy Crossbred	nom.	nom.
Crystallised, West	nom.	nom.	Cape snow white	nom.	nom.
India .. ..	2 6 9	2 6 9	<b>Indiarubber</b> p. lb.		
Best, 88% f.o.b.	nom.	nom.	Plantation, Spot		
<b>Tea</b> —per lb., duty	s. d. s. d.	s. d. s. d.	Crepes .. ..	0 2 3½	0 2 3
1½ lb.			<b>Coal</b> —per ton		
Indian Pekoe ..	nom.	nom.	Durham, best ..	nom.	nom.
Broken .. ..	nom.	nom.	Seconds .. ..	nom.	nom.
Orange .. ..	nom.	nom.	East Hartlepool ..	nom.	nom.
Broken .. ..	nom.	nom.	Seconds .. ..	nom.	nom.
Pekoe Souchong	nom.	nom.	Steams, best ..	32 6	32 6
Ceylon Pekoe ..	nom.	nom.	Seconds .. ..	29 6	29 6
Broken .. ..	nom.	nom.	<b>Lead</b> —per ton	£ s. d.	£ s. d.
Orange .. ..	nom.	nom.	English Pig ..	nom.	nom.
Broken .. ..	nom.	nom.	Foreign soft, net	£29½-£28½	£29½-£28½
Pekoe Souchong	nom.	nom.	<b>Quicksilver</b> —per		
<b>Cocoa</b> —per cwt.	d. s. d.	s. d. s. d.	bottle firsthand	nom.	nom.
duty 6d. per lb.			<b>Tin</b> —per ton		
Trinidad—per cwt.	87 0-99 0	87 0-99 0	English Ingots	£301-303	£298-303
Grenada .. ..	85 0-98 0	85 0-98 0	Do. bars ..	£332-304	£299-304
West Africa ..	68 0-77 0	68 0-77 0	Standard cash ..	£199	£296½
Ceylon Plantation	77 0-94 0	77 0-94 0	Tin Plates, per box	nom.	nom.
Guayaquil Arriba ..	110-112½	110-112½	<b>Copper</b> —per ton		
<b>Coffee</b> —per cwt.			English, Tough	nom.	nom.
duty 42½ per cwt.			per ton ..	nom.	nom.
East India ..	97 0-115 0	97 0-115 0	Best Selected	£110-£123	£119-£123
Jamaica .. ..	77 0-151 0	77 0-51 0	Sheets .. ..	£147	£147
Costa Rica ..	97 0-118 0	97 0-118 0	Standard .. ..	£110-110½	£110-110½
<b>Provisions</b> —			<b>Jute</b> —per ton.		
Butter, per cwt.			Native firsts for	nom.	nom.
Australian finest	252½	252½	shipment		
Argentine .. ..	252½	252½	<b>Oil</b> —		
Crisp Creameries	nom.	nom.	Linseed, per ton ..	£58-£63	£58-£63
Dutch ditto ..	nom.	nom.	Rape, refined ..	£71	£71
Russian finest ..	nom.	nom.	" crude .. ..	£66	£66
Paris baskets ..	nom.	nom.	Cott'n Seed, cru ..	£60	£60
Danish finest ..	nom.	nom.	Ditto, refined ..	£67-£95	£67-£95
Brittany rolls ..	nom.	nom.	Petroleum Oil, per		
doz. lb. .. ..	nom.	nom.	8 lbs.	17½	17½
<b>Bacon</b> —per cwt.			Water White ..	18½	18½
Irish .. ..	172½	172½	Oil Seeds, Linseed		
Continental ..	nom.	171½-172½	Calcutta—per ton		
Canadian .. ..	171½-172½	171½-172½	Spot .. ..	29 15 0	29 15 0
American .. ..	172½-180½	172½-180½	Rape .. ..	£19-10½ 30	£29-10½ 30
<b>Lams</b> —per cwt.			<b>Iron</b> —per ton		
Irish .. ..	203½	203½	Cleveland Cash ..	nom.	nom.
Canadian .. ..	162½-165½	162½-165½	<b>Tobacco</b> —duty		
American .. ..	125½-165½	125½-165½	unmanufactured		
<b>Cheese</b> —per cwt.			7½ to 8½ per lb.		
Dutch .. ..	129½-160½	129½-160½	Maryland & On ..	nom.	nom.
Canadian .. ..	nom.	nom.	per lb. bnd	nom.	nom.
English Cheddar	142½	142½	Virginian leaf ..	0 8-2 1	0 8-2 1
Wilts leaf .. ..	nom.	nom.	Kentucky leaf ..	0 7-0 11	0 7-0 11
New Zealand ..	nom.	nom.	Latakia .. ..	2 1-5 0	2 0-5 0
<b>Rice</b> —per cwt.	s. d.	s. d.	Havana .. ..	1 6 6 6	1 6 6 6
Japan .. ..	nom.	nom.	Manilla .. ..	nom.	nom.
Rangoon 2 stars ..	26 3	26 3	Cigars, duty 10/6		
<b>Eggs</b> —per 120.			per lb. .. ..	2½ upds.	2½ upds.
English .. ..	44 0-45 0	44 0-45 0	<b>Timber</b> —Wood.		
Irish .. ..	40 0-42 0	38 0-40 0	Pitch Pine .. ..	300½-400	300½-400
Danish .. ..	nom.	nom.	Indian Leaf ..	380½-700	380½-700
<b>Spelter</b> —			<b>Turpentine</b> —		
G.O.B. as to position	nom.	nom.	American Spot ..	126½	nom.
<b>Flour</b> —per sack.			<b>Copra</b> —per ton		
Country Straight			Malabar .. ..	46 0 0	46 0 0
Runs ex Mill ..	44½	44½	Ceylon .. ..	46 0 0	46 0 0
			F.M.S. Singapore	45 15 0	45 15 0
			F.M. Straits	45 10 0	45 10 0

RUBBER dull, and prices are lower. Plantation, spot, crepe, sold, 2s. 4d. to 2s. 3d.; February, 2s. 4d. to 2s. 3½d.; April-June, 2s. 5½d. to 2s. 4d. Standard ribbed smoked sheet, spot, sold, 2s. 3½d. to 2s. 2½d. Fine hard Para, spot, quoted 2s. 7½d.; soft fine spot, 2s. 3d.; ball, 1s. 7d.

CORN (Mark Lane).—The general tone proved firm for all cereals, but trade was quite of a retail character, offerings being light. Quotations:—Wheat: English ruled at 75s. 6d. per qr. for both whites and reds per 504 lbs. Of imported descriptions, No. 1 Northern Manitoba, 81s. 6d. to 82s. 3d.; No. 2 ditto, 80s. to 80s. 9d.; Australian, 83s. 6d. to 84s. 3d.; and La Plata, 81s. 6d. to 82s. per qr. (496 lbs.), all landed terms. Flour: English in good

request, but only a limited quantity available, while available supplies of imported makes find ready buyers. Home milled (G.R.) quoted 44s. 3d. per sack, ex mill, and Canadian export, 51s. 9d., ex warehouse, per 280 lbs. Barley sparingly offered, and held for full rates. English quoted 62s. 9d. per 448 lbs., and Californian milling 93s., landed, 448 lbs. Maize remains out of offer, and quite nominal. Oats firmly held, with scanty supplies put forward. English, 45s. 3d. per 336 lbs., and American white clipped No. 2 61s. to 62s., landed, 320 lbs.

#### The Week in Mines.

The outstanding feature in the Mining Markets this week has been the fresh activity of Rhodesian shares, stimulated by the declaration of a maiden dividend by the Falcon Mines. Rand shares have been rather easier pending a further development in the proposals for assisting the low-grade mines. Tin shares have been prominently firm, especially East Pools, on the increasing output of the mine.

##### SOUTH AND WEST AFRICANS.

There has been a moderate amount of selling of Rand shares this week. A line of Brakpans came on the market, and its liquidation caused the price to fall ½ to 5½. Modder Leases have fallen 5-32 to 3 23-32, New Modderfontein ½ to 23, Modder Deeps ½ to 7½, and Springs 3-32 to 3 25-32. On the other hand, Wit Deeps have recovered 9d. to 9s. 6d. Land shares have been supported, while Mozambique rose 2s. 3d. to 16s. on a good demand suddenly springing up for these shares. Among diamond shares, De Beers Deferreds have fallen ½ to 13½, but the Prefs. have put on ½ at 13½. Rhodesian shares have again been active and firm. The Falcon dividend of 4s. per share was double the amount expected, and the shares consequently rose sharply, advancing to 29s., the highest level touched since 1913. This quotation shows an advance of 7s. 3d. on the week. Gold Fields Rhodesian, which holds 89,700 Falcon shares and £152,000 of debentures, and Rhodesia Consolidated, which still holds a large number of Falcon shares, were sympathetically affected, and rose 9d. to 9s., and 1s. to 4s. 3d., respectively. Bwanas were supported on an official announcement as to the signing of an agreement with the Minerals Separation Co., closing at 5s. 9d., while Lonely Reefs advanced 6d. to 38s. on further favourable development news. Gaika recovered ½ to 1½. An exception to the general tendency was Rezende, which fell ½ to 4 on a cablegram announcing the partial flooding of the mine and the stoppage of milling owing to want of power, serious damage having been caused by abnormally heavy rains. In the West African section, Ashanti Goldfields declined 1s. 3d. to 20s. 6d. on the news of a temporary reduction of profits, but West African Mahoganys doubled their price by rising to 6s. 3d.

##### COPPER AND MISCELLANEOUS.

Copper shares have moved irregularly. Mount Lyalls are rather better at 26s. 3d., but Rio Tintos have declined ½ to 64½. Tin shares have been in request on the high price ruling for the metal. East Pools have been actively supported, and are 2s. 9d. higher at 25s. 6d., while South Crofts have risen 1s. to 27s. 9d. Malaysians at 2 3-16 are also higher. In the Broken Hill section, Zinc Prefs. have improved 1s. 6d. to 53s., but

#### THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71 Old Broad Street, E.C.

Subscribed Capital .. ..	£1,278,747 10 0
Paid up Capital .. ..	669,685 0 0
Reserve Fund and Undivided Profits ..	375,680 11 8
Reserve Liability of Proprietors .. ..	606,962 10 0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

ILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with liberality.

#### THE STOCK EXCHANGE.

##### NOTICE.

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EDWARD SATTERTHWAITE,

Secretary to the Committee of the Stock Exchange.

Committee Room, The Stock Exchange, London, E.C. 2.

#### McINTYRE, HOGG, MARSH & CO., LIMITED.

NOTICE IS HEREBY GIVEN that the SHARE REGISTER of Transfers of the above Company will be CLOSED from February 2nd to 15th next (both dates inclusive) for the preparation of the Dividend Warrants.

By Order of the Board,

H. T. MUGGERIDGE,

2, 3, & 4, New Basinghall Street,  
London, E.C. 2.

Secretary.

January 31st, 1918.

British at 37s. and Sulphide Prefs. at 38s. 3d. are both lower. Mysore shares have been in request, and are  $\frac{1}{4}$  higher at 3 3-16. Russian descriptions have made a fractional recovery; Russo-Asiatics are  $\frac{1}{8}$  higher at 2 $\frac{1}{2}$ , and Kyshtims are  $\frac{1}{16}$  better at 1 $\frac{3}{16}$ .

### MINING NEWS.

**ASHANTI GOLDFIELDS CORPORATION.**—The company reports that more difficulty than usual has been experienced lately, owing to heavy falls of ground in the Ashanti stopes. In consequence the January output and profit were reduced, but it is hoped that the Ashanti mine output will, when repairs have been effected, be normal again within a few weeks. The directors have decided to close down the Ayeinm Mine from February 1 for the duration of the war. Under present circumstances, the profit now being made at the Ayeinm Mine is very small. The profits for January and February will be adversely affected for these reasons, but as from March 1 it is anticipated that, although the output will be reduced to about £37,500, there will be little, if any, reduction in profit per month below the average amount previously earned.

**SPRINGS MINES.**—It is officially announced that the scheme for financing the eastern portion of the de Rietfontein Government area, requiring an expenditure of £850,000, has been amended. The Consolidated Mines Selection Co. had contracted to purchase 200,000 shares at £3 each; guaranteed all the funds required to carry out the development of the new property, and also acquired options to take up at £3 per share 300,000 Springs Mines shares. Now, however, in response to criticisms, the guarantee of further loans and the option on 300,000 shares have been cancelled. The Consolidated Co. has definitely agreed to take up a further 300,000 shares at £3 each, as and when additional funds are required by the Springs Mines, so that the total obligation of the Consolidated Co. is to take up 500,000 shares at £3 each, instead of 200,000. The Rand Selection Corporation is participating in this amended arrangement.

**WEST AFRICAN GOLD OUTPUT.**—In December the production of gold was £122,602, a decrease of £23,807, making the total for the year £1,529,977, a decrease of £85,329 on 1916, and of £176,496 on 1915. The following table shows the monthly production since January, 1913.

MONTH.	1917.	1916.	1915.	1914.	1913.
Jan. ..	£ 131,665	£ 140,579	£ 143,649	£ 128,862	£ 144,262
Feb. ..	101,892	137,739	144,034	123,169	137,038
Mar. ..	158,727	150,937	153,770	131,392	150,160
April ..	123,825	135,976	149,978	131,697	146,220
May ..	121,104	132,976	142,121	145,227	142,617
June ..	114,489	127,107	135,289	147,289	125,764
July ..	142,017	128,574	140,290	15,192	132,936
Aug. ..	130,278	125,143	139,364	150,386	126,090
Sept. ..	127,168	127,138	135,744	154,316	132,394
Oct. ..	126,295	132,577	141,771	159,410	137,153
Nov. ..	126,015	130,101	122,138	154,674	132,694
Dec. ..	122,602	146,469	158,323	147,699	127,472
Totals	1,529,977	1,615,306	1,706,473	1,727,044	1,634,700

### Italian News.

A fifth National Loan has been floated by Italy in Consols at 5 per cent. interest, calculated from January 1, 1918, payable July 1 and January 1 each year. The issue price is 86.50 per 100f., nominal. Consequently revenue will be of 5.78 per cent. The bonds cannot be converted until 1931, and the loan is exempted from all present and future taxation. Subscribers will be entitled to all the advantages inherent to all future loans. Subscriptions for a hundred francs must be paid whole, while those who subscribe for higher sums will be allowed to pay by instalments.

The public income of the first two quarters, 1917-18, shows that taxation has yielded half a million more than the preceding year, and this result is particularly welcome at the moment when the burden on the budget is growing heavier through the fresh interest charges to be paid. The total increase reaches 472,456,749 lire over the corresponding period. This enables us to foresee that during the current financial year about 3 milliards 750 millions will be reached. The revenue will be just the double of what it was in the last year before we entered the war. This means that the Italian Government has provided enough through fresh taxation to ensure the payment of interest at 5 per cent. on 37 milliards. During the two earliest quarters of 1917-18 the increase has been brought about to the extent of 3-5ths by direct taxation, and 203 millions has come from the tax on war profits. Among the various taxes on consumption the increase of about 47 millions comes almost entirely from custom duties, which have risen

about 80 millions, and the duties on coffee, wine, and spirits, proceeds of State monopolies like tobacco, lotteries, matches, &c., have yielded 100 millions more. From the annual report of the National Insurance Institute we gather that the capital insured in 1917 was 126,000,000 lire, while during the preceding year it had been only 100,596,000 lire. The situation continually improved during 1917, and last month proposals have been made for 22 millions, against those for 1916, representing a capital to be insured for 10,731,000 lire. The flowing in of savings at the same institute is one proof more of the economic strength of the nation, and of the trust with which the industrial classes look to the future of the country. The institute has already subscribed for 20 millions to the loan.

From the Treasury accounts up to October 31 last the cost of the war is shown to be 258,609 million lire, 248,417 of which are to be ascribed to the Army, and 10,190 to the Navy. To this sum should be added the interest paid on debts, indemnities and war pensions summing up to many hundred millions. Up to December, 1917, 29 milliards had been distributed to the families of men called to arms.

A Bill, proposed by On. Nitti, regarding a free insurance for all fighting men, has been passed. One policy regards those who have died on the field, or through wounds or illness caught in service. To the heirs of the insured will be paid a sum of 500 frs. According to the wish of the insured, the sum will be paid after a lapse of 15 or 20 years since their death. In the first case, the National Insurance Institute will pay 1,000 lire, and 1,325 lire in the second, this without impairing the soldier's right to the war pension. The second policy regards those soldiers whose death, not being due to fighting, would not entitle the families to war pensions. In this case an amount of 1,000 lire will be paid after 15 or 20 years, according to the wish of the insured. If payment is required at the end of 15 years the amount will be 2,000 lire, if after 20 years, of 2,650 lire. This policy can be paid to the man himself if still living after 30 years since its issue, but it can be also exacted three months after the demobilisation, provided guarantees are given that the money is going to be employed in the acquisition of land, animals, or agricultural implements, and this, in order that the collective capital may serve to improve the individual as well as the general condition of agricultural production. A similar Bill is under examination dealing with officers. The cost is estimated at 3 milliards, but will, of course, considerably increase during the prosecution of the war. By a recent decree, all placing of foreign bonds of fresh issue on the Italian market will be subject to the approval of the Minister of the Treasury, and to the observance of the conditions under which the approval may be given. The same rule applies also if the bonds should be left on deposit abroad. Fines will be reckoned according to the amount represented by the bonds, and in no case will be less than 10,000 lire. Another decree entitles the Treasury to draw from the three banking institutions, Banca d'Italia, Banca di Sconto, and Banca di Napoli, a total of 800 million lire.

Some English papers have recently stated that while the cost of English coal landed at our ports was 50s. 6d. per ton, with the addition of the tax on war risks, it was sold in Italy at about £24 per ton. It must be noted that the price of 50s. 6d. concerned only part of the coal imported, viz., the coal supplied by the British Admiralty in order to enable some Government departments to face the present difficulties. The rest, by far the largest amount, for the supply of Italian industries, cannot be imported from England at less than 185s. per ton, considering the present rate of freights. The coal supplied to industries by our Coal Commission costs 385 lire per ton, a price fixed in October last, when the exchange was at 36 lire to the pound. Now that the exchange is at 41, and freights have gone still higher, the price has been maintained at 385 lire, corresponding to little more than £9, instead of £24, as was erroneously stated, and, we believe, already corrected.—From our Italian Correspondent.

## What Balance Sheets Tell.

### LONDON AND BLACKWALL RAILWAY CO.

This company derives nearly the whole of its income from the rent payable by the Great Eastern Railway. For 1916 that fell £14,000 owing to income-tax deduction, and there was a further fall last year of £3,800, bringing the nett amount down to £114,130. However, fixed charges required somewhat less, and the balance available is only £2,150 lower at £84,800. The usual dividend of 4½ per cent. absorbs £2,600 less, and consequently the carry forward is increased by £500 to £6,160. There was no expenditure on capital account, but it is estimated that £500 will be required this year!

### EAST INDIAN RAILWAY CO.

In the half-year to September 30 the gross receipts amounted to Rs. 5,93,82,000, an increase of Rs. 31,92,000, while the working expenses were Rs. 2,01,87,000, an increase of Rs. 4,31,000, the percentage to receipts being 1.17 lower at 33.99 per cent. It is explained that this reduction is attributable to restricted renewals of permanent way and rolling stock owing to the impossibility under existing conditions of obtaining the necessary materials for that purpose. Nett earnings, including the sum received for working the Delhi-Umballa-Kalka line, amounted to Rs. 3,80,55,000, and after meeting fixed charges there is a surplus of Rs. 1,85,48,000, of which the company's share is Rs. 14,82,000. This enables the directors to declare a dividend of £1 9s. per cent. on the deferred annuity and "D" capital in addition to the guaranteed interest of 2 per cent. for the half-year, making in all £3 9s. per cent. against £3 7s. for the corresponding period. Nothing more has been heard from the Secretary of State with regard to the notice given of his intention to determine the company's contract on December 31, 1919, but a further communication is expected, and will be submitted to the deferred annuitants in due course.

### DUBLIN UNITED TRAMWAYS CO. (1896), LTD.

Passenger receipts for the past year amounted to £353,840, an increase of £34,000, and other revenue brought the total earnings up to £369,940. Expenses came to £251,950, an increase of £31,000, most of which is due to operation, traffic, and general charges. After providing for interest, &c., the balance is £5,000 larger at £96,230, but the dividend for the year is left at 4½ per cent. (2 per cent. of which has been paid as interim), and special appropriations absorb £33,500, against £27,000, leaving £13,460 to be carried forward, or £100 more than last year. The number of passengers carried showed an increase of 6,200,000 at 66,624,000, and the car mileage was nearly 300,000 higher at 7,733,000. Progress is slow, but the results on the whole may be regarded as fairly satisfactory in the circumstances.

### EDINBURGH AND DISTRICT TRAMWAYS CO., LTD.

There was a substantial improvement in the affairs of this rather unfortunate company last year, gross receipts showing an increase of £58,000 at £375,990. Expenses at £341,770 were £13,000 higher, and consequently there is a nett revenue of £34,220, against a debit balance of £19,895 in 1916. After paying interest and two years' capital redemption fund contributions, £4,500 is set aside for investment depreciation, and the balance of £1,780 is earmarked as a provision for contingent liabilities. Two years' dividend on the preferred shares is in arrears. Rent payable to the Edinburgh Corporation is £104,000, which seems considerably higher than the undertaking can afford in normal times, and it would probably be to the benefit of the public if some abatement were granted. A service that cannot earn a modest rate of interest on the capital involved is seldom satisfactory.

### MELBOURNE ELECTRIC SUPPLY CO., LTD.

In the year to August 31 last the gross profits amounted to £151,300, an increase of £8,000, or 5½ per cent., and in view of the difficult conditions prevailing this must be considered satisfactory. After paying fixed charges and setting aside £10,000 to reserve (raising it to £100,000) and £20,000 for income-tax and excess profits duty, other appropriations of £9,250 reduce the balance to £69,710, or £2,700 less than last time. The dividend of 10 per cent. is repeated and the carry forward is increased by £10,670 to £72,810, subject to excess duty. Capital expenditure during the year amounted to £119,550, but the company was able to place \$1,250,000 bonds in the United States, and it has £180,000 in hand for further requirements as and when necessary. The number of consumers in Melbourne increased by 4,430 to 32,140, and a supply of light and power is now available in nearly 600 miles of streets.

### ADELAIDE ELECTRIC SUPPLY CO., LTD.

Gross receipts for the year to August 31 last were £154,450, an increase of £18,000, or 13 per cent. After meeting fixed charges and placing £5,000 to reserve for income-tax, &c., there is a balance of £58,210, out of which the dividend of 12 per cent. is repeated, and the balance forward is raised by £1,600 to £10,800. The number of consumers is now 19,590, an increase of 1,860, or over 10 per cent., and the power supply has also increased by 10 per cent., so that progress continues to be satisfactory. Supply of light and power is now available in 460 miles of streets, an increase of 20 miles during the year, and the capital expenditure for the 12 months amounted to £40,630.

### WM. HOLLINS AND CO., LTD.

This big Nottingham firm in the year to November 30 recovered part of the ground lost in the previous 12 months, trading profits being £6,000 higher at £99,200, whereas there was a drop of £15,700 in 1916. Nett profits are up £2,500 at £88,590, and after again placing £2,000 to capital reserve the dividend of 7½ per cent. and bonus of 2½ per cent. are repeated, £10,000 is again placed to reserve, and £20,000, or £2,000 more, to income-tax reserve. The balance of £20,790 is a trifle larger than the amount brought in, but an employees' profit-sharing scheme was inaugurated last year, which absorbs £8,090, and leaves £12,700 to be carried forward. Creditors show an increase of £96,000 at £297,570, stocks are up £173,000 at £546,400, debtors £90,000 at £321,500, and investments £30,000 at £95,700, with the result that cash in hand has been reduced from £40,000 to £670. But the business is a fine one, and the temporary shortage of cash need cause no uneasiness.

### MCINTYRE, HOGG, MARSH AND CO., LTD.

Results for the year to November 30 were very similar to those of the previous twelve months. Trading profits amounted to £44,140, an increase of £1,600, and the nett profit is £600 up at £34,530, but £7,000 more was brought in. After again paying 7 per cent. on the participating preference shares and 10 per cent. on the ordinary, and placing £5,000 to reserve (which will then stand at £70,000), the balance forward is increased by £7,500 to £41,170. Creditors and bills payable are up £27,000 at £82,000, and stocks are £100,000 higher at £270,000, but debtors and bills are down £35,000 at £71,000, and cash has fallen £24,000 to £3,900. These changes are merely incidental to the fluctuations of business, and have no particular significance.

### LONDON PRODUCE CLEARING-HOUSE, LTD.

Last year's nett profit amounted to £10,320, an increase of £1,000, and added to the amount brought in there is a balance of £38,140, which it is proposed to carry forward. Cash has fallen £3,000 and investments are £7,000 lower at £103,000, but the company has £138,000 advanced to German clients and £51,000 to English clients (partly pre-war advances against sugar stored in Germany), so the position is not very comfortable for the time being, and dividends cannot be resumed until these matters are satisfactorily cleared up.

### PUBLIC BENEFIT BOOT CO., LTD.

Last year the trading profit amounted to £83,000, an increase of £11,400, which follows a gain of £21,000 in 1916. Income-tax, however, required £2,000 more at £7,550, and £14,000 more at £43,000 is set aside for excess duty, so that the nett profit comes out £6,400 lower at £26,940. The amount brought in was £4,000 larger, and after placing £4,000 against £8,500 to reserve the dividend of 10 per cent. is repeated on the deferred shares, and the balance forward is increased by £3,000 to £14,570. Except for an advance of £70,000 to £280,000 in stocks there is nothing in the balance-sheet which calls for remark.

### IMPERIAL TOBACCO CO. OF CANADA, LTD.

Nett profits for the year to September 30 are given as £504,500, a decrease of £62,000 as compared with the previous twelve months, but the reduction is probably more apparent than real as on this occasion they are struck after providing for war taxes. Anyhow, £80,000 more was brought in, and the available balance is £17,000 larger at £704,930, but the company is terribly loaded with capital (£7,200,000 of it all told, of which goodwill and trade marks account for £5,510,000), and so the dividend is only a meagre 7 per cent. as before. After providing for that £217,500, or £17,000 more, remains to be carried forward. Creditors are £68,000 up at £191,000, and debtors £170,000 at £653,000, but stocks are rather smaller at £1,164,000, and cash is nearly £100,000 lower at £141,000. It is all very nice, but that goodwill item is likely to be something of a bugbear except in times of abounding prosperity.

### UNITED TOBACCO COMPANIES, LTD.

In the year to September 30 the nett profits, after providing for excess duty to September, 1916, amounted to £205,860, an increase of £12,500, and £25,500 more was brought in. Consequently the directors have no difficulty in repeating the dividend of 25 per cent. for the year, and the carry forward, subject to excess duty, is £38,000 higher at £179,400. Debts owing to associated companies are £70,000 down at £91,000, and Treasury bills are £44,000 lower at £50,000, but £24,000 more War Loan stock is held, and cash is up £26,000 at £109,470. Like the other members of the group it is a very flourishing concern, and is prospering amazingly.

### BRENTFORD GAS CO.

In the past year sales of gas rose £177,000 to £668,600, and those of residuals £42,000 to £190,000, gross revenue being £225,000 higher at £950,000. On the other hand, costs of manufacture increased no less than £190,000 to £639,000, and altogether expenses advanced £226,000, so that the nett revenue of £105,475 is a little smaller, and £6,000 less was brought in. Consequently the dividend on the A stock is reduced from 5½ per cent. per annum to 4½ per cent., and that on the B stock from 5¾ per cent. per annum to 4¼ per cent. As from July last the price of gas was raised from 2s. 10d. to 3s. 4d., but the sales increased by 12½ per cent., and the number of consumers is 1,660 larger at 121,080. Like several other gas undertakings, the company is seeking powers to alter the incidence of the sliding scale.

## COMPANY MEETINGS.

## UNION OF LONDON AND SMITHS BANK.

The annual general meeting of the shareholders of this bank was held at the Cannon Street Hotel, London, E.C., on Wednesday, January 30, 1918, Sir Felix Schuster, Bart. (the Governor), in the chair.

The Secretary having read the notice convening the meeting the report was taken as read.

The auditors' certificate was then read by the secretary.

The Governor: I have now to announce that the directors have declared a final dividend for the year at the rate of 10 per cent. per annum, subject to income-tax. The dividend is payable on and after Thursday, January 31.

The Governor: Ladies and Gentlemen,—Since we last met we have to deplore the loss of one of our most valued colleagues, Mr. Theodore Bassett, who, after prolonged illness, passed away in the early part of last year. In him the bank has lost a director whose great ability and judgment were always placed most readily at its disposal. He loved the work, and always had the interests of the bank at heart, and he was held in high esteem and affection by his co-directors and the staff.

To the great regret of the directors Mr. Henry W. Prescott has, owing to advancing age, resigned his seat on the board after 60 years of active life in the city as a partner, and subsequently a director of Prescotts Bank and of our bank since the amalgamation with Prescotts. We know that, although no longer a director, he will still take a deep interest in the affairs of the bank to which his whole life has been devoted, but we shall miss his wise counsel and assistance.

The board have elected as a director Lord Southborough, perhaps better known by his old name of Sir Francis Hopwood, a most distinguished public servant, who has given his services to the State in many capacities and different spheres of activity, and especially at the Board of Trade, and whose wide experience and knowledge of affairs will, I am sure, be of great assistance to us.

Our report has been in your hands for some days, and you will agree that it shows considerable expansion and the same strength as regards cash resources that we have always shown, and which, in view of future developments, it is more than ever essential to maintain. Our figures, like those of other banks, show large increases in current and deposit accounts, owing to prevailing conditions, to have Government expenditure, and, according to some experts, to what is called inflation of credit. I will not here enter upon this debatable ground, for this is a very intricate and complicated economic question, but can only record the facts and draw certain conclusions from them.

Large Government borrowings and expenditure, the expansion of the circulating medium through the increasing issues of currency notes, and practical Government control over nearly all the staple industries of the country must naturally affect the whole economic position, and what we bankers have to consider is what the situation will be when, sooner or later—we hope it may be sooner—these conditions alter and we revert to a normal state of affairs. It seems inevitable that the deposits in the banks will then be drawn upon, while large demands for reconstruction work and trade requirements all over the world must certainly make themselves felt. Banks must be prepared for this and keep themselves strong and ready for the calls that must arise if our world-wide commerce is to be restored to its pre-eminent position.

As to the trade of the country generally, speaking broadly, our reports point to continued activity in all branches, and especially those which assist directly or indirectly in the prosecution of the war. Industry has been primarily organised with the view of producing the best results for this purpose. Naturally there has been an increase of Government control in many important trades. While this may inevitably have led to a certain degree of hardship and complaint, nevertheless the results achieved have been, to all appearances, that a substantial diminution in the cost of production, and consequently an immense saving to the country, have been attained. Certainly the war has shown the adaptability of the leaders of industry in the country, and this adaptability and readiness to adopt new methods will be a great asset in the new commercial and industrial tasks that will have to be faced when the war comes to an end.

Unfortunately, but perhaps not unnaturally, there have been labour troubles, not arising, as was formerly the case, either from insufficient pay or unduly long hours, but mainly from the absence of large numbers of men who are serving their country amidst dangers and hardships which their brothers at home should remember. Wages in most industries have risen in greater proportion than the actual cost of living, and this rise in the cost of production naturally again increases the cost of the necessities of life. Sooner or later there must be a reaction and then will arrive a period for the exercise of prudence and wise statesmanship in the relations between labour and its employers. If only the leaders of labour would keep before them as one of their aims that of efficiency, as the leaders of industry have done, then many difficulties would be overcome. In the great industrial development that is before us, capital and labour must not contend as antagonists, but strive as partners and fellow-workers in one common cause. Much has been accomplished already in the field of industry, and quite apart from the production of war material, other industries, particularly shipbuilding, have shown remarkable activity and progress. The Board of Trade returns show very remarkable

figures, the imports being £1,065,000,000 and the exports close upon £600,000,000. This shows an excess of imports of £470,000,000, as against £345,000,000 in 1916 and £368,000,000 in 1915, whereas before the war the balance was about £140,000,000. The figures for 1917, however, it should be remembered, include certain Government imports not included in previous returns, and such imports comprise expenditure incurred on behalf of our Allies, so that the adverse balance may not be quite so heavy as the figures would show. I think it can be asserted on good authority that the position of our trade with neutral countries is more satisfactory than could have been supposed, and that our imports from those countries are balanced by our exports, if in the latter be included the invisible exports, such as shipping charges. But taking these enormous figures, it is clear what a strain there must have been on the foreign exchanges, and while artificial measures cannot possibly counteract the natural movements of trade, and while the normal conditions of the international money markets are suspended, yet the conditions of our own Money Market still retain an important effect on the foreign exchanges which must not be left out of sight when the policy affecting monetary conditions at home is considered.

I have spoken of the industrial development throughout the country, and it must not be overlooked that agriculture has been equally prosperous on the whole. More land has been brought under cultivation, and an appreciable addition to the food supply has been obtained, but, as in other industries, the cost of the necessary raw materials, such as fertilisers and food-stuffs, has become a serious factor, and will, I trust, not be overlooked by the authorities, but in agriculture, as in other industries, greater co-operation amongst all those engaged in it would seem desirable, and might lead to a higher rate of production, while at present there seems also to be a certain lack of economy in the methods of distribution. The Government has asked bankers, and the bankers have most willingly agreed, to lend financial assistance to farmers, but, as far as my experience goes, this has not been availed of to any large extent; on the contrary, many farmers who used to be borrowers from the banks have become depositors. Those in control of industrial and commercial undertakings are looking ahead and making preparations for future conditions. They have had to reconstruct, extend, and revise many of their methods, and have obtained results that are full of promise. Moreover, vigilant and far-seeing concerns with common interests have combined or entered into working relations, minimising the cost of production, and thus they are doing their share in maintaining and improving the country's position in the markets of the world. Such developments are essential, and banks also must prepare for the future, and, as I have already observed, be ready to do their share in assisting the great movements which we may anticipate.

This brings me to a point, probably the most important, in our report; I mean the arrangement which we have concluded for the amalgamation of this bank with the National Provincial Bank of England. Extraordinary meetings to consider this agreement will very soon be called—I hope in the course of a week or two—and to-day my remarks on this subject will only be quite brief. In coming to the conclusion that such an amalgamation was desirable, we have not been actuated by a desire to present big figures, and for that purpose alone to enter into rivalry with institutions that are more extended than ours. We are by no means a small bank, and we are quite able to hold our own. At the same time, there is no doubt that, in order to be in the best position not only to do well for our shareholders, but to give our customers the greatest facilities, it is highly important to be represented in the great industrial centres all over the country. When, therefore, the opportunity occurred for this amalgamation, we felt that the step was one which, in the interests of all parties, we should recommend for the approval of our shareholders. I need not say anything as to the position of the National Provincial Bank, which since its establishment 85 years ago has taken a leading part, and was one of the pioneers in the development of banking throughout the country, and which has deposits totalling nearly twice the amount of ours. In associating ourselves with them, we shall secure representation in the great centres of industry and commerce where we are not at present directly represented, while we believe that we can bring corresponding advantages to the National Provincial in London and important sections of the country. Indeed, the two banks complement one another, for with a combined total of nearly 700 offices, we meet outside London in only about 35 places, and in the London area there is hardly any overlapping. The subscribed capital of the combined bank will be over 28 millions, the paid-up capital £5,476,000, the reserve fund in the neighbourhood of £4,000,000, not less, and the total deposits as on December 31 last over 175 millions. Our shareholders will thus have the opportunity of becoming partners in one of the largest, and, I venture to say, strongest, institutions not only in this country, but in the world, and the step is one which we shall be able cordially to recommend to the acceptance of our proprietors.

Our own figures need very little comment. Current and deposit accounts show an increase of more than 7½ millions over the figures of last year, and amount to £62,800,000; cash in hand and at Bank of England, 1¼ millions, is slightly less than last year, but money at call and short notice has increased by over 4 millions, and amounts to £14,300,000, so that the two cash items together are no less than 44½ per cent. of our liabilities on current and deposit accounts. Investments show a decrease of £900,000, and amount to £15 millions; our bills discounted have increased by £2,200,000, and stand at over £6

millions; loans and advances, £18½ millions, have increased by £3,200,000, which increase is mainly due to the facilities granted to our customers for the purpose of subscribing to the War Loan. The only item which shows an important decrease is acceptances and guarantees, standing at £1,750,000, against £3,500,000, a decrease mainly owing to the reduction of certain liabilities on behalf of our own Government. It has not been our policy during the war to encourage acceptance business to too large an extent, and particularly have we avoided anything in the nature of finance paper. The gross profit has increased by £363,000, which increase, however, has been absorbed by the greater amount of interest allowed to our customers, amounting to no less than £1,340,000, an increase over last year of £323,000, and by the growth of charges. We have not set out in a separate item, as some banks have done, the amount of bonus allowed to our staff—all that is included in the charges—but I may mention that the bonus amounted to about £47,000 in respect of the permanent and temporary staff still at work at home, while we continue to maintain the payments to those engaged with the fighting forces at the same figures as if they were at work in the bank. A contribution to the bank's widows' and orphans' fund has also been made. Our total number on military service is 907, of whom 203 are holding commissions. I regret to say that 90 have either been killed in action or have died of wounds or sickness, 110 others have been wounded, seven are reported missing, and eight are prisoners of war. I need hardly say that our deepest sympathy goes out to their families. The military honours gained are: D.S.O., 1; Military Cross, 11; bar to Military Cross, 2; and Military Medal, 5. Of our messengers who have joined the forces, 43 are still on service, two have been discharged, and I am sorry to say six have been killed. One Distinguished Conduct Medal has been gained. Of our directors and local directors, 11 are still engaged with his Majesty's forces. After this digression, I return to our profit and loss account, and have only to mention the nett profit, which amounts to £593,000, a slight decrease on our figures of last year, owing to the above-mentioned causes, but whereas last year we had to provide £400,000 for depreciation of securities, this year we set aside for contingencies, which may possibly occur, although we hope they will not, £200,000. After payment of a dividend at the same rate as last year, we carry forward £209,000, an increase over the figure of last year of £127,000.

In referring to the events of last year I have not yet alluded to Government finance, a subject which is really too vast to enter upon on an occasion like this. The figures dealt with are on such a gigantic scale that they would scarcely have been conceivable to any of us before the war. The Budget introduced in May last gave the actual expenditure of one year at 2,200 millions and a revenue of 573 millions. Of the total national expenditure during the war, no less than 1,137 millions, or fully 26 per cent., had been provided out of revenue. This is a very important point which struck me when I went over the figures. It is important to bear in mind when sometimes we look forward with anxiety to the huge accumulation of debt, how is the interest to be met? Well, we have paid 26 per cent. out of revenue, and provided this large amount of 1,137 millions during the war. I think that may be a comfort to us in looking at the finance of the future. The estimated expenditure for the present financial year came to 2,290 millions, the total estimated revenue to 638 millions, leaving a balance to be provided by loans of 1,650 millions. By December 31 the estimated increase in revenue for the whole year had already been exceeded by 42 millions. Expenditure, of course, has also greatly exceeded the estimate. During the year 1917, the amount of new money obtained by means of the War Loan issued in January was 947 millions, the total of this loan, including conversion amounts, being about 2,100 millions, Exchequer bonds produced £82,000,000, War Savings certificates £63,000,000, other debt, which includes loans raised abroad, but from which allowance will have to be made for our advances to Allies, amounted to 650 millions, and National War Bonds to 207 millions, while the amount of Treasury bills paid off on balance was 57 millions. Thus it can be maintained that not only did the War Loan attain a far greater success than the most optimistic forecasts anticipated, but the financial policy in its endeavour to reduce floating debt and replace it by more permanent forms of loans, is one that has already been successful to a certain degree, and should be further extended. I think it is in the hands of the public at large to support the Government's financial policy to their utmost, and if they do so the issue of another huge loan, with all its attendant disadvantages and dislocation of the money market, will be quite unnecessary. The present method of continuous borrowing entails the least disturbance of the money market, and is, I am glad to think—our figures in the bank show it—highly successful. The applications for War Bonds have been on an increasing scale during the last few weeks, the subscriptions reaching 25 to 30 millions a week, and if this rate can be maintained or increased, borrowing by any other method would not be required. The Government have indeed placed at the disposal of the public a security which appeals to every class of investor, both small and large; to him who wants a short investment, to him who wants a long one, together with the opportunity of converting into the old War Loan and an option to secure any new loan that may be issued, leaving him the choice also of a security subject to income-tax or one on which the tax has been compounded. Indeed, the merits of the issue, which have been very carefully thought out, seem only now to have been recognised in wider circles, and what is most satisfactory is the greater interest which smaller investors are taking in our Government issues.

Through the courtesy of the Chairman of the War Savings Committee I have been able to obtain certain figures which show the cash contributions of the small investor, and I should like to say that the work undertaken and successfully carried out by the National War Savings Committee cannot be sufficiently commended, and is, in my opinion, hardly yet recognised. There are now 1,640 committees in England and Wales, and the number of affiliated associations throughout England and Wales is 38,400, and there are about 4,000 more in Scotland. The total number of War Savings Certificates sold to January 20 was 144,600,000—this is the number of certificates and not the sterling equivalent. The membership of the War Savings associations is over four millions, who are contributing weekly to the national exchequer small sums of 6d. and upwards. There are 11,540 associations in schools throughout the country, and in many of these the contributions are accepted in pence. The movement must have a most important influence, and is bound to have a considerable effect on the habits of the coming generation. In estimating the value of the sums collected from the small investor the public should recognise that this is mostly money which, if not saved in this way, would have been spent on the very articles of which there is a shortage at the present time, and is therefore a much more valuable saving than the amount would signify. A good many local authorities bear a great portion of the expenses of their local committees, and justify their action by the argument that the promotion of habits of thrift will diminish pauperism in their district and thereby relieve the rates. While this saving has been going on there has been no decrease in Post Office Savings Bank deposits, which at the beginning of the war were 188 millions, while now they are 203 millions, and the Trustee Savings Bank deposits have only decreased by about 2½ millions. The total subscribed in £500 War Savings Certificates sold is 24½ millions, bringing the aggregate received for War Savings Certificates up to 105½ millions. The amount invested in Government securities through the Trustee Savings Banks is 15 millions. The total investments of the small investor in Government securities are estimated to have been 258 millions up to the end of last year. Only those who have any experience of what it means to collect such amounts in small sums can really appreciate the magnitude of the effort that has been put forth in this direction, and I do not think the public can do better than read the pamphlet issued by the National War Savings Committee and give the committee most cordial support, for not only does this work assist in carrying on the war, but the educational service in promoting habits of thrift and teaching the public their benefit must be of incalculable value in the future.

If the small investor has thus come forward, he is giving evidence of his saving power and confidence in the future of the country; those whose income is on a larger scale have an even more imperative duty to do all they can so that financial considerations shall not interfere with the successful prosecution of the war, and they can do so only by investing to the largest possible degree, but, and more especially, by reducing expenditure to the lowest possible limits.

While War Bonds are, as I have tried to show, offering an attractive form of investment, and should appeal to everyone, other methods have been advocated, and particularly that of borrowing on premium bonds—a not very clearly defined expression, and opinions seem to vary as to what it actually means. The Parliamentary Committee appointed for the purpose of considering this form of borrowing did not recommend it, and perhaps it may be of interest to give you the best American opinion on the subject, obtained from one who is now on the spot, and in the best position to judge. They consider in financial circles in the United States that such a form of borrowing would be regarded as a weakening of public morale in this country and a failure of the appeal to patriotism; that such bonds are usually associated with countries whose credit does not rank very high; that such borrowing would be regarded like a drug which is difficult to recede from, so that any good results likely to be obtained would be more than outweighed by the greater harm to morale and credit.

In certain quarters there has been a call for what is styled conscription of wealth or levy on Capital. How this is to operate or to be carried into effect has never been clearly defined, and let it be remembered that the contributions of invested capital to the revenue of the country by way of income-tax, super-tax, and death duties are already on a very considerable scale. But were it true that Capital is only a helpmate to the idle rich to spend their lives in ease and luxury, then, I should say, by all means let Capital go. But all workers must know that Capital is essential for the carrying on of all our industries, for calling into life new enterprise, for finding employment and providing better conditions and a higher standard of living to millions of our population. No doubt it has its duties, too, which are becoming more and more recognised; but the working classes themselves must know that in their own interests Capital must not be either curtailed or driven out of the country, but rather attracted to it. Apart, however, from mere questions of self-interest, I cannot for a moment believe that any repudiation of obligations once incurred, or interference with public or private credit, could possibly commend themselves to the people who went to war for a "scrap of paper."

These remarks were put down before the debate in the House last night. I do not know that that debate adds very much to our knowledge. We are told that it is a purely academic question. If so, I think it is a pity it has been raised, because discussions of purely academic questions at such a time can

do no possible good, and they certainly give rise to a great feeling of insecurity all over the country. What is in the mind of the Chancellor of the Exchequer is quite a different thing, it appears to me, from what certain advocates of that policy have in their minds, and I think that should be clearly stated and recognised. As I said, Capital contributes already very largely. Death duties are a levy on Capital—a very heavy one, and one which at some time may have quite serious influences.

Mr. John Hedges: We cannot do without capital, sir.

The Governor: No. I did not want to give you too many figures, but I have had a return before me which is very interesting. It shows in all cases a decrease in the number of super-tax payers in each class in which they are graduated.

One form of Government indebtedness shows an increase which I admit gives me some concern, and the cause of which I do not quite understand. I allude to the currency notes, which now amount to £212,500,000. I cannot think how there can be such demand for this large volume of small currency, and this is certainly a form of inflation which ought to be very carefully watched, and should be reduced at the earliest moment.

There is a critical period before us, not only as regards the conduct of the war itself during the next few months, but also as regards the financial and economic questions that will have to be solved when the war comes to an end. We shall have to face both with endurance and fortitude. Taxation must necessarily be high, and remain so for many years. It will test the powers of statesmanship and foresight to the utmost to devise the best means for raising taxation so as to produce the largest revenue and interfere as little as possible with the industrial development of the country. The country will have to produce more and to buy less, and taxation should, in my opinion, not be based only upon income, but especially upon expenditure, and particularly in respect of expenditure upon luxuries. Every one of us will be poorer, with very few exceptions. Every one of us will have to work harder than ever before, to spend less, to save more, and every effort must be made for increased output of individual effort and national production. If such efforts be made and sustained, I feel that we can face the future with hope and confidence.

I now beg to move that the Report and Accounts be adopted.

Mr. Lindsay Eric Smith (Deputy-Governor) having seconded the resolution, it was put and carried unanimously.

Mr. Deputy Millar Wilkinson: I wish to express the great delight which I—in common, I am sure, with every shareholder—have experienced in listening to the very clear and erudite financial dissertation which we always get from Sir Felix Schuster. I am quite sure that those who are present, and those who are absent, will be very glad to hear or to read his remarks upon the conscription of capital, after the very ambiguous remarks which were made by Mr. Bonar Law yesterday, which certainly left a kind of doubt in the minds of a good many people. I think that that doubt has been to a great extent smoothed away, and you have rather calmed our minds. There is another very important subject, sir, which, as I am so proud of your speeches always, I rather regret that you have not mentioned. Either you have forgotten to do so inadvertently, or you have omitted by design to mention it. That is the question of the controversy which is going on at the present time to a certain extent with regard to the repeal of the Bank Act. I have heard several people high in finance make the statement that the old 1844 Act of Sir Robert Peel has not been conducive to free action in the banking world. You, sir, as a high exponent of bank finance, might perhaps be able to tell us if you have found in your experience that it has ever been a means of preventing the advance of banking facilities. I wish again to express my great thanks to you for your very clever speech, which we have all enjoyed very much.

Mr. John Hedges: Mr. Chairman, I should like to express agreement with the last speaker, and to suggest that your remarks should be distributed among the shareholders, not only for them to read themselves, but to give to their neighbours. I think your remarks will do good, because, after all, it is nonsense to talk about conscripting capital. The country could not exist without it, and it is impossible for workers to work unless there is capital to draw upon. You have an instance in Russia, where I remember the workmen took over one large works. When, however, it came to the end of the week, they had no money, so they invited all the managers and proprietors to come back again. It is nonsense to talk about capital conscription. It is already conscripted. We are all of us paying our different taxes and our dues, whatever they are, towards the State. We are not all young enough to go and fight, but, at any rate, we can stay at home and help to contribute to those who do. I think your remarks are worthy of being distributed. I thank you very much for the remarks you have made, Mr. Chairman. I do not know whether we may assume that this is the last annual meeting of the bank, but I am sure you will all agree with me that we ought to thank Sir Felix Schuster for the manner in which he has conducted this bank for so many years past. I and my family have been subscribers to and customers of this bank for 70 years, and I have been a shareholder for a great many years. I have attended most of the meetings, and have always made it my business to do so, because of the great interest that Sir Felix has taken in the working of the bank. I should, therefore, like to express the hope in which I am sure you will all join, that the directors of the new concern will utilise his valuable services, the same as we have been privileged to do. I do not know whether this is the last annual meeting at which we shall see him as chair-

man, but I wish him *bon voyage* for the future, and I hope that he will be received on the new board with all the acclamation which the shareholders have given to him here.

The Governor: Are there any other observations on the report? I am afraid my own remarks have taken rather longer than I expected, and, in response to the tempting invitation which Mr. Deputy Millar Wilkinson has extended to me to enter on the question of the Peel Act of 1844, I may say that I am afraid that there is no time to do so at length. I should like, however, to make this observation, as he has asked me a straight question as to what my views are, that I gave expression to those views at a meeting of this bank which took place, I think, in January, 1901. At that time I expressed the view that Peel's Act had worked extremely well for a number of years, but that the conditions of the times had changed so much that the period had arrived for a careful revision of that Act. That was the view I expressed to you, gentlemen, in 1901, and those views I still hold. Of course, we have all read the remarkable speech which was delivered on the subject yesterday, but I have not had time to go into full particulars of what is there advocated. I have not referred to the subject in my speech, because, personally, I think we ought to get on with the war, and give our minds fully to what can be done during the war. That is why I insisted rather on the question of war saving. I think everybody can do something. This question of the Bank Act, however, is most important, and I quite agree that it should be very carefully considered. As to interference with joint-stock banking, I do not think it is for us to express any disapproval of the Bank Act of 1844, because it has brought joint-stock banking into prominence. It enabled the joint-stock banks to do for the country what the Peel Act prevented the Bank of England from doing, and it provided the country with currency which that rigid Act really did not provide. I have read the reports of the Debates in Parliament on that Act very carefully several times. Deposit banking was only once mentioned during the whole debate in the House of Commons which took place on the Act of 1844. It was practically not in existence, and Sir Robert Peel said it was of no importance. He only thought of gold, and the only function of banks was supposed to be the issue of notes, which that Act legislated for. But deposit banking has grown in consequence to a large extent, and supplied the country with that currency which otherwise would have been provided by notes. In the interests of the country generally, of the gold question, and of the Bank of England as a central institution, not only in this country, but in the whole world, I am quite convinced that the time has come when the question will have to be very carefully considered and taken in hand. There I agree with Sir Edward Holden. I am much obliged to Mr. Hedges for the remarks which he has made about the future constitution of the new bank—the National Provincial and Union Bank of England. It will be my privilege to say a few words when the next meeting is called, but, as Mr. Hedges has been kind enough to allude to my services, I can only say that my intention—and, I think, the intention of my colleagues also—is that I should continue to give my whole time to the service of the bank during the few years that my strength permits.

On the proposal of Mr. J. A. Clutton-Brock, seconded by Mr. H. G. Devas, the following directors were unanimously re-elected members of the board:—Brigadier-General Hugh Henry John Williams Drummond, C.M.G., Sir Felix Schuster, Bart., Mr. Charles Henry Reynolds Wollaston, and Mr. Lindsay Eric Smith.

It was moved by Mr. John Hedges, seconded by Mr. Deputy Millar Wilkinson, and, after some remarks by Mr. S. M. Wood, was carried with one dissentient:—"That Sir William Barclay Peat, Mr. Charles William Middleton Kemp, and Mr. Arthur Francis Whinney be re-elected as auditors of the bank, to hold office until the Ordinary General Meeting next year, at a remuneration of 400 guineas respectively."

Mr. Deputy Millar Wilkinson moved and Mr. John Hedges seconded a vote of thanks to the governor, the deputy governor, and the board of directors. The vote was unanimously accorded.

It was moved by the Governor, seconded by the Deputy Governor, and carried unanimously:—"That the thanks of the meeting be given to the general managers, the managers of the head office and branches, the secretary and the staff of the bank generally for the efficient discharge of their several duties during the past year."

The proceedings then terminated with a vote of thanks to Sir Felix Schuster for his able conduct in the chair, proposed by Dr. Finchman, seconded by another shareholder, and carried unanimously.

## THE BRADFORD DISTRICT BANK.

The annual meeting of the Bradford District Bank, Ltd., was held on January 30, at the Midland Hotel, Bradford, Mr. James Bairstow, in the absence through slight indisposition of Sir Prince Smith, Bart. (chairman of the directors), presiding.

The annual address of Sir Prince Smith was read to the meeting, and was as follows:—"I feel that my first word on the present occasion should be a reference to the members of our staff who are serving with his Majesty's Forces. It is with the profoundest regret that we have to record that seven splendid fellows, full of promise in civil life, have lost their lives in the noble cause. We cherish their memory and tender our deepest sympathy to their relatives and friends. Many of our men have been wounded—some more than once—and one is a

prisoner of war, happily unhurt. We are proud to say that two members of our staff have won the Military Cross—one Cross being supplemented by a bar. Our very hearty congratulations go to the recipients, and our best wishes to all the members of our staff who are continuing to serve their country in this time of crisis.

#### **MOBILISATION OF NATIONAL RESOURCES.**

As has been mentioned from this chair on a previous occasion, the finances of the State are largely dominated by Government control, and the same may be said of various branches of our trade and industry. Since the opening day of hostilities the State has, by various measures, been gradually extending its hold on the essentials in food and in materials which are necessary for its citizens and for its armies both at home and abroad. In this respect it has also, by the process of pooling its resources, had to provide in increasing quantity for the needs of our dominions and Allies.

As regards the staple trade of this district, not many months had passed after the outbreak of war before it was realised that wool would be a potent factor in the successful conduct of the war. Only 8 per cent. of the total world's production was controlled by enemy countries, and 40 per cent. by the British Empire, and consequently various steps were taken to prevent the raw article, and also wool products, from reaching the enemy. Whatever success may have attended our efforts in the early stages, it soon became apparent that some stronger measures were necessary, not only to preserve the valuable commodity for the needs, primarily, of the Allied forces, but, secondly, for such foreign trade as was found desirable, and also for the needs of the civilian population at home.

#### **WOOL TRADE ORGANISATION.**

You are fully aware of the highly delicate and efficient organisation which during the past hundred years has been built up in this country for encouraging growers in our colonies and elsewhere and for securing the wool for our markets. In no branch of our national trade can it be said that more skill, more initiative, more enterprise have been displayed, than in connection with the development of the wool industry, both in the producing of the raw material, and in its manufacture through the various stages of the industry. In this industry Bradford has played the leading part amongst the textile centres of the world, and, aided by the organisations that have been built for financing shipping, selling, and distributing, the trade has been supplied with raw material in sufficient quantities to enable it successfully to compete in the markets of the world. The advent of control has, for the time being, meant that the services of some of the ablest men associated with the industry are not being utilised to their fullest extent. It is too late in the day to consider how far the trade could have been conducted with complete satisfaction under the direction of the pre-war organisations. It has been strongly held that the Government could have secured all the control that was desirable without having had recourse to such extreme measures as have been put into force, and that the essential features of our organisations could have been maintained unimpaired, so that they would have been available for the purpose of picking up the threads to meet the conditions that will prevail in after-war days. As it is, one authority after another has been set up, until, after considerable agitation, a Board of Control, partly composed of thoroughly practical men representing the trade, was established during the early days of August last. The new board has done good work, and promises to be of considerable service in connection with those difficulties that will arise at the time the Government releases its hold upon the trade. A great deal is being said about the reorganisation of our industrial forces to meet the difficulties that will occur in after-war days. It is consequently our duty to consider in what way the experience of this war and of previous trade crises has disclosed any defects in our organisations and methods of trade. It is probably true that in no industry is the art of specialisation carried out to a greater degree of efficiency than in the manufacture of the products of wool. The various departments connected with the treatment of the raw material are a puzzle to most people not actually engaged in the industry. In consequence of this highly specialised nature of the industry free play has been given to the development of the finest qualities, both in the employer and the employee. Our debt to the inventor, the chemist, the designer, and the controller of machinery cannot be over estimated, but undoubtedly the State has not sufficiently recognised in the past its obligations to provide adequate facilities for the development of the scientific qualities so essential to the trade. Measures are, however, being taken to remedy this defect, and we can look forward with confidence to the day when such essentials as dye-ware will be provided in increasing abundance by our own manufacturers at home.

#### **THE POSITION OF THE MERCHANT.**

Now let me come back to the merchant and to the consideration of the important part he plays in all that relates to the growth and prosperity of our textile industry. At each end of the trade the merchant appears. He secures the raw article, and he finds the outlet for the manufactured commodity. He anticipates the needs of the manufacturer, and, to an important degree the tastes of the consumer. His knowledge of markets, of languages, and exchanges, coupled with the exercise of foresight, skill, and enter-

prise, have rendered the merchant an important contributory factor in the development of world-wide trade. These qualities are not the creation of a day, but they are the result of the assimilation of knowledge, in association with fine organisations, which have taken time to develop, and also of the closest application to the requirements of industry and the needs of the peoples of the world. It is extremely unfortunate that a measure of State control should have been found necessary under which the brains of some of our ablest men are not utilised to their fullest capacity. Possibly, if we could retrace our steps, our war-emergency measures would have been differently cast. Be this as it may, it is important that in the consideration we may be giving to after-war trade conditions we should keep well in mind all the factors that have contributed to the creation of our world-wide commerce. It is said that the war gives the State the opportunity of taking stock of its organisations and of considering their defects, and, when peace comes, of making a fresh start. We do not dispute the truth of this, but let us remember, in our enthusiasm for being prepared for after-war conditions, that our trade has flourished exceedingly in the past, and that, accordingly, we do not want, in the absence of strong reasons, to be engaged in effecting changes and making developments which can bring no ultimate benefit, but, on the contrary, do infinite harm. The textile industry of the West Riding has been a signal example of an industry which has afforded the greatest liberty for the development of initiative, enterprise, and real ability. By the assistance afforded under the elastic system of credit provided by the banks in the West Riding, the exercise of these qualities has had the fullest encouragement, to the great advantage, not only of the district, but of the whole Empire. It will always be the desire of your directors to see that as far as this bank is concerned similar facilities are available in the future. Much remains to be done, but I venture to think that it lies more in the direction of greater encouragement to the development of scientific and industrial research, the teaching of languages, and the study of the temperaments and of the markets of the peoples of the world than in changes of a radical nature in our existing organisations. It is in such directions as the foregoing that there exists the means for the best development of our industry. So long as the West Riding can be provided with an ample supply of raw material, and so long as the State and our education authorities fully recognise their obligations to industry, there need be no fear that our manufacturers and merchants may not be able to continue to compete successfully in any of the markets of the world and secure for the community the trade which will enable our machinery to be used to the fullest advantage.

#### **PROFITS OF THE BANK.**

Let me now refer to our report. It will be seen from the prints which your directors have submitted to you that the nett profit for the year, after providing for all expenses and making the usual provisions, amounts to £71,679, showing an increase of £1,239 over the previous year. We brought into the account £28,872, making a balance available of £100,551. An interim dividend amounting to £17,737, after deduction of tax, was paid for the first half-year, and a similar dividend is now recommended, making a dividend for the whole year at the rate of 1½ per cent.

We recommend the application of £20,000 to the reserve fund, bringing that fund up to £350,000, £2,000 to officers' pension fund, £5,000 to bank premises fund, and carrying forward £38,076 to the next account. Turning to the balance-sheet, it will be seen that the paid-up capital stands the same—viz., at £344,000; the reserve fund, with the proposed addition of £20,000, will stand at £350,000, as compared with £330,000 for the previous year. Our current and deposit accounts show an increase of over £1,397,000 at the figure of £9,235,167, and the amount of the bank's liability on acceptances £150,152, as compared with £853,080. The reduction in this part of our business is a reflection of the changed conditions resulting from the Government control of our industry, and no improvement is to be looked for during the continuation of existing conditions. The foregoing make the total liabilities of the bank £10,142,134, or an increase of £698,685 over the previous year's account. On the other side the cash is over £309,000 up at £2,229,265. The investments are £166,970 down at £1,358,684. The bills of exchange show an increase of £1,305,477 at the figure of £2,871,087, arising from increased investments in British Government Treasury bills. The total liquid resources of the bank are £6,459,036, as compared with £5,011,495, or equal to nearly 70 per cent. of our deposits, as compared with nearly 64 per cent. for the previous year, which, I am sure, you will recognise to be a very strong position. The total amount due from customers for advances—£3,388,678—shows a reduction of £40,948 as compared with the previous year. Bank premises stand at £144,267, as compared with £149,246. The balance-sheet continues to reflect the abnormal times through which we are passing. The deposits show an increase of nearly 18 per cent., whereas the advances, notwithstanding the fact that they include amounts advanced in respect to War Loans, show a decrease of about 1 per cent. The deposits of all banks are largely affected by the expansion in credits owing to war finance. This, coupled with the fact that many traders, who, owing to Government control of trade, have realised their stocks and are unable to replace them, is responsible to a large extent for the expansion of deposits and the contraction of loans. At some future date the position may be substantially reversed. At the time of our last meeting reference was made to the new 4 per cent. and 5 per cent. War Loans, which had made their

appearance on January 11, 1917. Prior to the issue the Treasury had announced a cessation of the sales of Exchequer bonds, War Expenditure certificates, and also of Treasury bills. The War Loan was a great success, the total amount applied for being £988,706,000, of which £966,048,000 was in respect to the 5 per cent. loan and the balance of £22,658,000 in respect to the 4 per cent. tax-free loan. On December 31, 1916, the total amount outstanding for British Government Treasury bills was £1,115,000,000, but owing to the cessation of the issue, and the application of part of the proceeds of the new War Loan to maturing bills, the amount running on British Treasury bills was reduced to £463,000,000 on March 31, 1917. The sale of Treasury bills was resumed at the end of April, and at the end of the year the amount outstanding had again gone up to £1,057,000,000. During the autumn the Government initiated the system of continuous borrowing by the issue of 4 per cent. tax-free and 5 per cent. War Bonds, repayable at a premium, the latter investment, including the premium payable on redemption, showing a return amounting to, approximately, £5 7s. 6d. per cent. By the end of 1917 the total sum of £208,000,000 had been subscribed for the bonds. The effect of these and other Government borrowings was that the total amount of our National Debt on December 31, 1917, amounted to £5,524,000,000, as compared with £710,000,000 at the time of the outbreak of war, or an increase owing to the war of £4,814,000,000, representing an additional charge of over £200,000,000 for interest on the revenue of the country. Now, when we last met reference was made to the possible effect of the War Loans on the deposits of the bank. Whilst at the time very large sums were withdrawn for investment, we have been pleased to witness that the amounts withdrawn have, in one way or another, been more than made up. The bank, however, has rendered every possible assistance and granted the fullest facilities to intending investors in respect to the War Loans, War Bonds, and all Government issues. Regarding the money market conditions, the year opened with a Bank rate of 6 per cent., which came down to 5½ per cent. on January 18, and to 5 per cent. on April 5, since which date it has remained at the last-named figure. The average rate for the year was £5 3s. per cent., as compared with £5 9s. 3d. per cent. for the previous year. Treasury bill rates for three and six months stood at 4½ per cent. in June, and were increased to 4¾ per cent. in July, but ultimately were reduced to 4 per cent. on December 27. The average rate for three months' fine bills was £4 16s. 2d. per cent., as compared with £5 4s. 3d. per cent. for the previous year.

#### PERSONAL ECONOMY OF NATIONAL IMPORTANCE.

I do not think I ought to let this opportunity pass without again referring to the great need there is for the reduction in the personal consumption of goods to the lowest possible amount, not only on account of the immediate needs for carrying on the war, but in view of the needs of the country in after-war days. The less we individually consume in goods the less will be the amount of goods imported from abroad, and as we have to pay for our excess in imports over exports either by realising securities or by raising loans in foreign countries, the subject of the consumption of goods is one of great importance, as bearing not only on the immediate financial resources of the country, but on its future prosperity. We must remember that by the sale of our foreign securities we are losing a large income from foreign countries, and, again, as a result of raising loans abroad, money will have to go out of the country for the purpose of paying interest. All this will tend to make substantial inroads in the balance of this country's foreign trade, which in pre-war days was in favour of this country. This must imply that there will be the greater call on our industries for an increase in productivity, and, for a time, there must be less money available for investment in foreign countries, which in the past has been such an important factor in the growth of our trade. Reverting to the profits of the bank, as already stated, there is a slight increase as compared with the previous year, and the same rate of dividend is recommended. Your directors feel that during such times as those through which we are passing, for which there is no precedent, the only course open is to strengthen the resources of the bank in every way possible. The future is a closed book. The outbreak of war furnished many surprises, and there may be many surprises yet in store for us before peace is declared. As far as one can judge, there will be great contraction in many branches of our trade, which is bound to have its effect on our profits, and the longer the war lasts the more the State will replace the trader and extend its control on finance and commerce. When peace comes there may be greater surprises still, and we shall be signally lacking in our trust to the shareholders and customers if we do not see to it that nothing is wanting on our part whereby we may be prepared, as far as is possible, for every eventuality. May I again express the hope that the time is not far distant when the Allies will emerge victoriously from the present conflict, and that we may thereafter enjoy a long era of peace? Your directors look forward with great hopefulness to the period of trade development that will follow the cessation of hostilities, and for the opportunity which will be presented for the bank to be of increasing service to the community. Much has been said as to the financial provision made by banking houses for trade purposes in the past. We are purely a traders' bank. Our resources have always been held for the development of our industries, and it is the desire of your directors that the bank should continue to serve the districts in which it is represented to the utmost of its capacity.

#### UNION BANK OF AUSTRALIA.

The half-yearly general meeting of proprietors of the Union Bank of Australia, Ltd., was held on Monday at 71, Cornhill, E.C., Mr. Henry P. Sturgis (the chairman) presiding.

The Manager (Mr. A. C. Willis) read the notice convening the meeting and the report of the auditors.

The Chairman, in the course of his remarks, said: The total figures appearing in the balance-sheet, compared with those of August 31, 1916, exhibit an increase of £1,545,000. On the liabilities side the following items show increases:—Reserve fund, £40,000; bills payable, £45,000; and deposits, £1,716,000, the last being mainly due to high prices ruling for produce, seasonal returns, and also the disinclination to lock up funds at the present time. This is a very satisfactory feature of the half-year, but we must be prepared for some reduction in our deposits in view of further war issues in Australia and New Zealand. The Australian Government have obtained power from Parliament to issue loans to the extent of £60,000,000, and the first instalment of £20,000,000 has been issued, while in New Zealand the Government have authority to raise £24,000,000, of which £12,000,000 has been floated successfully. On the assets side the chief increases are shown in money at call and short notice, £680,000, and bills receivable, £1,959,000. On the other hand, our advances show a decrease of £1,259,000. Our liquid assets on this occasion amount to 9s. 5d. in the £ of our total liabilities to the public. I am sure that the shareholders must be well content with the results of the half-year. After paying a dividend and bonus equal to 14 per cent. per annum, free of income-tax, we have been able to place another £20,000 to our reserve fund, bringing that fund up to £2,000,000, an amount equal to the paid-up capital of the bank. There is one matter connected with our future profits on which I feel I must say a word, and that is the heavy increased taxation to which we are liable—a burden which I fear we must be prepared to see further increased in the future. In 1913 the total amount paid by the bank was, in round figures, £40,000, since which date the amount has risen each year until in 1917 it has reached the large sum of £122,000. Regarding the general conditions ruling in Australasia, trade has been active, but hampered by the want of shipping, and towards the end of the half-year was adversely affected by a strike in Australia of seamen, coal-miners, and wharf labourers. During the half-year weather conditions have been good, though somewhat wet, and seasonal prospects are bright in all the States. A good lambing was recorded and all crops are well forward. The season in New Zealand has been normal. The following cablegram from the general manager, dated January 21, has been received:—"Favourable weather conditions prevail in Australia and New Zealand at the present time. Australian harvest—Wheat expected to exceed 110 million bushels; smaller aggregate chiefly owing to reduction of area under grain, but excessive rains, more especially in Western Australia, affecting yield. Wool clip is turning out well, and there will be increased quantity owing to natural increases flocks." I now beg to move the adoption of the report and accounts.

Mr. Robert C. Nesbitt seconded the motion, which was carried unanimously.

#### LENNARDS (BOOTS AND SHOES).

The twenty-first annual meeting of Lennards, Ltd., shareholders, was held at the Grand Hotel, Leicester, on February 1, 1918. The directors present were T. J. Lennard, J.F. (chairman), J. Wallis Goddard, J. G. Chattaway, T. Singlehurst, John Lennard, and the secretary (J. E. Hazzledine). The Chairman moved the adoption of the report as printed and circulated, and said:—

#### COMING OF AGE.

On behalf of the board, I have pleasure in moving the formal adoption of the twenty-first annual report and balance-sheet as printed and circulated. The incorporated company comes of age this year, although I founded the business 40 years ago.

#### EARNING POWER.

The nett profit for 1917 is £53,858.

It is proposed to pay 6 per cent. on the preference shares and 10 per cent. on the ordinary shares, as usual, and carry forward the whole of the available balance of £27,265. This sum, added to the reserve, £40,870, makes a total reserve of £68,135. Twenty-one years ago the first paid-up capital of the incorporated company was only £60,000.

Last year, referring to our freehold retail branch premises, I said: "As opportunity occurs, and when suitable offer is made, it is a distinct advantage to acquire our own freeholds as far as capital permits." During 1917 we acquired new freehold premises in five new cities and towns, and you will notice the total added for the year under freehold shops was £12,451. In every case they were very desirable acquisitions.

The total nett stock is £264,818, being £75,900 more than at the end of 1916, but a large proportion of this increase is being held up by Government. This increases the debit balance at the bank, although in a constantly developing business, and especially with rising values, it must be evident to you that we are under-capitalised.

#### MANUFACTURING.

In this respect an extraordinary meeting will follow this annual shareholders' meeting, at which your directors will pro-

pose to increase the capital by £50,000—25,000 £1 6 per cent. preference shares to be issued at par, and 25,000 £1 ordinary shares to be issued at 24s. (same price as the last ordinary shares were issued at), the total premium of £5,000 to be carried to reserve. It is also specifically required to establish a new and enlarged factory at Bristol. This addition, when issued, will increase the paid-up capital from £200,000 to £250,000.

The industrial difficulties of the year have been enormous. Not only has our labour been depleted to dangerous margins, but the strangle-hold laid upon all materials by the Government has made it increasingly difficult to carry on. No one has a right to expect business will be "as usual" during a great war, and we are all prepared to make sacrifices to the end for a victorious peace, but the inefficient, procrastinating results accruing from the newly created Government Departments in dealing with industrial concerns is most deplorable.

Lennards, Ltd., is "all British." In 1916 we tried to get boots from the United States made on British models to British specifications; orders were placed for about £100,000. On February 23 last year the Government, without notice, prohibited imports.

The following sentences are extracted from the various Government replies received to our applications for licence to import these goods, which were paid for about nine months ago:—

April 26.—"I have to inform you that the prohibition is being rigidly enforced."

June 6.—"Your letter has been transmitted to the Department of Import Restrictions."

June 9.—"I am unable at present to comply with your request for a licence."

September 13.—"I regret that during my absence the facilities which are open to you for shipment of the goods in question were not explained. Their importation will be licensed if they are freighted on an American troop or supply ship."

September 29.—"The conditions stated in my letter of the 13th inst. must be strictly adhered to, or the goods will be liable to seizure."

November 23.—"The American Chamber of Commerce is collecting information on the subject."

November 27.—"I must ask you to exercise ordinary patience."

January 2, 1918.—"I am to say that the Controller's decision in connection with the admission of a certain percentage will shortly be communicated."

The real freedom of the seas is freedom to trade. We were not able to induce U.S.A. troopships to bring our goods, and I suggest it is not the duty of any Government to control civilian footwear, and penalise loyal citizens in this fashion.

The Government are very properly using all their power and all their energy to produce military and naval footwear, but they have most foolishly become profiteers, and have entered upon large scheme of producing and controlling civilian footwear in this country. Six or seven months ago they flooded the newspapers with announcements of what would immediately be done to supply reliable lower-priced footwear to the British public. The result has been annoyance and disappointment to everybody concerned. Instead of supplying footwear at anything like pre-war prices to the public, their list of "39 articles" does not contain a single number at less than double pre-war price. It is not a comprehensive list, it is not a good list, even from the limited range of materials now available.

#### NON-PARTY POLITICS.

Politics are part of our being as a progressive people, but in the past "party" has been responsible for delays and compromises upon vital issues. How long are the trading communities of this country going to submit to a control which is useless and unreasonable, which adds Government Departments without counting cost, instead of bending all its energies to secure the great victory? If I may speak as a business man controlling a big business, I say it is time for the Empire to insist upon the selection of experts to control the business they understand. The recent conference between Sir Arthur Goldfinch and representatives of the trade press is a step in the right direction.

Lord Rhondda knows all about coal, therefore he is placed at the head of the Food Control.

Sir Eric Geddes knows all about railways, therefore he is placed in command of naval affairs.

Dr. Macnamara has had academic experience, therefore he is Financial Secretary to the Admiralty.

No appreciation can be too high for the great service rendered by Mr. Lloyd George to the Empire, but he needs united support and unswerving loyalty and efficiency in those who occupy important Government positions if he is to "make good" in Armageddon.

There seems such a gulf between speeches and specific performance; into what pigeon-hole have the "Paris Resolutions" been dropped? Statesmen, as trustees of the Empire, should place security before every other consideration.

Let me give you an extract of single sentences from 27 letters I received about ten days ago from leading manufacturers on this vexed subject of Socialistic "war-time boots," which ought to have been available for the use of the public months ago.

Northampton.—

"We are prepared to accept orders on the strict understanding they are not shown."

"We have no official instructions to proceed with any yet."

"There is nothing really settled about the matter yet."

"No leather has been released for war-time boots so far."

"No instructions either as regards material or price."

"No definite arrangements have been made with regard to the allotment of standard boots."

"We do not know when we shall be able to make any."

Leicester.—

"We have not yet commenced to make war-time boots."

"We have been so humbugged with this matter that we feel we will not proceed until we know something definite."

"We have not yet received upper leather from which to cut bulk."

"We have not been able to get any leather for these goods."

"No leather being released for this purpose."

"Leicester is entirely unenlightened as to this business."

Kettering.—

"We have not yet commenced making."

"Immediately our samples have been approved by the local committee we will communicate with you."

Stafford.—

"Not received anything at all from raw material department."

Rushden.—

"Nothing is settled in reference to standard boots."

"As soon as we receive notice to start we will forward you sample pairs."

"Government have not yet released sole leather or upper leather."

Kingswood.—

"Cannot say definitely how we shall have to deal with them."

"We have no definite instructions from the Director of Supplies."

London.—

"We are unable to obtain war-time sole leather."

Norwich.—

"Up to the present we have nothing settled."

Northamptonshire.—

"Material has not yet been released by the Government."

"We do not anticipate being in a position to make standard boots for some time."

"We understand there are new specifications coming out."

"We are told to wait for future particulars."

The general specification is not sufficient to produce the same article in the boot and shoe trade in various districts. The Government advisers ought to have known this; they should have produced their own standard samples. Although they have arranged for 6½ per cent. prompt cash discount in seven days, they have not dealt with the point of time in transit. During the war, the railway companies have taken as long as ten days from date of invoice to deliver goods. A clear understanding with regard to a detail of this kind might surely have been expected from Government departments whose chief title to wisdom lays in their accountancy.

The defect in Government management of affairs seems to be that responsibility for mistakes or mismanagement cannot be brought home to individuals.

To restrict the height of ladies' boots may have been a useful economy in material, but to prohibit the sale of those now in retail shops after to-day is a foolish and wasteful regulation.

#### PATRIOTISM.

We have 303 men serving with the colours, 197 of whom were volunteers. All war bonus has now been merged into wages, and the year 1917 showed an increase of £3,346 wages over the bonus year of 1916. At Christmas we again sent a parcel to employee soldiers; most appreciative letters of acknowledgment have been received. From patriotic motives there has been no extension of our business during the year; on the contrary, we have closed branches.

I think you will agree with me that the report submitted, and the result attained, is good, but it is owing to the volume of business done, as the percentage of gross profit is considerably less.

In conclusion, I am again able to speak highly of the patriotism and loyalty of the whole staff, working under difficulties that would be unbearable were we not convinced that the British Empire is championing a sacred and just cause against a most unscrupulous foe, and that our final victory is certain.

I have much pleasure in moving the adoption of the report as printed and circulated.

The report was adopted, the additional capital authorised subject to confirmation by the Treasury, and a hearty vote of thanks to the staff closed the proceedings.

Messrs. Tribe, Clarke, and Co., the chartered accountants, were reappointed.

#### DUNLOP RUBBER.

The nineteenth ordinary general meeting of the Dunlop Rubber Co., Ltd., was held on Tuesday at 14, Regent Street, S.W., Sir Arthur du Cros, Bart., M.P. (deputy-chairman and managing director), presiding.

The Secretary (Mr. Arthur Cunningham) read the notice convening the meeting and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, said that the profit shown in the accounts was the

highest yet earned by the company. The actual nett trading profit was £505,000, and adding the profits of the rubber estates, they had a total of £670,000, as against £564,000 last year. The results of the year were achieved in the face of infinite difficulties of management. To carry on the company's business at all was a task of great difficulty, but to do so with an organisation which had now become a mere skeleton of what it was before the war, and to increase the sales of the company at home by 53 per cent. over 1916, was an achievement reflecting the greatest credit upon all concerned. Their perplexities were added to by the abnormal fluctuations which occurred in the market price of rubber and of other raw materials. The profits for the year were maintained upon a schedule of prices agreed with the Government, which yielded a substantially less percentage of profit on turnover than had ever been the case in any normal year. No increase of price was asked for by the company from the public until 30 months after the outbreak of war. Then, in face of unprecedented rises in wages, raw materials, and the general cost of carrying on the business, they made for the first time an advance in prices, which immediately became the subject of inquiry and negotiation between the Government and the company. The upshot of the negotiations was that an equitable basis of price was fixed, which would be subject to revision, but which satisfied both sides for the moment, and in the opinion of the directors was a most advantageous one for the Government. If the company had carried on the same volume of business in peace time, or even in war time, with ordinary consumers, they would have quite legitimately and in open competition realised a considerably larger profit than they had done. The dividend which had been paid absorbed £250,000, or 57½ per cent. of the nett profits, as against £198,000 last year, or 45½ per cent. The increase of £52,000 was not due to an increase of the ordinary dividend, which remained at 15 per cent., as during the last four years, but to an increase of preference capital of £1,200,000. The company did not enjoy the full use of that additional capital during the whole of the financial year—an average amount of £762,500 was employed. If the profits shown by this company and those of the Rubber Estates were taken together, they were paying away, not 57½ per cent., but less than 42 per cent. of the profits. With the additional capital already supplied and the further capital provided for future use, and the very conservative figures to which the estates had been reduced, the directors considered that more elasticity could be shown in the proportion of profits to be distributed. The report made it quite clear that the depletion of the company's foreign trade was due either to sheer inability to meet demand or to the limitation of supply by the Government, and not to any failure of the trade itself abroad. The falling off could only be regarded, therefore, as a temporary one during the war. As a matter of fact, the sales abroad were not less, but were greater by 17 per cent. Dealing with the balance-sheet, he pointed out that the stock showed an increase over last year of more than £1,000,000, and an increase over the previous year of nearly £2,000,000. That was a position for which they had long been striving. The figure was a larger one than would be necessary in peace time, and it might be possible to reduce it in the future, and thereby to bring back more liquid money into the company, but during the war, and for some time after, until all transport facilities were fully restored, it would be necessary to maintain it as an insurance against any interruption of the company's output. With regard to the solid tyre business, from which they expected so much in the future, they had increased the output during the year by 66 per cent., and the quality and general results left little to be desired. They were about to produce a new solid tyre, which had been fully tested, and from which they expected even better results. Speaking of the rubber estates, he remarked that they appeared in the balance-sheet at £633,000, being an increase of £36,000 over last year. That figure represented the actual money provided by the company for those properties, but was considerably less than the amount that the estates had actually cost, which at August 31 last was just £940,000. They were now far and away the largest rubber planters in Europe. They possessed nearly 65,000 acres of rubber-growing lands in the East, 10,000 acres of which could not be conveyed to them finally until after the war; but by the end of December last they had nearly 26,000 acres of planted rubber, including 750 acres in an advanced state of cultivation. During the present year it was hoped further to increase the planted area to 35,000 acres. As to their cotton mills, he said that this undertaking had also been an unqualified success. Their production of finished cloth was approaching 6,000,000 lbs. a year, although they were consuming themselves considerably more. He explained the arrangement between the Dunlop Co. and the cotton mills, and said that if they had been obliged to buy in the open market at current prices they would have had to pay for the 6,000,000 lbs. of cotton cloth, quality for quality, not less than £500,000 more than they paid the D.R. Cotton Mills.

The Earl of Albemarle seconded the motion, which was carried unanimously.

An extraordinary general meeting was then held, at which resolutions were unanimously approved authorising the creation of 500,000 additional ordinary shares of £1 each, to be issued fully paid up to the ordinary shareholders—payment being satisfied out of the reserve fund of the company—increasing the number of directors from eight to ten, without increasing their aggregate remuneration, and constituting an endowment scheme for the benefit of the company's permanent male staff.

## JOHANNESBURG CONSOLIDATED INVESTMENT CO.

The annual general meeting of the Johannesburg Consolidated Investment Co. was held in Johannesburg on Tuesday, November 27, 1917.

The Chairman (Mr. G. Imroth), in moving the adoption of the report and accounts, said that the facts and figures disclosed in the directors' report and accounts must be regarded as eminently satisfactory, and spoke volumes for the strength and stability of the corporation, more especially when the shareholders bore in mind that the accounts covered the third year of the great war. He proceeded to review the principal figures of the balance-sheet and profit and loss account, and continued: The financial position of the company may be briefly summed up as follows:—The "book value" of our assets, exclusive of the appreciation of over two million pounds (£2,000,000) in our investments in stocks and shares, to which I have previously referred, is £5,153,755, an increase of over £92,000 as at June 30, 1916, and reflects a surplus over our liabilities to the public, exclusive of the dividend of 5 per cent. declared on June 25 last, of £4,556,057. Our absolutely liquid assets reflect a surplus over our public liabilities of over £140,000. From the profit and loss account you will observe that the gross profit for the year ended June 30, 1917, amounted to £224,093, a decrease of about £5,000 as compared with the previous year. Against this our expenses, including war donations, staff bonus, &c., amounted to £29,380, reflecting a decrease of about £4,000, leaving a nett profit of £194,713, or £1,000 less than last year. To the nett profit of £194,713 we must add the amount brought forward from the previous year, £161,344, making a total of £356,057. From this we must deduct the sum of £197,500, being the amount of the dividend of 5 per cent. declared on June 25 and paid on September 27 last, leaving a balance of £158,556 to be carried forward to this year's accounts. I think you will agree with me, gentlemen, that, bearing in mind the strenuous times through which we have passed, it is extremely satisfactory to have been able to maintain our dividend, which is this year paid free of English income-tax, and provide for all depreciation without encroaching on our reserve fund. Our agency of the Alliance Assurance Co., Ltd., and other industrial concerns with which we are connected continue to show satisfactory results. At our last meeting our permanent chairman (Mr. S. B. Joel) informed you of the negotiations he was conducting with the other diamond mining companies and the Government, with a view to restricting and controlling the output of diamonds. You will note from the directors' report that these negotiations were satisfactorily concluded, and the arrangements made have proved eminently successful to all concerned. I think you will agree with me that the diamond industry and all those connected therewith are under a deep debt of gratitude to Mr. S. B. Joel, and must heartily congratulate him on the success of his efforts. Since the date of our last meeting I think the principle of the inadvisability of the State embarking in mining ventures has been generally accepted. During the year covered by your accounts the Government offered two areas for public tender. We made substantial tenders for both these areas, neither of which was accepted. Since the close of our financial year further leases of Government ground have been offered for tender. I am pleased to be able to announce that the tender of Messrs. Barnato Brothers for one of these leases has been accepted, and that that firm has offered our company a substantial participation in the business. This offer we have accepted, and we confidently anticipate that our participation in this venture will be most advantageous to the company. It is proposed to form a company with a capital of £1,500,000, the whole of which has been guaranteed. Three hundred thousand (300,000) shares, fully paid up, will be issued at par, and on the remaining 1,200,000 shares 2s. per share will be paid at once, the balance to be called up as required. It will interest you to learn that it has been decided to afford the public the opportunity of subscribing for 150,000 of the fully paid up shares at par.

The Chairman proceeded to refer in detail to the position of the mines of the company's group. The shareholders would note from the directors' report that the total value of the gold produced by their group of mines, exclusive of the production of the Randfontein Central and Langlaagte Estate Gold Mining Companies, for the year ended June 30, 1917, amounted to over four and a-half million pounds (£4,500,000), and that this year a very considerable increase was anticipated.

In conclusion, the Chairman said: I would like to express the thanks of the board of directors to the members of the staff, collectively and individually, for their excellent work during the past year. In view of the great increase in the cost of living and in recognition of their loyal services, your directors recently granted the staff a special war bonus. I am sure this action will meet with your cordial approval. Eight hundred and three members of our staff in South Africa and employees of our group of mines have enlisted for active service. Of this number, I regret to have to report that thirty-two have fallen in action and fifty are wounded or prisoners of war. To their relatives and dependents, gentlemen, we extend our deepest sympathy.

Mr. Charles Marx seconded the motion, which was carried unanimously.

# THE NATIONAL PROVINCIAL BANK OF ENGLAND, Ltd.

Head Office - - 15, BISHOPSGATE, LONDON, E.C.2.

<b>CAPITAL—Paid Up</b> ... ..	£3,000,000
<b>Uncalled</b> ... ..	2,300,000
<b>Reserve Liability</b> ... ..	10,600,000
<b>Subscribed Capital</b> ... ..	£15,900,000

RESERVE FUND (invested in British Government Securities), £2,100,000.  
Number of Shareholders, 19,796.

COLIN FREDERICK CAMPBELL, Esq.  
MAURICE OTHO FITZGERALD, Esq.  
CHARLES R. GILLIAT, Esq.  
WILLIAM HENRY NEVILLE GOSCHEN, Esq.  
THE RIGHT HON. LORD INCHCAPE, G.C.M.G., K.C.S.I., K.C.I.E.  
FRANCIS ALEXANDER JOHNSTON, Esq.

## DIRECTORS.

COLONEL SIR CLAUDE VILLIERS EMILIUS LAURIE, Bart.  
FRANCIS CHARLES LE MARCHANT, Esq. [C.B., D.S.O.]  
THE RIGHT HON. THE EARL OF LICHFIELD.  
GEORGE FORBES MALCOLMSON, Esq.  
SELWYN ROBERT PRYOR, Esq.  
ROBERT WIGRAM, Esq.  
FREDERICK ELEY, Esq., A. G. HOPEWELL, Esq.  
WALTER EDWARD MOORE, Esq.

**JOINT GENERAL MANAGERS.**—D. J. H. CUNNICK, Esq.,  
**SOLICITORS.**—EDWARD HUGH NORRIS WILDE, Esq.

## EIGHTY-FIFTH REPORT OF THE DIRECTORS TO BE PRESENTED AT THE MEETING OF SHAREHOLDERS TO BE HELD ON 31st JANUARY, 1918.

The Directors have the pleasure to submit the Balance-sheet for the year 1917, and to report that after making provision for all bad and doubtful debts, for the rebate of discount on current bills, and providing £148,000 as a Bonus to the Staff and allowances to those members on active service, the profits, including £98,220 13s 0d brought forward, amount to £1,312,932 0s 2d, which has been appropriated as follows:—

Interim Dividend of 8 per cent., subject to deduction of Income Tax (£60,000), paid in August last .. ..	£	s	d
A further Dividend of 8 per cent., subject to deduction of Income Tax (£60,000), making 16 per cent. for the year, payable 5th proximo .. ..	240,000	0	0
Transferred to Reserve Fund .. ..	300,000	0	0
Placed to Contingencies .. ..	350,000	0	0
Balance carried forward to 1918 .. ..	182,932	0	2
	£1,312,932	0	2

The Directors retiring by rotation are Francis Alexander Johnston, Esq., Selwyn Robert Pryor, Esq., and Colin Frederick Campbell, Esq., all of whom, being eligible, offer themselves for re-election.

The Directors have to announce the retirement in June last of Mr. Thomas Estail, after a long and faithful service of fifty-one years, during fourteen of which he occupied the position of Joint General Manager.

Mr. A. G. Hopewell, Joint Manager of the City Office, has been appointed a Joint General Manager.

In accordance with the resolution passed at the Extraordinary General Meetings held last year, the Bank is now conducting the business of Trustees and Executors.

The Directors also announce that they have made a provisional arrangement for the amalgamation of the Union of London & Smiths Bank, Ltd., with this Bank as from 1st January, 1918. Special Meetings for the purpose of carrying out the arrangement will be called at an early date.

As from 1st July last this Bank has, with Lloyds Bank Limited, become Joint Proprietors of Lloyds Bank (France) and National Provincial Bank (France), Limited.

In conformity with the Act of Parliament, the Shareholders are required to elect the Auditors and fix their remuneration. Sir William Barclay Peat (of Messrs. W. B. Peat & Co.) and Mr. Nicholas Edwin Waterhouse (of Messrs. Price, Waterhouse & Co.), the retiring Auditors, offer themselves for re-election.

## BALANCE - SHEET, 31st December, 1917.

LIABILITIES.				ASSETS.			
	£	s	d		£	s	d
Capital:—				Cash at Bank of England and at Head Office			
40,000 Shares of £75 each, £10 10s paid ..	420,000	0	0	and Branches .. ..	17,294,994	7	1
215,000 „ £60 „ £12 „ ..	2,580,000	0	0	Money at Call and Short Notice .. ..	8,100,945	17	3
Reserve Fund .. ..	3,000,000	0	0		25,395,940	4	4
	5,100,000	0	0	Investments, including 5% War Loan taken			
Current, Deposit, and other Accounts, including				at Cost Price, and other Securities at			
rebate on Bills not due, provision for bad				Market Prices ruling on 31st December,			
and doubtful debts, contingencies, &c. ...	112,597,468	10	7	1917:—			
Acceptances and Endorsements of Foreign Bills				British Government Se-			
on Account of Customers, and obligations				curities, including Trea-			
under Treasury Minutes .. ..	1,982,964	7	7	sury Bills .. ..	£37,712,035	12	1
Profit and Loss Account:—				(Of which £115,973 is			
Balance of Profit and				lodged for public ac-			
Loss Account, including				counts)			
£98,220 13s 0d brought				Indian and Colonial Govern-			
from year 1916 ..	£1,312,932	0	2	ment Securities; Deben-			
Less Interim				ture, Guaranteed, and			
Dividend, 8				Preference Stocks of			
per cent.				British Railways; British			
subject to				Corporation, and Water-			
deduction of				works Stocks .. ..	4,077,882	6	11
Income Tax				Canal, Dock, River Conser-			
(£60,000)				vancy, and other Invest-			
paid in				ments .. ..	373,042	3	4
August last £240,000	0	0			42,162,960	2	4
Dividend				Lloyds Bank (France) and National Provincial			
of 8 per cent.				Bank (France), Ltd., 12,000 Shares of £50			
subject to				each, £20 paid .. ..	240,000	0	0
deduction of				Bills Discounted, Loans, &c., including Stock			
Income Tax				Exchange Loans under Treasury Minute of			
(£60,000)				31st October, 1914 .. ..	49,256,957	9	2
payable 5th				Liability of Customers for Acceptances, &c., as			
Feb. next	240,000	0	0	per Contra .. ..	1,982,964	7	7
Transferred				Bank Premises in London and Country .. ..	824,542	14	11
to Reserve					£119,863,364	18	4
Fund	300,000	0	0				
Placed to Con-							
tingencies	350,000	0	0				
	1,130,000	0	0				
Balance carried forward to 1918 .. ..	182,932	0	2				
	£119,863,364	18	4				

M. O. FITZGERALD,  
G. F. MALCOLMSON,  
ROBERT WIGRAM, } Directors.

D. J. H. CUNNICK, } Joint  
FREDERICK ELEY, } General  
A. G. HOPEWELL, } Managers.

## REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF THE NATIONAL PROVINCIAL BANK OF ENGLAND, LTD.

We have examined the above Balance-sheet with the Books at the Head Office and with the Returns from the Branches. We have satisfied ourselves as to the correctness of the Cash Balances, and have verified the Investments held by the Bank and the Securities held against Money at Call and Short Notice at the Head Office. We have obtained all the information and explanations we have required. In our opinion such Balance-sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanation given to us and as shown by the Books and Returns of the Company.  
21st January, 1918.

WILLIAM BARCLAY PEAT,  
NICHOLAS EDWIN WATERHOUSE, } Auditors.  
Chartered Accountants.

The Bank has Branches or Agents throughout the United Kingdom and Correspondents in all parts of the world.  
BRITISH, COLONIAL and FOREIGN Banking and EXCHANGE business transacted.

Trustships and Executorships undertaken.

Copies of the Annual Report of the Bank, Lists of Branches, Agents and Correspondents may be had on application at the Head Office and at any of the Bank's Branches.

## FRENCH AUXILIARY: LLOYDS BANK (FRANCE) & NATIONAL PROVINCIAL BANK (FRANCE) LIMITED.

Head Office: 60, Lombard Street, London, E.C. 3 (Temporary Address).

Offices in France: Paris (3, Place de l'Opéra), Biarritz, Bordeaux, Havre and Nice.

## INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Assam Bengal ..	Dec. 1	Rs. 1,30,307	— 3,276	11,16,15	— 83,642	
Barisi ..	" 8	15,00	— 3,700	5,77,00	— 1,57,00	
Bengal & N.W. ..	Nov. 24	3,65,620	— 88,445	24,82,240	— 5,27,633	
Bengal Nagpur ..	Dec. 8	11,18,000	+ 1,75,000	3,68,81,500	+ 31,63,524	
Bombay, Baroda ..	Jan. 19	16,14,000	+ 31,000	2,18,12,000	— 10,34,000	
Burma ..	Dec. 1	4,34,871	— 36,671	35,08,124	— 1,03,650	
Delhi Umballa ..	Jan. 19	87,800	+ 22,004	14,12,786	+ 1,72,841	
East Indian ..	" 19	23,49,000	+ 2,45,000	3,44,17,000	+ 14,16,000	
Gt. Indian Penin. ..	" 19	25,52,000	+ 1,98,400	3,41,57,300	+ 24,80,403	
Lucknow-Bareilly ..	Nov. 17	2,81,100	+ 5,73 0-0	2,91,12,600	+ 13,12,803	
Madras and S. Mahratta ..	Dec. 1	10,40,000	+ 59,807	81,30,000	+ 3,97,422	
Nizam's Gd. (Broad)	Nov. 24	1,29,478	— 499	9,37,223	+ 63,272	
" (Metre)	" 24	81,521	— 4,777	5,17,609	+ 32,995	
Rohilkund and Kumaon ..	Dec. 1	49,020	+ 11,625	3,55,047	+ 15,899	
South Indian ..	" 8	6,73,248	+ 6,989	62,90,536	+ 3,62,399	

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.	Jan 18	£	+	£	+	£
Dublin United ..	Jan 18	6,841	+ 956	17,847	+ 1,910	
Hastings and Dist. ..	" 28	1,004	+ 171	3,616	— 96	
Isle of Thanet ..	" 5	164	+ 104	2,200	— 1,434	
Lancashire United ..	" 23	2,449	+ 752	7,783	+ 1,846	
Provincial ..	" 5	2,346	+ 250	32,291	+ 4,280	
Yorks. (Wst. Rdng.) ..	" 24	2,409	+ 665	8,917	+ 1,871	

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Nov. 8	£	+	£	Ms.	£	+	£
Alabama Power ..	Nov. 8	114,496	+ 24,747	12	1,277,830	+ 359,725		
Anglo-Argentine ..	Jan. 28	49,151	+ 195	"	209,415	+ 10,116		
Auckland Electric ..	Dec. 26	22,308	+ 880	"	92,115	+ 7,332		
Brazilian Traction ..	Nov. 8	7,695,000	+ 5,353,000	11	84,137,000	+ 6,558,000		
Brisbane Elec. Inv. ..	Oct. 1	33,580	+ 820	10	328,420	+ 2,000		
British Columbia ..	Nov. 8	141,309	+ 31,712	4	432,61	+ 29,124		
B.A. Lacroze ..	Dec. 1	40,901	+ 795	6	230,476	+ 419		
Burmah Electric ..	" 8	Rs. 26,224	+ Rs. 6,327	—	109,108	+ Rs. 1,483		
Calcutta ..	Jan. 19	Rs. 74,579	+ Rs. 680	"	Rs. 206,118	+ Rs. 3,784		
Carthage and Herrerias ..	Dec. 8	4,424	+ 2,025	"	49,566	+ 19,776		
Cornwall Light P. & T. ..	Oct. 1	12,491	+ 1,052	7	95,376	+ 2,640		
Hongkong ..	Dec. 1	12,561	+ 388	"	164,597	+ 38,825		
La Plata ..	" 8	4,605	+ 169	12	48,962	+ 1,873		
Lima ..	" 20	20,432	+ 3,187	12	195,748	+ 8,037		
Madras Electric ..	Jan. 15	Rs. 37,736	+ Rs. 1,243	"	Rs. 37,736	+ Rs. 1,243		
Manila Electric ..	Aug. 8	65,467	+ 4,667	8	547,402	+ 70,625		
Mexico ..	Nov. 8	215,256	+ 108,609	"	3,193,106	+ 197,227		
Rangoon ..	Dec. 8	5,438	+ 534	"	54,751	+ 2,509		
Singapore Electric ..	Oct. 27	12,357	+ 6	"	529,661	+ 12,549		
Toronto ..	Nov. 8	143,556	+ 8,753	11	5,032,175	+ 239,133		
United of Monte V. ..	Dec. 1	34,025	+ 2,661	2	65,085	+ 5,317		
Vera Cruz ..	Oct. 8	56,300	—	9	520,700	—		
Winnipeg ..	Nov. 8	86,883	+ 14,744	11	748,976	+ 327,782		

b 28 days. \* From Jan. 1. § Nett. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

NAME.	Jan. 26	Ps.	£	—	£	Ps.	£	—	£
Alcoyand Gandia ..	Jan. 26	Ps. 7,500	— Ps. 6,000	10	31,500	— Ps. 14,570			
Antofagasta (Chili) ..	Dec. 31	37,510	+ 5,335	1	101,350	+ 10,590			
Arauco ..	Dec. 31	14,500	+ 2,000	1	132,000	+ 23,200			
Argentine N.E. ..	Jan. 26	10,900	+ 4,200	1	244,400	+ 45,998			
Bilbao R. and Canta ..	Oct. 1	3,911	+ 1,426	10	35,861	+ 10,946			
Bolivar ..	Dec. 1	12,000	+ 4,193	6	67,132	+ 22,821			
Brazil ..	Oct. 1	M4,209,000	+ M208,171	1	M406,700	+ M457,592			
Brazil Gt. Southern ..	Aug. 1	M18,38,300	+ M2,080	1	M325,937	+ M13,467			
B. Ayres & Pacific ..	Jan. 26	15,000	+ 15,000	1	2,277,000	+ 306,000			
Do. Central ..	Dec. 1	30,817	+ 8,031	6	145,925	+ 5,054			
Do. Gt. South'n ..	Jan. 27	147,000	+ 1,000	1	2,969,705	+ 314,549			
Do. Western ..	" 27	68,000	+ 13,000	1	1,277,000	+ 286,000			
Central Argentine ..	" 26	130,000	+ 24,000	1	2,804,200	+ 478,600			
C. Ur'g'ay of Mts V. ..	" 26	21,005	+ 6,895	1	531,068	+ 148,169			
Do. East'n Ex. ..	" 26	5,739	+ 400	1	142,377	+ 8,095			
Do. North'n Ex. ..	" 26	3,911	+ 568	1	91,287	+ 24,856			
Do. West'n Ex. ..	" 26	2,667	+ 719	1	62,819	+ 5,436			
Cordoba Central ..	" 26	27,000	+ 705	1	904,180	+ 13,935			
Costa Rica ..	Dec. 15	2,011	+ 3,293	1	69,176	+ 50,592			
Cuban Central ..	Jan. 26	27,600	+ 1,625	1	408,476	+ 8,567			
Dorada Extension ..	Dec. 1	8,200	+ 300	1	106,900	+ 7,200			
Egyptian Delta ..	" 20	11,595	+ 4,307	1	196,128	+ 40,357			
Entre Rios ..	Jan. 26	20,000	+ 6,400	1	409,300	+ 64,100			
French Sante Fé ..	Aug. 1	132,000	+ 29,099	8	900,316	+ 173,429			
Gt. South. of Spain ..	Jan. 12	Ps. 30,354	+ Ps. 59,813	1	Ps. 54,211	+ Ps. 12,1254			
Gt. West. of Brazil ..	" 26	21,300	+ 6,200	1	74,400	+ 17,750			
Havana Central ..	" 12	9,397	+ 856	1	218,119	+ 28,731			
Inter. of C. Amer. ..	Dec. 6	20,751	+ 3,470	1	260,549	+ 38,328			
La Guaira and Car. Leopoldina ..	Jan. 25	6,500	+ 750	1	87,000	+ 5,500			
Midland Uruguay ..	Dec. 1	37,156	+ 11,323	1	131,725	+ 48,924			
Mogiana ..	Dec. 1	15,106	+ 1,520	6	81,506	+ 10,009			
N.W. of Uruguay ..	Oct. 1	M2,411,000	+ M125,198	1	M191,270	+ M25,272			
Nitrate ..	Dec. 1	33,000	+ 8,388	6	159,682	+ 13,092			
Paraguay Central ..	Jan. 15	34,803	+ 2,593	1	34,803	+ 2,590			
Paulista ..	Oct. 1	2,640	+ 510	1	84,940	+ 8,750			
Peruvian Corpn ..	Dec. 1	M3,475,000	+ M245,626	10	M271,480,000	+ M846,388			
Salvador ..	Dec. 1	S1,101,090	+ S110,248	5	S6,083,270	+ S382,778			
State of Bahia S.W. S. Paulo (Brazilian) ..	Jan. 12	M2,203	+ 36	1	M453,029	+ 84,815			
Sorocabana ..	Jan. 27	37,726	+ 14,345	1	144,183	+ 43,309			
Taitai ..	Dec. 1	M2,107,000	+ M224,200	7	M16,988	+ M173,5205			
United of Havana ..	" 19	29,108	+ 13,306	6	150,436	+ 38,895			
West'n of Havana ..	Jan. 19	77,401	+ 22,577	1	1,228,738	+ 245,660			
Zafra and Huelva ..	Nov. 8	10,919	+ 4,797	1	221,341	+ 48,999			
" ..	Nov. 8	10,538	+ 403	12	123,820	+ 3,332			

\* Months. † From Jan. 1. † From July 1. c Nett. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

NAME.	Aug. *c	£	—	£	10	£	+	£
Beira ..	Aug. *c	54,914	— 12,287	10	706,175	+ 4,297		
Canadian Northern ..	Jan. 21	2,607,800	+ 50,400	1	23,623,900	+ 89,400		
Canadian Pacific ..	" 21	2,324,000	+ 109,000	1	27,035,000	+ 1,650,000		
Gr. Trk. Main Line ..	" 21	128,260	+ 41,150	1	446,561	+ 67,205		
Gr. Trk. Western ..	" 21	20,753	+ 4,624	1	93,470	+ 1,377		
Detroit G. H. & M. ..	" 21	9,134	+ 1,078	1	31,408	+ 360		
Gr. Trk. Pac. Prairie Sc. Mashonaland ..	" 21	20,033	+ 1,610	1	61,651	+ 15,839		
Mid. of Western. Aus. ..	Nov. *	47,670	+ 9,630	1	47,670	+ 9,630		
New Cape Central ..	Dec. 8	8,206	+ 19	5	33,562	+ 1,108		
Rhodesia ..	Oct. *c	2,241	+ 443	1	91,594	+ 14,600		
" ..	Oct. *c	99,687	+ 11,023	1	99,687	+ 11,023		

\* Months. † From Jan. 1. † From July 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year	No. of Mths.	Amount.	In. or Dec. on last year
		Dols.			Dols.	
Aitchison T. & S. Fe	Nov.	4,100,000	— 1,062,000	11	44,286,000	— 1,488,000
Atlantic Coast Line	Sep.	757,000	+ 132,000	9	8,260,000	+ 537,000
Baltimore & Ohio ..	Nov.	1,918,000	— 1,050,000	11	28,797,000	— 2,260,000
Canadian Northern	"	18,531,600	— 437,500	5	3,269,800	— 2,212,000
Canadian Pacific ..	"	5,258,000	— 306,700	11	42,635,000	— 2,820,000
Chesapeake & Ohio	"	1,127,000	— 182,000	11	12,860,000	— 1,444,000
Chicago & N.W. ..	Oct.	2,747,000	— 527,000	10	22,130,000	— 3,023,000
Chicago Burl. & Q.	"	2,943,000	— 1,365,000	10	29,640,000	— 1,925,000
Chicago G.W. ..	Nov.	294,000	— 159,000	11	3,487,000	— 995,000
Chicago Mil. & S.P.	"	1,486,000	— 1,847,000	11	21,134,000	— 7,620,000
Chicago, Rock I. & P.	"	1,835,000	+ 57,000	11	16,461,000	— 2,531,000
Colorado & Southern	Oct.	536,000	— 116,000	10	4,875,000	+ 603,000
Cuba ..	"	89,465	— 56,433	4	671,275	— 180,122
Delaware & Hud. ..	"	489,000	— 246,000	10	5,491,000	— 1,130,000
Denver & Rio Gran.	Nov.	572,000	— 429,000	11	7,152,000	— 1,539,000
Erie ..	"	691,000	— 856,000	11	10,031,000	— 7,125,000
Gr. Tr. Main Line ..	"	185,200	— 128,600	11	1,907,300	— 627,900
Grand Trunk Westn	"	615,650	— 1,950	11	6,351,500	— 4,361,400
Detroit G. H. & Mil.	"	661,700	— 1,100	11	6,677,000	— 1,919,900
Gt. Northern ..	"	3,371,000	— 696,000	11	21,703,000	— 2,747,000
Illinois Central ..	"	1,456,000	— 409,000	11	17,533,000	+ 2,593,000
Kansas City Southn.	"	372,000	— 2,000	10	4,128,000	+ 581,000
Lehigh Valley ..	Oct.	921,000	— 449,000	10	10,483,000	— 1,657,000
Louisville & Nashvl.	Nov.	1,296,000	— 178,000	11	16,949,000	— 835,000
Minn. S.P. (Soo) ..	"	496,000	— 276,000	11	4,918,000	— 2,736,000
Miss. K. & Texas ..	Oct.	926,000	— 173,000	6	6,429,000	+ 2,174,000
Missouri Pacific ..	"	2,212,000	+ 1,112,000	4	7,735,000	+ 2,241,000
New York Cent. & H.	"	5,662,000	— 15,000	10	42,110,000	— 1,593,000
N. Y. N. Haven & R.	"	1,875,000	— 186,000	10	18,128,000	— 1,057,000
New York Ont. & R.	Nov.	98,000	— 27,000	11	2,117,000	— 71,000
Norfolk & Western	"	1,796,000	— 15,000	5	18,372,000	— 3,399,000
Northern Pacific ..	"	1,428,000	— 2,122,000	11	26,009,000	— 2,278,000
Pennsylvania East	"					
and West Lines ..	"	5,338,000	— 3,181,000	11	86,440,000	— 16400,000
Phil. and Reading ..	"	1,604,212	— 1,199,202	11	14,875,712	— 6,626,325
Reading .....	"	577,033	+ 5,826	11	9,806,000	+ 212,560
St. Louis & San F.	Oct.	1,875,000	+ 133,000	4	7,264,000	+ 1,447,000
Seaboard Air Line.	"	714,000	+ 61,000	6	6,118,000	+ 304,000
Southern ..	Nov.	2,471,000	+ 109,000	5	11,795,000	+ 1,857,000
Southern Pacific ..	"	5,190,000	— 258,000	11	56,301,000	+ 8,030,000
Union Pacific ..	"	3,961,000	— 668,000	11	39,694,000	— 2,312,000
Wabash ..	"	1,029,000	— 255,000	11	11,298,000	— 421,000

# THE LONDON CITY AND MIDLAND BANK

ESTABLISHED 1836. LIMITED.

Subscribed Capital, £24,906,432 : 0 : 0

Paid-up Capital, £5,188,840 : 0 : 0

Reserve Fund, £4,342,826 : 0 : 0

## DIRECTORS.

SIR EDWARD H. HOLDEN, Bart., Chairman and Managing Director.

WILLIAM GRAHAM BRADSHAW, Esq., London, Deputy-Chairman.

THE RIGHT HON. LORD AIREDALE, Leeds.  
SIR PERCY ELLY BATES, Bart., Liverpool.  
ROBERT CLOVER BEAZLEY, Esq., Liverpool.  
THE RIGHT HON. LORD CARNOCK, G.C.B., London.  
DAVID DAVIES, Esq., M.P., Llandinam.  
FRANK DUDLEY DOCKER, Esq., C.B., Birmingham.

FREDERICK HYNDE FOX, Esq., Liverpool.  
H. SIMPSON GEE, Esq., Leicester.  
JOHN GLASBROOK, Esq., Swansea.  
ARTHUR T. KEEN, Esq., Birmingham.  
THE RIGHT HON. REGINALD McKENNA, M.P., London.  
FREDERICK WILLIAM NASH, Esq., Birmingham.

THE RIGHT HON. LORD PIRRIE, K.P., London.  
SIR THOMAS ROYDEN, Bart., Liverpool.  
THE RIGHT HON. SIR GUY FLEETWOOD WILSON, K.C.B., K.C.M.G., G.C.I.E., London.  
WILLIAM FITZTHOMAS WYLEY, Esq., Coventry.

HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C.2.

Joint General Managers: J. M. MADDERS, S. B. MURRAY, F. HYDE, E. W. WOOLLEY.

Dr.	LIABILITIES AND ASSETS, 31st December, 1917.			Cr.		
	£	s.	d.	£	s.	d.
To Capital Paid up, viz.: £2 10s. od. per Share on 2,075,536 Shares of £12 each .. .. .	5,188,840	0	0	By Cash in hand (including Gold Coin £7,000,000) and Cash at Bank of England .. .. .	44,110	353 13 10
„ Reserve Fund .. .. .	4,342,826	0	0	„ Money at Call and at Short Notice .. .. .	31,003	500 9 2
„ Dividend payable on 1st February, 1918 .. .. .	350,246	14	0	„ INVESTMENTS:		
„ Balance of Profit and Loss Account as below .. .. .	733,785	5	8	War Loans, at cost (of which £409,418 10s. is lodged for Public and other Accounts) and other British Government Securities .. .. .	33,116,534	13 6
	10,615,697	19	8	Stocks Guaranteed by the British Government, India Stocks and Indian Railway Debentures .. .. .	181,789	10 0
„ Current, Deposit and other Accounts .. .. .	220,551,768	9	5	British Railway Debenture and Preference Stocks, British Corporation Stocks .. .. .	1,774,673	4 2
„ Acceptances on Account of Customers .. .. .	8,826,865	17	6	Colonial and Foreign Government Stocks and Bonds .. .. .	660,352	18 0
				Sundry Investments .. .. .	521,463	5 10
				„ Bills of Exchange .. .. .	35,054,991	17 10
					146,421,719	12 4
				„ Advances on Current and other Accounts .. .. .	68,510,358	2 9
				„ Advances on War Loans .. .. .	18,645,330	9 0
				„ Liabilities of Customers for Acceptances .. .. .	8,826,865	17 6
				„ Bank Premises at Head Office and Branches .. .. .	2,837,210	6 0
				„ Belfast Bank Shares:—		
				49,688 £12 10s. Old Shares £2 10s. paid		
				148,204 £12 10s. New Shares £2 10s. paid		
				Cost .. .. .	£1,225,908	0 0
				Less part Premium on Shares issued .. .. .	473,269	0 0
					752,639	0 0
	£239,994,332	6	7		£239,994,332	6 7

Dr.	PROFIT AND LOSS ACCOUNT for the year ending 31st December, 1917.		Cr.	
	£	s. d.	£ s. d.	
To Interim Dividend at 18 per cent. per annum to June 30th, 1917, less Income Tax .. .. .	322,703	9 11	By Balance from last Account .. .. .	243,538 5 10
„ Dividend payable on 1st February, 1918, at 18 per cent. per annum, less Income Tax .. .. .	350,246	14 0	„ Net profits for the year ending 31st December, 1917, after providing for all Bad and Doubtful Debts .. .. .	1,967,716 3 0
„ Reserve Fund for Contingencies .. .. .	500,000	0 0		
„ Salaries and Bonus to Staff serving with His Majesty's Forces and Bonus to other Members of the Staff .. .. .	304,518	19 3		
„ Balance carried forward to next account .. .. .	733,785	5 8		
	£2,211,254	8 10		£2,211,254 8 10

EDWARD H. HOLDEN, Chairman and Managing Director.  
W. G. BRADSHAW, Deputy-Chairman.

DAVID DAVIES, } Directors.  
CARNOCK, }

## REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF THE LONDON CITY & MIDLAND BANK, LIMITED.

In accordance with the provisions of Sub-section 2 of Section 113 of the Companies (Consolidation) Act, 1908, we report as follows:—  
We have examined the above Balance Sheet in detail with the Books at Head Office and with the certified Returns from the Branches. We have satisfied ourselves as to the correctness of the Cash Balances and the Bills of Exchange and have verified the correctness of the Money at Call and Short Notice. We have also verified the Securities representing the Investments of the Bank, and having obtained all the information and explanations we have required, we are of opinion that such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company.

LONDON, 14th January, 1918.

WHINNEY, SMITH & WHINNEY, CHARTERED ACCOUNTANTS, Auditors.

THIS BANK IS THE PROPRIETOR OF THE BELFAST BANKING COMPANY, LIMITED.

# The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

Vol. XLI.—No. 1,049.]  
NEW SERIES.

[Registered as a  
Newspaper.]

SATURDAY, FEB. 9, 1918.

[Price 6d.]

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## BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital ...	£3,904,860
Reserve Fund ...	2,875,000
Reserve Liability of Proprietors ...	3,904,860
	<b>£10,684,720</b>

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.

H. L. M. TRITTON, Esq.

WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager.

J. S. CAMPBELL, Secretary.

HALKERSTONE MELDRUM, Assistant Manager.

DAVID GEDDIE, Accountant.

The Bank has 331 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

## BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, Queen Victoria Street, London, E.C. 4.

AUTHORISED CAPITAL .. £5,500,000

SUBSCRIBED CAPITAL.

Four per Cent. Guaranteed Stock ..	£529,988
"A" Preference Shares issued to New Zealand Government ..	500,000
"B" Preference Shares issued to New Zealand Government ..	250,000
Ordinary Shares ..	1,500,000
	<b>£2,779,988</b>

Reserve Fund and Undivided Profits .. £2,246,595

Negotiates and collects Bills of Exchange.  
Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

## THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £2,000,000; together £4,000,000

Reserve Liability of Proprietors .. 4,000,000

Total Capital and Reserves .. £8,000,000

HEAD OFFICE - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

## THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

## THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital ..	£4,000,000
Paid-up Capital ..	1,800,000
Reserve Fund ..	2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILE—Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

## THE YOKOHAMA SPECIE BANK, LIMITED.

Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital ..	Yen 48,000,000
Capital Paid Up ..	Yen 36,000,000
Reserve Fund ..	Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Bombay.	Honolulu.	New York.	Singapore.
Calcutta.	Hong Kong.	Osaka.	Sydney.
Changchun.	Kobe.	Peking.	Tientsin.
Dairen (Dalny).	Los Angeles.	Rangoon.	Tokyo.
Fengtien (Mukden).	Lyons.	San Francisco.	Tsinanfu.
Hankow.	Nagasaki.	Seattle.	Tsingtau.
Harbin.	Newchang.	Shanghai.	

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager

# LONDON COUNTY & WESTMINSTER BANK LIMITED.

ESTABLISHED IN 1838.

**AUTHORISED CAPITAL £17,000,000, in 850,000 Shares of £20 each.**

Reserve exceeds - - - £4,700,000.

Chairman: WALTER LEAF, Esq.

Deputy Chairman: Sir MONTAGUE TURNER.

HEAD OFFICE: 41, LOTHBURY, E.C. 2.

Joint General Managers: F. J. BARTHORPE.

J. W. BUCKHURST.

Foreign Branch Office: 82, Cornhill, E.C. 3.

The Bank is represented by Branches or Agents in all the Principal Cities and Towns of the United Kingdom and has Correspondents throughout the World.

Spanish Branches:—Barcelona: Paseo de Gracia 8 & 10. Madrid: Calle de Alcalá 43.

Affiliated in Ireland: Ulster Bank Limited.

Affiliated in France: London County and Westminster Bank (Paris) Limited.

Paris: 22, Place Vendôme. Bordeaux: 22/24, Cours de l'Intendance.

**EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED**  
**EXECUTOR AND TRUSTEE DUTIES UNDERTAKEN.**

## THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	...	...	£1,500,000
Capital Issued	...	...	1,125,000
Capital Paid Up	...	...	562,500
Reserve Fund	...	...	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS  
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

**DEPOSITS** received for one year at 5 per cent. per annum. Rates for other periods on application.

On **current accounts** interest is allowed at 2 per cent. per annum on daily balances.

## ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office—35, Lombard Street, E.C. 3.

Subscribed Capital	..	..	..	£1,078,875	0	0
Paid-up Capital	..	..	..	539,437	10	0
Further Liability of Proprietors	..	..	..	539,437	10	0
Reserve Fund	..	..	..	500,000	0	0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION. Manager.

## THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital	£1,000,000.	Subscribed Capital	£825,000
Paid-up Capital	..	..	£500,000
Reserve Fund	..	..	540,000
			£1,040,000
Uncalled Capital	..	..	125,000
Reserve Liability of Shareholders	..	..	625,000
			£1,790,000

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.  
PERCY ARNOLD Manager.

## THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71 Old Broad Street, E.C.

Subscribed Capital	..	..	..	£1,278,747	10	0
Paid up Capital	..	..	..	689,685	0	0
Reserve Fund and Undivided Profits	..	..	..	375,680	11	8
Reserve Liability of Proprietors	..	..	..	606,962	10	0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

## ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

PAID-UP CAPITAL	£2,000,000
REST AND UNDIVIDED PROFITS	914,988
DEPOSITS	28,177,885

Head Office: ST. ANDREW SQUARE, EDINBURGH.

Cashier and General Manager, A. K. WRIGHT. Secretary, J. B. ADSHEAD.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager. ALEX. DICK, Deputy-Manager.

Glasgow Office: EXCHANGE SQUARE.

A. DENNISTOUN, Agent. THOMAS LILLIE, Sub-Agent

187 Branches throughout Scotland.

Banking Business of every description transacted. Accounts opened and Agency business undertaken for Foreign and Colonial Banks and other financial establishments. Drafts, Circular Notes, and Letters of Credit issued—available throughout the world. Cable transfers are also made. Deposits received at interest repayable at call or at notice. Correspondence invited.

## THE WESTERN AUSTRALIAN BANK.

Established 1841.

Paid-up Capital .. £250,000 0 0 25,000 Shares of £10 each.

Reserve Fund .. £700,000 0 0 Reserve Profits .. £16,088

Reserved Liability of Shareholders £250,000.

Drafts issued, Remittances cabled, Bills negotiated or collected, Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents. The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

## INSURANCE.

## DON'T CASH YOUR VICTORY LOAN DIVIDEND.

£2 10s. Dividend will double your holding of War Stock and produce £100 new money for the War.

Write for particulars to Prudential Assurance Co., Ltd., 142, Holborn Bars, E.C. 1, or to any of its Agents.

## NATIONAL BENEFIT LIFE & PROPERTY ASSURANCE CO., LTD.

ASSETS EXCEED - - £1,000,000.

Attractive LIFE, FIRE, ACCIDENT & MARINE Policies.

HEAD OFFICES:

NATIONAL HOUSE, Newgate Street, LONDON, E.C. 1.

Managing Director: J. FRANCIS, J.P., F.S.S.

# The Investors' Review.

Vol. XLI.—No. 1,049.  
New Series.

SATURDAY, FEB. 9, 1918.

(Registered as a  
Newspaper.) Price 6d.

## PUBLISHER'S NOTICES.

The *Investors' Review* is a Subscription Journal, and will be delivered to subscribers in London by the first post, or sent to the country and abroad by the first mail, on Saturday Morning, on the following terms:—

One Year, £1 5s. 0d. Six Months, 12s. 6d. Three Months, 6s. 6d.

For the Colonies and Abroad the charge is

One Year, £1 8s. 0d. Six Months, 14s. 0d. Three Months, 7s. 0d.

Short of Three months the Price is 8½d. per Copy *Inland*, and 7d. *Abroad*, *Post Free*.

Cloth cases for binding the Half Yearly Volumes price 1s. 6d., postage 4d. extra. Bound Volumes 15s. 6d., or 16s. 3d. post free.

Cheques and P.O. Drafts should be made payable to

"*Investors' Review*,"

Norfolk House, Norfolk Street,  
London, W.C.

Telephone No.:  
Gerrard 9132.

Telegraphic Address:  
"Unveiling, London."

The Editor cannot undertake to return rejected communications.

Letters from correspondents must, in every case, be authenticated by the name and address of the writer.

The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of *Company Meetings*, and they cannot accept responsibility for statements made therein.

## ANSWERS TO QUERIES.

**One Reply to One Question — One Shilling.** Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

**Telegrams** advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

**Private Letters** in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

## Passing Events.

Again sales of National War Bonds fell off last week. The applications numbered 15,500, a decrease of 4,897 on the numbers of the previous week. In money the decline was £4,599,000 to £19,498,000. This, as we have said before, is only what was to be expected at the present time. In a sense, the diminished investing power shown may be regarded as an example of "capital conscription." What is paid as revenue cannot also be invested in Government debt. Taxpayers are being pressed to pay up within the current fiscal year, and in yielding to the demand they, for the time being, are impoverished, have, therefore, less to put away. No doubt the dividends now beginning to be distributed on bank shares, railway stocks, and other securities will again fill the reservoir, and when they do, we may expect these sales to increase once more. In saying this, however, we are only emphasising the fact that the wage-earner, the man or woman whose money comes week by week, and has to be spent as it comes, or most of it, is not yet within the suction of the nation's necessities. On the contrary, the great mass of people are intent upon getting money out of the Government rather than in economising and devoting their means, all of it that can be spared, to help in sustaining this life-and-death conflict. In the week ended Saturday, January 26, which is always a week earlier than the return relating to the Bank of England issue, the Post Office sold £1,049,000 worth of National War Bonds to 40,200 applicants, or 5,000 more than in the previous week. The money was, however, £18,000 less. This brings up the total number of applications at the Post Office to 644,600, and the total amount of money received £15,677,000. War Savings certificates continue to go off very well, and as the Government cannot apparently touch the bonus or premium bond—the United States is said to look on that method of borrowing as derogatory to our national *morale* or dignity—we should be glad to see investment in the certificates form of debt popularised amongst the wage-earning classes of the people with something like the assiduity displayed in "booming" National War Bonds. The number of these certificates sold in the week ended January 26 was 2,370,734, making the total sales to date 146,523,240, which, at 15s. 6d. each, represents a cash

contribution to the war costs of £113,740,511, for which five years after date of issue £146,523,240 will have to be paid. Thus the various forms of short-term debts now being utilised have yielded £457,676,000 to the Exchequer—a goodly sum, just enough to make us wish it were three times as much. Still, it relieves to a sensible extent the strain on the banks.

Revenue from taxes and monopolies was large last week at £23,815,000. No less than £16,007,000 of this came from income-tax, and excess profits duty and munitions levy provided another £5,024,000, so that altogether £21,031,000 of the total revenue of the week came from these two sources. Is it any wonder that the sales of National War Bonds should have diminished when the public had to meet such tax calls? Expenditure on supply rose to £52,554,000, and, including interest on war debt and miscellaneous, the aggregate week's outgoings was £53,316,000. On supply alone this was at the rate of £7,508,000 a day. Other expenditure—viz., £712,000 on war debt interest and £50,000 charged against miscellaneous—brought up the entire revenue demands of the week to more than £7,616,000 per diem, a figure above the average, which, for the five weeks ended February 2, was barely £6,600,000; but fluctuations of this description must be expected. The total expenditure of the seven days was £155,163,000, so that again upwards of £100,000,000 of the week's overturn was an affair of pure finance. The Government, for instance, had to pay off £97,212,000 of supply Treasury bills, £702,000 of War Loan and Exchequer bonds, £2,833,000 of other war debt, and £1,000,000 of temporary advances. This it did by raising £84,838,000 on new Treasury bills, by £23,292,000 received within the week from sales of National War Bonds, by £1,500,000 produce of sales of War Savings certificates, and £4,304,000 drawn from "other" war debt sources. Even so, £16,000,000 had to be raised on temporary loan, and still the Treasury was £1,321,000 short of the week's outgoings. That sum had accordingly to be drawn from the Exchequer balances, bringing them down to £15,196,000. A year ago they were £23,633,000. The total debt outstanding in Treasury bills is now £1,072,751,000, or £12,114,000 less than the week before.

Not much information is furnished in the report of Baring Bros. and Co., Ltd., and neither the profits nor the dividends are disclosed, but the amount carried forward is a trifle higher at £12,400. Apparently, however, this great private bank and finance house has had a very successful year, as current and other accounts have risen £3,300,000 to £20,935,000, and acceptances are £1,300,000 higher at £5,940,000. Cash in hand and at short notice has fallen two millions to £5,587,000, but bills receivable are up £5,300,000 at £12,291,000, and loans, &c., have increased £1,400,000 to £8,349,000. Investments are practically unchanged at £1,657,000, and the total of the balance-sheet is £4,700,000 larger at £28,012,000.

Many people here and in India are mourning over the loss of Sir William Wedderburn. It is many years since we first came in contact with him, and during the last and most appalling Indian famine we saw a good deal of him, and the more we saw, the more we came to admire the fine disinterestedness of the man and his large humanity. No man has done more to shape Indian ideas of liberty towards humane goals than he did. To him the Indian of all degrees and ranks was a fellow-citizen, and he laboured unceasingly, gave his time and his means without grudging, to further what he deemed to be the cause of Indian liberties. Everybody did not agree with him about the practicability or advisability of forming an Indian constitution on the lines of our own, but no one could deny that the time had come when the bases of the Government in India should be broadened and delivered from its hitherto complete domination by the man of the sword. And the Indian Congress which he helped his friend who predeceased him, Mr. Octavius Hume, to bring into existence has unquestionably helped to educate many classes in India in conceptions of self-government they could not otherwise have attained. If the Congress has been kept out of the wilder revolutionary channels, it has been thanks more to the efforts of these men and to their native friends in India than to any other influence. We hope now that Sir William and Mr. Hume have both left us the Congress will not drift away towards an Indian form of Bolshevism, for that would be fatal to all progress.

These have been trying times for provision dealers, and ever since a swarm of old women and young ladies in Whitehall (or thereabouts) thought that they could manage business better than the people who had spent their lives learning it, difficulties both for purveyors and consumers have been increasing. We are not surprised, therefore, to find that a firm like the Home and Colonial Stores, Ltd., in spite of high prices, finds its trading profits reduced by nearly £50,000. With a bit extra received from interest on investments, the nett profit comes out at £226,150, or £30,000 less, but this allows of the regular dividend of 15 per cent. on the ordinary shares, and of 6s. per share on the "A" shares, while £32,000 is again handed over to sick and bonus funds. By cutting down the provision for income-tax from £20,000 to £10,000, and the amount placed to reserve from £54,000 to £29,000, the balance remaining to be carried forward is raised by £5,500 to £53,700. Creditors have been reduced by £155,000 to £406,000, and stocks are £480,000 lower at £538,000, but cash is £244,000 up at £364,000, and the financial position looks as healthy as could be

Gross receipts of the London Brighton and South Coast Railway Co. show an increase of £298,000 at £4,592,000, while expenses rose £293,000 to £3,207,000. Miscellaneous nett revenue was better, and the total income of £1,511,000 is up £12,500, but £7,300 less was brought in, so that the balance is £5,200 higher at £1,541,000. Fixed charges require a little more, and after repeating the dividend of 4 per cent. for the year on the deferred stock, the carry forward is up £3,500 at £33,680. Capital expenditure amounted to £23,830, as against £38,830 overdrawn,

but the debit balance is rather smaller at £1,191,000. Depreciation funds have been increased by £235,000 during the year, and now amount to £596,000, but the steamboat fund is £7,000 less at £172,000. It is announced that Lord Cottesloe, who has been a director of the company for upwards of fifty years, has intimated his desire to relinquish his seat on the board.

In spite of the fact that nett revenue shows a decline, the Hull and Barnsley Railway Co. has raised the dividend for the year from 3 per cent. to 3½, of which 1 per cent. has been paid as interim. Gross receipts were £39,000 higher at £973,000, but expenses rose no less than £46,000 to £577,000. Miscellaneous credits were a little better, and £8,000 more was brought in, so that the total balance is £2,400 up at £417,200. After meeting fixed charges, £10,000, or £15,000 less, is placed to reserve, and it is this that allows the dividend to be increased, although the policy is a doubtful prudence. The balance forward is unchanged at £16,800. It is stated that the total nett income includes an estimate of the company's claim against the Government for interest on capital expenditure, but pending a settlement only a portion of it is available. Reserve and depreciation funds have been increased by £74,000, and now amount to £380,000.

Apparently most of the Home Railways have had the experience of increased receipts, accompanied by a corresponding advance in expenditure, which leaves the nett revenue comparatively little altered as compared with 1916. The Lancashire and Yorkshire Railway is no exception to the rule, and, while the gross earnings show a gain of £714,000 at £9,053,000, working expenses were £720,000 higher at £6,627,000. Miscellaneous nett receipts increased £12,000 at £198,200, mainly under the heading of general interest, and the amount brought in being practically the same, the total available, after meeting fixed charges, is £5,300 up at £1,952,300. Preference dividends require £6,500 more, and, after again paying 2½ per cent. on the ordinary stock, making 4½ per cent. for the year, the balance forward is rather smaller at £39,680. Nett capital expenditure amounted to £92,520, against £208,000 in the previous year, and £340,000 has been set aside for depreciation, including "arrears of work," the total fund for this purpose now amounting to £1,379,000. Nothing else in the balance-sheet calls for mention, but the capital account is now £2,350,000 overdrawn, and will have to be put in funds as soon as conditions permit.

Gross receipts of the Metropolitan Railway Company amounted to £1,166,000, an increase of £64,000, and all but £400 of the gain is swallowed up in larger working expenses, which came to £746,000. Miscellaneous credits were up £1,000 at £190,200, and with £1,500 more brought in, the total balance is £3,000 larger at £625,200. Preference dividends require rather more, and after again paying 1 per cent. for the year (half of which has been distributed as an interim dividend), and placing £20,000 to renewals fund, there remains £16,100, or £1,600 more, to be carried forward. Surplus Land stock gets the usual 2½ per cent. per annum. Depreciation funds (including arrears of maintenance) amount to £62,720, an increase of £20,000, and the general renewals fund is now £80,000. During the year the debit at capital account was reduced by £27,000 to £304,000.

Dismal indeed has been the experience of the South Metropolitan Gas Co. in the past half-year. It is one of the best managed of the private undertakings, and established a reputation as a pioneer of cheap light and heat, besides inaugurating a co-operative scheme for its employees on a large scale. It is therefore particularly disappointing to find that circumstances over which the management had no control compel it to withdraw £56,260 from reserve in order to pay the sliding scale dividend at the rate of 4 per cent. per annum, as

compared with £4 13s. 4d. per cent. for the corresponding period, when £19,000 was also placed to insurance fund, and £33,700 carried forward. The nett profit, after providing for debenture interest and other charges, was only £80,100, or sufficient to pay £2 7s. per cent. on the ordinary stock, although the sales of gas showed an increase of 7.35 per cent., which exceeds all previous records for the corresponding periods. Moreover, it is stated that the present price of 3s. 7d. per 1,000 ft. does not allow any margin of profit, and in submitting a Bill in Parliament for the substitution of 3s. 7d. for 3s. 1d. as the sliding scale basis (allowing for a dividend of 4 per cent.), the proprietors will receive a good deal of sympathy. The directors state that two main causes have contributed to the unsatisfactory results. Firstly, the action of the authorities in raising the price of coal by £32,000 over and above the contracts which had been entered into, and, secondly, a rise of over £20,000 in wages beyond what had been estimated. For all practical purposes, the directors complain, the financial control of the undertaking has passed from the hands of the board to those of the Government who settle the prices of residual products, as well as raw materials, and fix scales of wages which, possibly justifiable in the flood-tide of prosperity, appear out of place when associated with the critical period through which the company is passing. Under these circumstances, the directors think, it is bare justice that the control of the State should be so extended as to provide a moderate return on the capital invested in a business so essential to the community as gas supply. We hope there is a certain amount of permissible exaggeration in these views, owing to the natural resentment against outside interference with a concern that has always been conspicuously well managed, but we fear there is a great deal of truth in the complaint. Total revenue for the half-year amounted to £1,651,700, an increase of £185,000. Sales of gas advanced £166,000 to £996,000, but those of residuals fell £10,000 to £527,000. Cost of manufacture alone increased £307,000 to £1,232,500, and the margin of working profit was only £146,500. The amount of coal carbonised was 45,000 tons larger at 604,800 tons, and the total of gas produced was 7,450,000 thousand feet, an increase of 606,000 thousands, and the company ought to get some benefit from the extra work done, instead of being in the position of scarcely being able to make ends meet.

In a previous issue we dealt at some length with Sir G. Charles Mandleberg's scheme for the formation of a British Manufacturers' Corporation to assist in the development of our export trade, and we are glad to learn that it is meeting with an encouraging amount of support. The suggested Corporation would be run on purely mutual lines, and the details have evidently been thought out very carefully. Members would pay an annual subscription of £100 or £200 a year, which is a trifling expense to most firms, and in return they would receive the benefit of what is intended to be a world-wide organisation. A great deal of most valuable assistance could be given to exporters on the lines suggested. We regard the scheme as thoroughly practicable, and wish it all success.

Atmospheric nitrate, which is now said to form the main basis of the German explosive supply, is frequently talked of in some quarters as the future rival of the Chilean product. But it is a notable fact that the Germans, who have several large oficinas in Chile, have refused to sell them in spite of the fact that they were offered a very high price, which goes to prove that they anticipate being again consumers of Chilean nitrate after the war. Moreover, Scandinavians, who know a good deal about atmospheric nitrates, have been in treaty to purchase nitrate properties during the past year. As far as the present position of the Chilean industry is concerned, the Government, fearing there would be no limit to price if a free market continued, took over control at the end of last year, with the result

that prices fell to 12s. per quintal. But the 1918 accounts, as is pointed out by a correspondent in the *Financial Times*, may be expected to show very well. The amount of profit made in 1917 was far from proportionate to the increase in selling prices. Most of the companies were handicapped by forward sales, and the average selling prices obtained for 1917 were, it is said, probably about 8s. 6d., and in a few cases as high as 10s. per quintal. A very heavy increase in the cost of production set in about the middle of the year, and by the end of the year costs had risen to 8s. to 8s. 6d. per quintal for the cheapest, and 10s. to 10s. 6d. per quintal for the dearest producers. Owing to the fall in the exchange a decrease of 6d. to 1s. per quintal has taken place during the last few weeks, and from present indications it looks as if costs have reached high-water mark. The majority of the companies, we understand, have sold their production up to June, 1918, at prices averaging 11s. to 12s. per quintal, and they could now obtain about the same prices for the second half of the year, which would leave a very substantial margin of profit.

A great deal of British capital has been sunk in West Canadian timber propositions of recent years with very disappointing results. Much of it has been lost, and many investors at present owning interests in the several more or less moribund concerns have almost despaired of witnessing any appreciable recovery. Unsatisfactory as has been the history of many of these ventures, however, evidence tends to accumulate that the future is not without hope, and while advices that have come to hand are far from calculated to put us into optimistic vein there certainly seems no justification for unnecessarily dwelling upon the dark side. Not the least interesting and encouraging item of information that has recently come under our notice is the statement issued by the forest branch of the British Columbia Lands Department. According to this report the amount of logs scaled up till the end of October last showed an increase over the preceding twelve months of 24,462,000 ft. board measurement, while the total sales of manufactured lumber during 1917 exceeded that of the previous year by over 5½ million dollars. The output for the month of November is said to have constituted a record. Nearly 60,000,000 ft. is the total, or approximately 20,000,000 ft. increase over the same period of 1916. It is believed in lumber circles that, providing the labour situation can be effectively handled, and the logs secured, the next few months should witness still greater increases.

We should judge that Lister and Co., Ltd., actually did better in the year to November 30 last, although the nett profit of £238,340 shows a decline of £14,000. But this is after making provision for income-tax and excess duty, both on a higher scale than in the previous year, when there was a gain of £118,000. With £67,000 more brought in the available balance is £53,000 up at £385,540, and the directors seem justified in raising the bonus from 2½ per cent. to 5 per cent., making the total distribution 12½ per cent., against 10 per cent. Reserve gets £30,000, or double last year's appropriation, and £15,000 is again placed to investments contingency fund, but employees' benefit fund receives only half at £10,000, after which £24,000 more at £171,300 remains to be carried forward. Sundry creditors are up £263,000 at £546,000, debtors £19,000 at £342,000, stocks £122,000 at £834,000, and investments £245,000 at £374,000, but cash and bills are £33,000 lower at £224,000. Everything points to active and prosperous trade conditions, and the company is in a very much stronger position than was the case a few years ago.

A highly important development in connection with tin mining in Cornwall has taken place during the past week. The Dolcoath, in conjunction with the East Pool and Agar, has purchased the mineral rights of the Tehidy Estate for £90,000, one-third of which will be provided by the East Pool and the remaining £60,000

by the Dolcoath. The latter is offering to shareholders £70,000 of 6 per cent. tax free debentures redeemable in ten years. The mineral rights of the Tehidy Estate extend over about 9,000 acres, and cover one of the most famous mineralised zones of tin ore in the world, which spread in a continuous line for over five miles. The mines already worked on the estate include the East Pool, Tehidy, Barncoose, Carn Brea, a part of South Crofty, Dolcoath, Cook's Kitchen, West Seaton, and Bosset mines, but there is a large area that up to the present has not even been prospected, as the owners of the Tehidy Estate have always refused to allow mining operations to encroach on the home and adjacent farm lands, or to come within sight of the Tehidy mansion house. This incident shows how the development of the mineral resources of the country has been hampered by the veto of landlords, and it is a notorious fact that this hindering of wealth production has been going on all over the country. The Ministry of Munitions has discovered that in trying to increase the output of home minerals for war purposes. Probably the Tehidy Estate would not have been thrown open had not the Ministry called upon the tin mines of Cornwall to increase their output as much as possible. The Dolcoath has paid since its incorporation in 1895 an average of £8,558 per annum in royalties, and this sum it will save in future by the acquisition of the mineral rights. It is a very sensible scheme.

In the linoleum trade the position seems to be going from bad to worse. The stocks of linseed oil, an important ingredient in the manufacture of floor-cloth, are becoming exhausted, and there is said to be no way of renewing them. Official prices have been raised, but this avails nothing as far as increasing the supply is concerned. It matters not whether the price be 6s., 8s., or 10s. If the mills are not allowed to obtain linseed from overseas, mill production cannot be stimulated. At least one large concern is said to be contemplating shutting down, and unless the situation alters for the better more undertakings, it is to be feared, will have to follow suit.

## The Banking Year and Points from Bank Chairmen's Speeches.—II.

Recent bank amalgamations have overshadowed the banking year so much that people's minds have been diverted by them from many interesting problems well worth the attention of shareholders, customers, and the nation. The latest amalgamation of all, that of the London County and Westminster Bank with Parr's, is in the mass of the liabilities involved the greatest event of them all, and we shall have a few words to say about it in another column. Meantime, let us get back to the speeches of those who presided at bank meetings. Among those speeches there is never one more outstanding, comprehensive in survey, and sagacious, than that of Sir Felix Schuster, governor of the Union of London and Smiths Bank. Those who missed reading that speech in our last week's number might profitably turn back to it, for Sir Felix handles the most vital problems of banking and national finance in a manner that renders the subject instructive. Dealing with the position of the National Government, for instance, he points out that of the total national expenditure during the war, fully 26 per cent., or £1,137,000,000, has been provided out of the revenue, and this augurs well for our capacity to bear the after-war burden the costs of the war will have thrown upon the nation. At the same time, he admitted that one form of the Government's indebtedness gave him some concern, and that is the large expansion in the currency notes. Sir Felix fails to see how such a demand can exist for this mass of small currency, and characterises it as a form of inflation which ought to be very carefully watched and reduced at the earliest moment.

We, too, cannot quite fathom—bearing in mind the general use of the cheque—the necessity for such a mass of paper money, except on one supposition. It seems to us to be an effect of the reckless lavishness—

there is no other description that suits it—with which the Government departments are raising the pay of those employed by it, and, in doing so, forcing up the pay of employees everywhere, until they are now at a height which, as a rule and where patriotic economy is exercised, far surpasses the increased cost of living. As the people thus favoured do not keep banking accounts and cannot draw cheques, more and ever more paper money is required to meet the swelling wages bill week by week, and undoubtedly this imperfectly secured money may produce trouble, because it tends to inflation of the worst kind, and must depreciate the purchasing power of the sovereign. In Austro-Hungary the note circulation has risen to some £800,000,000, and the gold held against it has fallen below £6,000,000. We are far enough from such a bankrupt position, but none the less are these Treasury notes a danger ahead, and not least to our banks.

Sir Felix did well to remind the country that we are in a critical period, that taxation must be high and remain high for many years, and that if we are to emerge solvent, civilised, and progressive from the ordeal, we shall have to produce more and to buy less. "Every one," he said, "will have to work harder than ever before, to spend less, to save more," and, in his opinion, the taxation of the country should be based, not only upon income, but especially on expenditure, and particularly expenditure on luxuries. There is undoubtedly a large field in that direction for the ingenuity of the tax deviser, and we almost wish that Sir Felix himself were given the job to frame our scheme of imposts. It will have to be of enormous range and yet nowhere sterilising.

At the meeting of the National Provincial Bank of England, Lord Inchcape, who presided, had as little to say as Sir Felix Schuster about the purchase of the Union of London and Smiths Bank, but neither speaker gave countenance to the popular notion that these transactions are the outcome of jealous rivalry among banks as to which shall carry the biggest liability, for that is what the largest deposit and current account liability total means. There are at the present time quite other and far more important reasons for the amalgamation of banks than a mean one of that kind; but the time has hardly yet come to dwell upon them. Lord Inchcape, however, had one observation to make, which nearly everybody in business is sure to echo; he emphatically deprecated the interference by the Government in industry and business after the war. He was of one mind, he said, with Mr. Leaf, who, speaking at the London County and Westminster Bank meeting, had some emphatic words to utter regarding Government domination. Our merchants and producers loyally submit to bureaucratic interference and control in a time of dire straits like the present, but Lord Inchcape and other bank chairmen are quite right in declaring that "if any Government, or any body of officials, succeeds in getting control of the business of this country, or nationalises its industries, they will kill the goose which has laid the golden eggs of the last two centuries, a goose which has enabled us to bear the financial burden of this war against the flagrant attempt to conquer Europe and to reduce Great Britain to the position of a vassal State." We agree absolutely with this deliverance, while at the same time insisting that our business men must recognise that if they are to maintain their position in the world, hold their own everywhere as they did even in the dark times of subsidised and treacherous German competition, they will have to change their habits and assume an attitude of mutual confidence, of systematic co-operation and general helpfulness which was unknown before the war.

One point was raised at the National Provincial meeting by Mr. John Coles in his most sympathetic brief speech, viz., the advisability of laying by and increasing reserves. "I would like to see your reserve made up to the paid-up capital," he said, and added, "I believe that big reserves are better than big dividends." That is a sentiment which every bank shareholder should echo and give practical effect to. The most pleas-

ing thing about the exhibits of our great banks for the past year is their general abstention from increasing the dividends paid as their profits would have allowed them to do. All had larger nett revenues, but very few of them increased their dividends, and it would be well if a self-denying ordinance were passed forbidding any increase in the dividends paid, no matter how great the profits, until the reserves have been increased to a total well beyond that of the paid-up capital. For Mr. Coles was quite right when he added, "personally I would rather curtail the dividend if I knew that the reserve was being built up." Reserves are the great buttresses of a bank, not only the source of a feeling of confidence among its clients, but of safety among its shareholders. The paid-up capital of the banks dealt with in our summary table last week is about £10,000,000 larger than the reserves; there is, therefore, ample scope for taking Mr. Cole's good advice.

At the meeting of Lloyds Bank, held in Birmingham on Tuesday, its chairman, Sir Richard Vassar Smith, emphasised the remarkable stability of our Money market under the enormous strain caused by the shiftings and creations of credit to be used as capital. No less than £103,000,000 of subscriptions to the war debt had been applied for through Lloyds Bank last year, and these naturally, as always, tended to swell out deposits so that this bank owed on current, deposit and other accounts £174,068,000 at the end of the year, or £22,700,000 more than at the end of 1916. These figures are formidable in magnitude, and appear to have suggested to some minds a fear lest the individual commitments of the bank to large creditors might be a source of danger, but it need not be so, for Mr. Beaumont Pease, the deputy-chairman, stated that the average liability of the bank to its customers was just slightly over £250. Mr. Pease also had some words of weight to say about the threatened levy on capital, in particular condemning the phrases "conscription of wealth" and "levy on capital." If, he said, "they meant merely that the vast expenses of the war must be met by those best able to meet it, no one could object, but if the phrase was used in antithesis to the conscription of life, it maliciously implied that those without property had given their lives, whereas the moneyed classes had not, and that to make the sacrifice equal the wealthy should surrender their wealth under penalty, or the former should refuse to make further sacrifices, such assertions constitute a misleading or malicious libel on both classes." About the actual business of the bank Sir Richard Vassar Smith had nothing but a cheerful report to make. Agriculture was prospering, and the outlook good. The price of cotton was about four times the normal value, and spinners, although working on short supplies at high prices under Government restrictions, were doing well. Manufacturers of cloth, especially under Government contracts, had also done well. The iron and steel market remained strong all round, and the general engineering trade was busy. This prosperity is, however, nearly all the product of war activities and national requirements brought into active operation by the war, and it is to be hoped that when the conflict ends things will get back without a shock to their normal conditions. As the chairman pointed out, the tendency of Government control on business has been hurtful to the merchants, who have been shoved aside in the attempt to do without middlemen. The same complaint is heard everywhere, from country banks especially, and although it is recognised that, as the chairman said, we must have better organisation of our industries, and harmony between capital and labour, both working in the national interest after the war, it will not do to attempt to crush out a class most valuable to the stability and progress of the country and the Empire.

People are fumbling about these bank amalgamations, and hinting that it will be a bad day for the small customer when all our banks are grouped into large companies. We doubt whether there is much ground for this fear. At any rate, we have plenty of smaller banks in the provinces yet whose business is wholly

local, and mostly concerned with particular branches of trade. There is, for example, the Bradford District Bank, the address of whose chairman, Sir Prince Smith, had, owing to illness, to be read last week by his colleague, Mr. James Bairstow, and who had, as usual, some interesting information to convey about the woollen trade, which has prospered exceedingly since the war began; but he, too, spoke out with no ambiguity of phrase about the danger of Government interference with the course of business and in praise of the merchant, of his share in the growth and prosperity of our textile industry, of his foresight and courage as a trader, his knowledge of markets, of languages, and exchanges, all of which endowments get but scant recognition from those fussy guides of the hour whose chatterings tend to fill us with fear lest it should be indeed true that the glory of the British Empire is passing away, and that we are becoming a nation of decadents. Sir Prince Smith declared it to be extremely unfortunate that a measure of State control should have been found necessary, under which the brains of some of our ablest men are not utilised to their fullest capacity, and no doubt he had good ground for saying what he did. But there is this excuse for the Government that we were in an emergency when imperative requirements had to be rushed for, when, as in the woollen industries, prompt measures had to be taken in order that we should be masters of the world's production and supplies. That was emphatically the case with wool, only 8 per cent. of the world's total production of which was controlled by enemy countries, 40 per cent. being produced in the British Empire alone. And to-day our enemies are not only starving, but have to clothe themselves with paper because they can get no wool, not even from the Eastern territories they have overrun. No wonder local banks like the Bradford District continue to prosper. But even such are drawn into the ever-widening sweep of war necessities.

### Shipping Control.

Probably the Liverpool Steamship Owners' Association has about the highest reputation of any similar combination in the whole range of commerce, not only on account of its world-wide connections, but because it has always stood for the independent initiative which is the real basis of our wonderful mercantile marine supremacy. It has never fought to get on to the slippery slope of State subsidies, nor clamoured for any other "protection" than the complete freedom of the seas which all nations alike enjoyed in times of peace. Consequently its reports carry exceptional weight as reflecting the impartial and considered opinion of a representative body which, more than any other individual organisation, helps to knit the Empire together, and to foster the international trade on which so much of our prosperity depends. We regret, therefore, to find that in the annual report just issued there is a rather virulent attack on the policy of shipping control as conducted by the Government. No doubt mistakes have been made—they are inevitable when a Government department is set up suddenly to take charge of the ramifications of a highly intricate business; but what we have to consider is whether, on the whole, the national interests have been better served under the most exceptional conditions existing by a supreme shipping dictator than they would have been if each individual shipowner had been left free to follow his own particular bent. And although the indictment submitted by the Liverpool Association is a formidable one, it does not answer this question satisfactorily; it merely suggests that the arrangements made have often been far from perfect, and that they are capable of considerable improvement, which is doubtless quite true.

The gravamen of the charge brought by the Owners' Association is that there has been a great waste of our shipping resources with a corresponding reduction in the quantity of goods carried, and that, in effect, if the owners were allowed to work on their own methods, every ship on the average could make an additional

voyage per annum, with the immediate result of increasing the carrying capacity by two million tons. We are told that the present Government requisitioned all ocean-going steamships for the purpose of securing the whole of the profits to be made from freights over and above the Blue-book rates paid on a time basis for the use of the ships. In determining on this course, the Government did not give a moment's thought to the manner in which the ships were to be managed. The State had no organisation either in this country or abroad capable of undertaking the management, and therefore the Shipping Controller had to appeal to the owners to carry on the business with the ships which the Government had gone through the form of seizing. We think it may be admitted that most owners have loyally done their best to work under these difficult conditions, but the carrying power having been acquired by the State, each Department considers that it is entitled to use that power in the manner which will best facilitate the performance of the particular duties imposed upon it. All the various Ministries, Commissions, and Committees fight for their own hand without regard to the interests of the others. They cannot understand, or they will not recognise, that delay to the ships is paid for by loss of carrying power—that is by a lessening of the total volume of our oversea supplies. Many of the delays are trifling in themselves, but the cumulative effect is most serious. They can be prevented in a great measure if the ships are managed as a separate interest, worked with the sole aim of obtaining the maximum number of voyages, and therefore the maximum amount of cargoes. But "shipping in the hands of the State is the servant of all the Departments, Commissioners and Committees and the master of none, and waste which has not to be paid for directly in cash is ignored by them one and all. The Shipping Controller and the officials of the Ministry of Shipping and the Advisory Committees they have called in to their assistance, have to administer a policy which is fundamentally bad."

We are afraid there is a great deal of truth in all this, and in many of the other points which the report makes against State control, but at the same time most people are probably convinced that some sort of control had become necessary. Under the system of free competition for cargoes it was inevitable that preference should be given to those yielding the highest freights, while essential supplies required by the country were not coming forward in sufficient quantities. There cannot be much doubt that our shipping could be better managed and used to more advantage than is the case, but shipping rings had much to answer for in the pre-war days, and owners will do well to use their present leisure and lack of responsibility in considering how they can best apply the critical faculties they have developed so conspicuously to fostering the national interests when normal conditions are once more restored.

### Bank Fusions, Their Risks and Advantages.

It is by no means surprising that the latest bank amalgamation announced a week ago, that of Parr's Bank with the London County and Westminster, should have at last roused some people to move the Government to look into the new fashion and to ask whether the formation of such enormous credit-wielding institutions, as some half-dozen of our banks have now become, was for the public good. That it would be for the shareholders' good is obvious enough, because in the two latest announced amalgamations the change has brought, or will bring, about a reduction in the liability of shareholders. It is not so with the London and South-Western and London and Provincial Banks, for in taking London and South-Western shares in exchange for their own, the proprietors of the London and Provincial Bank accept an additional liability of £1 per share. But that is so trivial, and the nominal value of the shares in both banks is only £10, that it probably would not weigh at all in the negotiations.

It is otherwise with the National Provincial and the Union of London and Smiths, because in making the exchange the Union of London and Smiths shareholders slide out of a liability of £84 10s. per share, and assume in exchange a liability of only £48. Also should the amalgamation between the London County and Westminster and Parr's Bank be sanctioned—as we see no reason why it should not—then the liability of £40 a share now borne by shareholders in Parr's Bank will come down to one of £15 a share in the amalgamated bank.

It need astonish no one if a consideration of this kind had some material influence in deciding the boards to come together and arrange these amalgamations, and there is nothing objectionable in a movement of the kind provided the interests of the depositor are carefully safeguarded. The subject is a delicate one, which we have no desire to probe too deeply in present circumstances; but if the Government does insist on "butting into" the business, the only good open to it to do would be to insist on the insertion of some proviso limiting the dividends paid to shareholders until the reserve funds had been piled up to a much greater magnitude than any of them have thus far attained. We should say that a reserve amounting to twice the paid-up capital would be none too large to aim for in the interests of both shareholders and public.

But, apart from considerations of this description, it is obvious that our banks are seeking to strengthen themselves against possible adverse circumstances arising out of the war, and also to make themselves stronger to assist the Government in carrying that war to a successful conclusion, as well as to sustain our industries when peace has been attained. Already the war has involved them in a prodigious increase of liabilities. It was estimated a fortnight ago by the *Economist*—than which no journal published has better means of getting 'at the truth—that the deposit liabilities of the English banks have increased by more than £568,000,000 since 1913, that the Scotch banks have also expanded their liabilities by £71,532,000, and the Irish by £31,642,000, so that altogether the banks of the United Kingdom have expanded their liabilities within the last four years by £671,537,000. Can any one wonder in face of that expansion that amalgamations should have taken place, that further steps of the same kind are being discussed in the English provinces, that Scotch bank amalgamations are also said to be in the air, or that two Irish banks have already come under the shelter of strong English banks? It is the most natural thing in the world, but the mass of people have no conception of the formidable risks and liabilities our bankers have patriotically assumed without a murmur or hint of protest.

It is well to speak out a little on a subject of this kind, and we should like to ask our pacifists, "defeatists," and our whey-blooded academic philosophers who drivellingly confound Teutonic *kultur* with civilisation, to tell us what they think would happen to our banks were the Government to be hustled into a peace on German lines. Supposing these dreich preachers of a sham humanitarianism got their "conference between democracies" together, and persuaded our delegates to surrender to the arrogant Teutonic assertors of their "right" to universal domination, put them, in short, into the same ignominious position that Russia has been betrayed into by the Bolsheviks, do they think our banks would be able to repay the £1,600,000,000 of deposits they owe? Oh no. There is not a bank in the country which could keep its doors open for a week were any such peace arranged as our "defeatists" plot for. A peace of surrender would at once knock the bottom out of all that constitutes the security for our war debt. Because this is so, there is no description of unpatriotic betrayal so despicable as that of these people, who, with their reverence for everything German, their worship of the crime-founded Hohenzollern Empire, and their veneration for a *kultur* which is the very antithesis of true civilisation, seek to befog the issues and beguile us to our ruin.

Let the banks who wish to do so amalgamate under

reasonable restrictions calculated to safeguard public and national interests. It would be ungracious, nay, ungrateful, to hinder them, for by the help of our banks, and by that alone, is this country, this empire, and most of its Allies, able to go on with the war, and carry it to a successful conclusion. And when the war does end, let us insist once again, by the help of our banks, and that alone, can we hope to stand up to our difficulties, and gradually to restore our industries, our trade abroad, and all our national life to its old channels, channels cleansed, enlarged, and better controlled and organised than ever they were before. Our banks can alone furnish the means by which we can hope to escape from a long twilight of hardship and become able to work ourselves free from all danger of a return to the barbaric life of far-off days. We lately saw somewhere a picture of the Marquis of Bute, seated on a plough, and guiding it over his own lawns at Cardiff Castle. Make a traitor peace now, and many a peer might have to be thankful to live by the spade because without the means to buy a plough.

### Russia Devoured by the Vermin "Secret Police" of the Vanished Tsardom.

News from Russia seems to grow blacker and blacker, but let us not be too depressed thereby or too fearful lest the triumph of the Bolsheviks should be altogether as it seems. Who are these Bolsheviks? Before the downfall of Tsardom at least 75 per cent. of those who professed this form of anarchism or levelling down were members of the secret police. That police represented probably the most degraded and degrading instrument of oppression that ever existed in any country pretending to be civilised. Originally created as a guard to the Sovereign, a nest of spies, it soon became the Sovereign's master, and spread its malign influence not only into every part of Russia, but into most parts of the civilised world. Crimes were often instigated by it, and it was the deadly foe of every honest man who tried to serve his country. We have always, for example, had a feeling that the bombs which killed Alexander II. were manufactured and thrown at the instance of this secret police, if the crime was not actually perpetrated by members of that wholly irresponsible band of knaves. The Russian people had no motive to slay this man, the most humane and enlightened of all the Romanoffs, whereas the secret police had every reason to hate him, and to wish him out of the way. All honest men who tried to reform administration in Russia were the enemies of these thieves, delators, concoctors of assassination plots, manufacturers of false evidence, and instigators and perpetrators of every description of crime. Alexander was striving to free and uplift his people, to educate them, to endow them with land, and to open careers for them. Therefore, he had to be destroyed.

What are the Bolsheviks of to-day if not a resurgence of this same secret police masquerading as pure patriots, as opponents of all oppression, advocates of confiscation of the land and of every description of property; in reality, an unclean horde of thieves. It has not apparently been proved as yet that Lenin himself was ever a member of the secret police, or *Okhrana*, as it was called, but the archives of its head office, seized by the Provisional Government of Russia in the early days of the Revolution, have brought to light his intimate association with some of the most notorious blackguards of the whole swarm. And it is notorious that while other men were persecuted, hunted down, and driven out of Russia, or sent to Siberia, Lenin always went unharmed, not only through Russia, but to and fro in Germany. We have no moral doubt whatever that the secret police is at the core of the present tyranny in Russia, and little that it is the master of both Lenin and Trotsky.

And this gives us hope that the tyranny will not last long. The real Russia is for the time being obscured behind a riff-raff of human scum comparable to nothing in history. Even the worst of the Terrorists in the French Revolution were men of ideals, and often of a

character superior to those now endeavouring to destroy all that is noble, and to steal all that is movable, wherever they have the chance or the power in Russia. But there must be forces gathering behind the screen which will presently emerge and sweep away this malignant force which is the negation of every sentiment of honour and humanity, whose very best efforts at reform are tainted.

Great play has been made by the orators put forward by the controlling ruffians of their determination to gratify the peasants' thirst for land, and the peasants long ago would have had their share of the land if Alexander II. had been allowed to live. Many Russian landowners, moreover, have been only too willing to gratify the peasants' desires to the fullest practicable extent if only it could be done in the way that would really make them free. That there are bad landowners in Russia, as elsewhere, is true, but there are many among them whose lives and whose attitude towards the peasant warrant us in believing that if only some form of Government could be established through which they could institute reforms they would prove to be as eager as the peasants themselves to see justice and equity prevail in the distribution of the soil. Let any one who doubts turn to the volume of *Memories* issued some time ago by Madame Novikoff, and read there the story of her son's conduct on his estates, and then remember that he was by no means alone in his enlightened humanity, that throughout Russia, as the history of all the struggles for freedom of the past half-century at least have shown, many men penetrated with similar ideals have been ready and willing to give effect to them. We must not despair, then, of Russia because the thieves are in power there, or because they have declared themselves the fixed and "permanent" Government of the country. The cool insolence of that assumption should surely herald their downfall.

### By-the-Way War Notes.

One more Allied Conference has come and gone in France, and again "universal and complete agreement" has been proclaimed as the outcome. We are also told that the scope and powers of the Inter-Allied War Council sitting in Versailles has been extended, without, however, introducing a generalissimo. We willingly believe and hope, for we are convinced that every man is earnestly striving to do his duty. But we hope that agreement does not imply an immediate offensive on our part. There seems to us no valid reason for the Allies to rush into the trap the cunning Prussian is setting for them. For us to begin a great offensive—costly, immeasurably costly, in men and

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material, above all in men—before the Americans have had time to array their strength—and a mighty strength it will be—by our side, would be to play the game of Ludendorff and Bully Hindenburg. Naturally, with Russia out of the way, and America not yet in the field, these master brigands would like to try issues with the French and ourselves while yet there is time. The attempt would not be to their profit, we believe, even if we did walk into their parlour, but it would mean a ghastly waste of men we have no right to sacrifice, especially when the war is really going so well for us everywhere, and not least on just this Western front.

"How on earth do you make that out?" the ever-ready-to-croak patriot demands. It is not difficult to explain, at least not to those who are not armchair strategists of the Carmelite Street order, those people who are ever looking for "great battles," and who carry on campaigns on the assumption that our armies always move along asphalted highways on roller skates to outflank the enemy. Whether by the wisdom of our leaders, or, as the thoughtful community becomes more and more disposed to think, by the impulsion of Providence, we have been brought along a path that is leading us to the surest of all triumphs, to the enemy's complete exhaustion. "We want a peace by arrangement," say our pacifists, or "defeatists." "We wish to attain disarmament by international agreement," they monotonously repeat. It is a benevolent dream, but neither peace by agreement nor disarmament can be attained except by the subjection of the enemy. That subjection is being accomplished now. Volunteer military guides in the Press are always talking to us about our armies being "held up" by those of the enemy. The exact reverse is the fact. Everywhere except on the Russian front, which does not at present concern us, the enemy is "held in" by us, so that his dashes hither and thither into fresh territories are rarely more valuable to him than food-collecting sorties by the besieged. Even on the Italian front the Austrians are now besieged, and not all the braggadocio and insolent swagger, not all the exhibitions of a shamelessness in rapacity, can disguise the fact.

Whines more and more intermingle with the truculence. Is it not the fact that in Germany to-day the people have little food and less clothing, and along the Franco-Belgian-British front is it not the case that we are playing the part of besiegers who have the mastery? Are we not even in this "winter quarters" period of the war skilfully and unceasingly harassing the enemy by our artillery and aeroplane attacks? Is not our retaliation from the air inflicting such punishment upon the Prussian lines of communication and assemblages of artillery and human gun fodder as will make a great offensive on their part more and more difficult the longer we go on? Nobody is making money out of the war in Germany, except the Krupps, the Thyssens, the Rathenaus, and other industrial associates in oppression, and soon even these will find that all their gains have really been loss. The beleaguered foe is now effectually hemmed in and hungry enough even to try, submissive drudge though he be, to rebel.

"The strikes are over, and the men everywhere have resumed work, or about to do so." This summarises the official news from Berlin. Probably enough it is true. The strikes may have been suppressed, but the hunger remains, and neither bullets nor the knives and bludgeons of the brutalised tyrants can fill the bellies of the hungry multitude. Hunger is chronic all over the two abandoned Empires, insurmountable and on the increase, thanks to the effectiveness of our blockade by sea and land. We are still asked now and then, "When do you think the war will end?" The answer might have been easy could we have been sure that the hunger-gnawed populations of the Habsburg and Hohenzollern dominions had the power and the means to maintain strikes until their taskmasters were reduced to impotence. Still more confident of an early peace might we have been could we have nourished the hope that the troops of the tyrants would have refused to fire on their kindred, but thus far they seem to have

shown not the least sign of readiness to behave like ordinary human beings: To all appearance, the Hohenzollern Kaiser's injunction to his troops that they must be ready to slay their fathers and mothers at his command is unquestioningly accepted to-day as the Prussian soldier's rule of conduct. These things being so, what use is there in trying to guess when this war will end? It will last until German wealth and German manhood have both been consumed.

The strikes themselves afford us no guidance. Sporadic demonstrations of the sort which seem to have been spurting up all over Germany can do nothing effective to destroy the dominance of the military taskmasters, and how a universal "down-tools" protest is to be brought about we cannot imagine. The Prussian war chiefs and their capitalist allies, now eagerly demanding that all stolen or coveted property deemed still within reach of their thievish grasp should be laid hold of, have taken care always that the German workman should be kept in slavery. As a tool, useful to produce wealth for them, they saw to it that the automaton was cared for, pensioned—oh, most economically—when too old to work, given doles of money and medicine when sick, and otherwise well herded, but the workman was never allowed a chance to combine and accumulate independent funds. The men's savings had to be under the control of officialdom. Therefore nothing in the nature of "a strike fund" is available for the hungry and discontented German working man, and we must not build hopes on a democracy within either empire becoming strong enough to overturn the tyrants. There is no real, live democracy in either of them, and it shows wilful ignorance on the part of our doctrinaires to profess a belief that masses of slave population can provide solid foundation for an "international agreement" between peoples for any purpose whatsoever.

Let us have done with drivel that is traitorous. Ours is a different, a better occupation. We must prosecute the war with a singleness of mind that shuts out all speculations as to what one transient functionary may be aiming at in his speeches, or what the military tyrants would really be glad to accept if approached in a friendly spirit of give and take. There can be no "give and take" with Prussia. On every opportunity the Pan-Germanists, who are the all-compelling exponents of Prussian ambition, break through the screen of sophistry with which the puppet functionaries deluge us, and their language is always the same, whether the speaker be a Krupp, a von Bohlen, a Michaelis, a Tirpitz, a Delbrücke, a Kühlmann, or any "sword-rattler" among the chief slaughtermen themselves, they tell us that they still mean to be our masters and the world's. William the Insane loses no opportunity of declaring that God and he have the conquest of England, and, through England, of the world, in hand, and are winning it. His son, the Crown Prince, more light-hearted, still takes the war as "good fun," and every one of them flatly refuses to surrender Belgium, to give back Alsace-Lorraine to France, or to take the hand off any of those contiguous lands full of minerals. The Habsburgs still aim at the obliteration of Serbia and Rumania and the domination of the Balkans. Constantinople is to be the capital of a great united Teutonic Empire, instead of Vienna or Berlin, and Bulgar, Greek and Turk are to become vassals of that empire, which would soon extend over all Syria and Asia Minor and onwards eastward and southward towards Persia, India, and all the continent of Africa. That is but an outline of the Prussian dream of universal conquest, which is adhered to to-day as tenaciously as if unbroken success had attended the Prussian armies throughout the three and a-half years of war. Has the world every witnessed such conceit?

How are we to negotiate with people of this kind? There can be no possible treaty made with them which does not imply our surrender, and we are not going to surrender, we are wearing the enemy down to complete discomfiture. Our "defeatists" babble just as fatuously about "disarmament." Well, the war is providing for disarmament better than any number of Prussian scraps of paper could. All nations will be

too poor to be able to support masses of professional man-slayers when the war ends, the two brigand empires poorest of all. The tyrannies of Central Europe, headed and controlled by the Prussian savage, are now busy digging their own graves. The great assault is predicted for next Friday. We hope it may come then, and be the beginning of annihilation for the Hohenzollern monster of infamy.

There is still no abatement of the submarine scourge. Last week 2,339 vessels arrived and 2,373 left our ports, or 4,712 in all, and of these ships 10 of 1,600 tons gross and over were sunk by mines or torpedoed. Five smaller vessels were also sent to the bottom, besides 4 fishing vessels, while 10 ships were unsuccessfully attacked, the return of 13 in all being made up with 3 ships attacked without success in the week ended January 26. Altogether, therefore, the week's losses were 19, or, excluding the fishing vessels, 15, the same number as in the preceding week, and one above the average weekly sinkings for the month of November. Some of the worst of the sinkings, moreover, have occurred close to our own coasts, in the Irish and English Channels, and obviously there is much to be done yet before this loathsome piracy has to be considered at an end. We are going to end it all the same, and the longer the human sharks of the sea persist in their crimes the greater will their punishment be, not necessarily the punishment by arms and enforcement of indemnities, though these will not be wanting, but by the slow working and all-pervading blight of avoidance and ostracism, which will make life hard in every land and for many a year for the German peoples. Nearly 15,000 defenceless civilians of ours have been killed exultingly, in cold blood, by the Prussian sea and air assassins since the war began.

### Insurance News.

A realised surplus of £374,800 is disclosed in the valuation return of the National Provident Institution for the five years to November 20 last, and it is proposed to carry the whole amount forward, making provision for the payment of interim bonuses in respect of life and endowment policies, which may produce claims, or will mature before the close of the next quinquennium, at half the rate of reversionary bonus declared at the end of 1912. Apart from the effect of war conditions, the surplus would have been sufficient to enable the board to declare the same rate of bonus as in 1912, and to carry forward a substantially increased unappropriated balance. As explained by the actuary, the divisible surplus was arrived at by means of what he calls a "fair weather" valuation—that is to say, the actuarial liabilities have been based on the same assumption, as regards the future rate of mortality and the nett rate of interest likely to be realised, as in 1912. But as no allowance has been made for further inroads on the profits on account of direct losses owing to the premature death of members on active service, further increased taxation, depreciation, and so on, the actuary wisely advised that no distribution, otherwise than by way of interim bonuses, should now be made. The nett new business of the five years amounted to £2,948,723, against £3,183,439 for the previous five years, with new annual premiums of £136,959, against £136,369. Expenses remained at the very moderate figure of about 10 per cent., while the total death claims were only £21,000 in excess of those paid in the previous five years. The assurance fund stands at £7,117,314, Stock Exchange securities having been written down to market values as at November 20, 1917.

The directors of the Century Insurance Co. have intimated to their shareholders that they have under consideration a proposal from an old-established insurance office to acquire the whole of their shares at a price somewhat in excess of present market quotations. The shares are of the denomination of £4 10s., with 10s. a share paid up, and the last business reported in them was at just over £6; the price mentioned in connection with the proposed fusion is £6 5s. The Century, which

dates from 1885, and has an authorised capital of £900,000, of which £315,000 has been subscribed, and £35,000 paid up, transacts most forms of insurance, and has had a successful history. Dividends for the five years to 1916 were 32½ per cent., and on account of 1917 12½ per cent. was paid in September. The head office of the company is in Edinburgh.

Another office which is contemplating an amalgamation scheme is the Clergy Mutual Assurance Society, but in this case before an amalgamation can be arranged the consent of the policyholders must be secured. This office, which, as its title indicates, is run on mutual lines, has enjoyed an exceptionally good bonus record up to the time of the outbreak of war, and its expense ratio barely exceeds 7 per cent. of its premium income. A circular issued by the directors refers to the change in the basis of the last valuation from 2½ to 3 per cent., and also to the falling off in the volume of new business, and it is admitted that the passing of the bonus in 1916 has undoubtedly adversely affected the society. The question thus arises whether by amalgamation or combination with another office, preferably an office in which the same advantages of low rates of premium and expenses of management can be secured, increased strength would not be obtained. The Clergy Mutual has a fine connection, and funds amounting to over four millions, and there are not many mutual offices of the same description.

It now transpires that it is the London Life Association that proposes to join forces with the Clergy Mutual, and an arrangement for the two offices to be associated together under one management has been provisionally agreed to. The proposed arrangement provides that the London Life shall re-assure one-fourth of its new business with the Clergy Mutual, which would not, after the arrangement came into force, issue further direct policies. The London Life of late years has shown great progress, and has always secured business at a wonderfully cheap cost, its expense ratio being only about 4.5 per cent. It is part of the arrangement that the Clergy Mutual expenses of management shall be limited, in respect of its existing policies, to 5 per cent. of the premium income in any year, and 5 per cent. of the annuities payable, and in respect of reassurances from the London Life, the same average rate per annum. The proposed arrangement should prove a thoroughly good one for both offices.

A premium income of £52,607 was earned by the Essex Union Insurance Co. last year, of which £25,335 was absorbed by losses paid and outstanding, giving a loss ratio of only 48.2 per cent. Expenses amounted to £10,834, or 20.6 per cent. of the premium income, and with interest, and £6,758 brought in, the final balance was £25,666, the balance at credit of revenue account working out at 48.78 per cent. of the premium income. Capital and reserves stand at £78,017, and the total assets at £129,605, a large percentage—£78,808—of the total funds being invested in first-class British Government securities. The directors do not recommend a dividend, but carry forward the whole amount available.

A further loan of over £31,000,000 has been advanced to France by the Washington Government. This increases its total advances to the Allies to £937,000,000, and the end is not yet.

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General Manager SIR GERALD H. RYAN.

## ROYAL EXCHANGE ASSURANCE.

Incorporated A.D. 1720.

Governor: Vivian Hugh Smith, Esq.

FIRE. LIFE. SEA. ACCIDENTS. MOTOR-CAR. PLATE GLASS. BURGLARY. ANNUITIES. FIDELITY GUARANTEES. EMPLOYERS' LIABILITY. LIVE STOCK. THIRD PARTY. LIFT, BOILER AND MACHINERY. TRUSTEE AND EXECUTOR BUSINESS.

Apply to The Secretary. } Head Office—ROYAL EXCHANGE, LONDON, E.C. 3.

## THE LIVERPOOL & LONDON & GLOBE INSURANCE CO., LTD.

FIRE. LIFE. ACCIDENT. MARINE.

Total Assets exceed - - - £14,800,000

Total Claims Paid over - - - £88,000,000

Head Office: 1, Dale Street, Liverpool.

London Chief Office: 1, Cornhill, E.C. 3.

## The Investors' Review.

### Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Looking at the speed with which revenue is being collected it would have been proper to look for very scarce credit in the open market. Instead of that money has been comfortably abundant throughout the week, and only on Thursday did supplies seem to diminish a little, so 3½ per cent. has been the full rate for day-to-day money up to yesterday, when 3¼ was asked and in many cases paid. That was also the figure for seven-day advances, but the discount quotations remain as before.

The explanation is probably to be found in the large amount of temporary borrowings resorted to by the Treasury, and we see from the Bank return that the credit manipulating operations of the Treasury have kept the open market supplied. Public deposits are up £2,906,000 and other deposits £2,860,000, or £5,766,000 in all. Government securities are only £1,014,000 up, but other securities have been increased by £5,004,000, together the liabilities being up about £6,018,000, and the other deposits have been strengthened by nearly £3,000,000. The aggregate of £125,504,000 is, however, £100,966,000 below the figure of a year ago. A slight decrease of £232,000 has occurred in the reserve, almost entirely due to expansion of the note circulation. Owing to this decline, and the increase in liabilities, the proportion of the reserve to these has shrunk ⅔ to 18½ per cent., but that is 5½ per cent. above the figure of a year ago. Possibly enough money will now get tighter, but we cannot be

sure of the market following its normal course in these times.

A suggestive correspondence between the Chancellor of the Exchequer and the Governor and Deputy-Governor of the Bank of England has been made public, and comes opportunely to enforce what has been continually advanced in these columns about the inconvenience of what we may call makeshift borrowings called "temporary" loans. Replying, on July 5 last, to a request by the Chancellor for the advance during the current quarter of "such sums as might be required to carry on the public service," Lord Cunliffe and Sir Brien Cokayne wrote that the court of directors desired them to call the Chancellor's attention to the amount which has already been advanced on the credit of ways and means, and to convey the expression of their hope that he would realise the inadvisability of an increase in these advances, and their earnest desire that measures should be taken for repayment." In reply, Mr. Bonar Law assured the directors of his "earnest desire to confine such advances to the narrowest possible limits," but at the beginning of the current quarter he had again to write to the Governor and Deputy-Governor begging them to get the Bank Court "to advance during the current year such amounts as may from time to time be required for the public service at such rates of interest as may from time to time be agreed, regard being had to the rates currently paid by the Bank in respect of their borrowing of foreign and domestic money respectively." And he went on to suggest that the advances should be made either on the credit of ways and means or on the security of Treasury bills, "according as might be arranged." No limit seems to have been put to this borrowing, and in the circumstances none could be put, but the correspondence shows that the directors, as was natural, were somewhat nervous as to the effects which might flow from a too unrestrained use of this 'out-at-elbows sort of method of scraping up means with which to carry on the war.

It is understood from inquiries made at the National Debt Office that the rates quoted for the issue of Government life annuities will be revised next week. The interest basis will be raised from 3¼ to 4½ per cent., which will bring the annuities up to the level of the yield on Consols at 5½, which is the proper rate. The increase will mean an addition of over 10s. per cent. in the income to be derived from annuities, and will undoubtedly stimulate their sale, and in addition reduce the National Debt, for the issue of an annuity involves a corresponding redemption of Consols. The reduction in debt becomes effective when the annuity lapses by effluxion of time. Post Office annuities, which will also be increased, are slightly cheaper because they are paid half-yearly instead of quarterly, as is done in the case of Debt Office annuities.

The special borrowing privileges of the 3½ per cent. War Loan expire on March 1, and holders who have obtained loans from the Bank of England up to the issue price of 95 at a rate not exceeding 1 per cent. under Bank rate, have received a notice demanding repayment on March 1. This is not unnatural in view of the fact that the stock stands in the market at 86. Members of the Money market, who took an exceptionally large amount of this loan for patriotic reasons, feel that they have not been very well treated. They argue that those who subscribed handsomely to the first War Loan should not be placed in a worse position than those who came forward afterwards, and they are suggesting that the special borrowing privilege should be continued, but that the amount of the advance made by the Bank should be restricted to the market value of the stock.

New regulations have been made by the Treasury under Section 37 of the Finance Act, 1917, for facilitating transactions in Government stocks. They provide that stock may in future be inscribed or registered in the name of a trustee, which hitherto has not been the case. They also provide for easier methods of transfer in the case of stocks held by corporate bodies.

**ABRIDGED PROSPECTUS.**

The List for CASH Applications will be closed on Monday, the 11th February, 1918, and for CONVERSION Applications on Wednesday, the 20th February, 1918.

## New South Wales Government 5 $\frac{3}{4}$ % Conversion Loan, 1922-1932.

**Offer of Conversion to Holders of £12,648,477 New South Wales Government 3  $\frac{1}{2}$  % Inscribed Stock maturing 1st September, 1918.**

**PRICE £100 PER CENT.**

Interest payable 1st May and 1st November.

Six months' Interest payable 1st November, 1918.

Principal repayable at par on the 1st November, 1932, the Government having the option of redemption, in whole or in part, at par, on or after 1st November, 1922, on giving three months' notice.

The Government of New South Wales will comply with the requirements of the Colonial Stock Act 1900, in order that Trustees may invest in this Inscribed Stock subject to the restrictions set forth in the Trustee Act, 1893.

THE LONDON COUNTY AND WESTMINSTER BANK LIMITED notifies that the Government of New South Wales offers to the holders of £12,648,477 New South Wales Government 3  $\frac{1}{2}$  per cent. Inscribed Stock due 1st September, 1918 (ex the dividend due 1st March, 1918), conversion, in whole or part, into an equal amount of New South Wales Government 5  $\frac{3}{4}$  per cent. Inscribed Stock, 1922-1932, on the following terms:—

Holders to receive an immediate cash payment of 7s. per cent. (less tax), being the difference between £1 15s., the interest on the 3  $\frac{1}{2}$  per cent. Stock, and £1 8s., the interest on the instalments, to 1st September, 1918. A full six months' interest will be payable on 1st November, 1918.

Holders of the 3  $\frac{1}{2}$  per cent. Stock exercising the option to convert will receive preferential allotment, and must lodge the prescribed form of assent with the BANK OF ENGLAND, E.C. 2.

The Treasury has been consulted under the notification of the 18th January, 1915, and raises no objection to the Issue.

New South Wales Debentures and Stock domiciled in London are not, and will not be, subject to Income Tax in New South Wales, or to death duties in that State.

The Stock will be inscribed in accordance with the provisions of the "Colonial Stock Act, 1877," 40 and 41 Vict., cap. 59, in the books to be kept by the LONDON COUNTY AND WESTMINSTER BANK LIMITED, Lothbury, and will be transferable at that Bank free of stamp duty. Interest thereon will be payable by Dividend Warrants, which will be transmitted by post at the Stockholder's risk.

The LONDON COUNTY AND WESTMINSTER BANK LIMITED is authorised to offer for subscription in cash, New South Wales Government 5  $\frac{3}{4}$  per cent. Debentures, 1922-1932 (convertible into Inscribed Stock at any time up to 25th June, 1918) to an amount not exceeding the total of the 3  $\frac{1}{2}$  per cent. Loan, 1918, including the Stock converted, at £100 per cent., payable as follows:

£5 per cent. on application.  
£95 " " 10th June, 1918.  
£100

The Debentures which will be issued in denominations of £100, £500 and £1,000, will be payable to Bearer, and the Interest thereon will be paid half-yearly at the London County and Westminster Bank Limited, 41, Lothbury, E.C. 2, by Coupons due the 1st May and 1st November.

The revenues of the State of New South Wales alone are liable in respect of this Stock and the Dividends thereon, and the Consolidated Fund of the United Kingdom and the Commissioners of His Majesty's Treasury are not directly or indirectly liable or responsible for the payment of the Stock or of the Dividends thereon, or for any matter relating thereto.—40 and 41 Vict., cap. 59, sec. 19.

Cash applications on the form prescribed will be received at the LONDON COUNTY AND WESTMINSTER BANK LIMITED, Lothbury, and must be for multiples of £100, and be accompanied by a deposit of £5 per cent on the nominal amount applied for.

Payment in full may be made on the 27th February, 1918, or on any subsequent day, under discount at the rate of 4 per cent. per annum.

Scrip Certificates to Bearer in respect of Cash applications may be obtained on or after March 18th, 1918; a Coupon for six months' interest payable 1st November, 1918, will be attached thereto. The Certificates when fully paid will be exchangeable for the definitive Bonds when received from the State, or they may be converted into Inscribed Stock without charge on or before the 25th June, 1918, in which case the Coupon must be surrendered, and the amount will be paid by Dividend Warrant.

Due notice will be given when the Debentures are ready for delivery.

Full Prospectuses can be obtained at the LONDON COUNTY AND WESTMINSTER BANK LIMITED, 41, Lothbury, E.C. 2; 21, Lombard Street, E.C. 3, or at any of the Branches of the Bank; at the ULSTER BANK LIMITED, Belfast, and Branches of that

Bank, and of Messrs. R. Nivison and Co., Bank Buildings, Princes Street, E.C. 2.

Forms for conversion can be obtained at the BANK OF ENGLAND, E.C. 2.

LONDON COUNTY AND WESTMINSTER BANK LIMITED,  
Head Office, 41, Lothbury, London, E.C. 2, 2nd Feb, 1918.

This Form may be used. J I.

No. \_\_\_\_\_ FORM OF APPLICATION for  
NEW SOUTH WALES GOVERNMENT 5  $\frac{3}{4}$  PER CENT. DEBENTURES  
1922-1932.

Convertible into 5  $\frac{3}{4}$  per cent. Inscribed Stock at any time up to the 25th June, 1918, without charge.

To the LONDON COUNTY & WESTMINSTER BANK LTD.  
GENTLEMEN,

I  
We hereby apply for £ \_\_\_\_\_

say \_\_\_\_\_  
of the New South Wales Government 5  $\frac{3}{4}$  per cent. Loan, 1922-1932, according to the Prospectus of the 2nd February, 1918, and undertake to pay £100 for every £100 of Debentures, and to accept the same or any less amount that may be allotted to me, and to pay for the same in conformity with the terms of us, the said Prospectus.

I  
We enclose the required deposit of £ \_\_\_\_\_,  
being £5 per cent. on the nominal amount applied for.

Name \_\_\_\_\_  
(Mr., Mrs., or Miss)

Address \_\_\_\_\_

February, 1918.

N.B.—Applications must be for multiples of £100, and must be accompanied by the amount of Deposit thereon.

The principal feature in the foreign exchange market has been a further rise in Scandinavian rates. Christiania is 27  $\frac{1}{2}$  points higher at 14.85 kr., and Stockholm and Copenhagen 7  $\frac{1}{2}$  higher at 14.27  $\frac{1}{2}$  kr. and 15.47  $\frac{1}{2}$  kr. respectively. The lira has depreciated still further, and the pound sterling will now purchase 40.95 lire. The Spanish exchange has moved in favour of this country on the pending arrangement of Anglo-French credits, and the rate for sterling is now 19.72  $\frac{1}{2}$  pesetas. South American exchanges have moved rather sharply in our favour, owing to the shipping position. Rio has fallen 7-32d. to 13 15-32d., and Chile 7-32d. to 13 21-32d.

According to the prospectus of the New South Wales Conversion Loan, to be found in full elsewhere, the new 5  $\frac{3}{4}$  per cent. inscribed stock to be given for the 3  $\frac{1}{2}$  per cent. similar stock falling due for repayment will be a trustee security. The best course for holders of the expiring stock is to convert. They get par for par and an increase of 2  $\frac{1}{4}$  per cent. in the interest on their money. Also they receive an immediate cash payment of 7s. per cent., less tax, being the difference between £1 15s., the interest due on the 3  $\frac{1}{2}$  per cent. stock, and £1 8s., the interest on the instalments paid up on the new stock to September next. A full six months' interest will be payable on November 1, although the stock is not paid up until June 10. We hope that all holders of the expiring stock will take advantage of this offer, and that it may not be necessary to draw in money from fresh investors which would only have to be disbursed again in paying off the old stock. It is emphasised that, although a trustee security, the revenues of New South Wales alone are liable for this new stock and the dividends thereon. Applications will be received at the London County and Westminster Bank, Ltd., where the books of the New South Wales debt are kept. Forms for conversion can be obtained at the Bank of England.

### SILVER.

The Silver market has remained in a quiet state, with very little business going on, and the price has fallen  $\frac{1}{4}$ d. to 43d. per oz. Mocatta's circular says that the supplies from New York have been rather more plentiful, and that sellers there appear to be less confident that the United States will fix the price for the American production anything like so high as was recently talked about. The Chinese New Year approaches, and little business is expected to be done in that quarter for the present, but the conjunction of circumstances appears to favour lower prices. The last Indian cur-

rency returns show a slight increase in the holdings of rupees, the rapid outflow noted by us last week having been apparently checked for the moment.

Applications for the Rs. 60,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,21,55,000. Of these Rs. 59,59,000 were allotted in deferred transfers, and Rs. 41,000 in immediate transfers. Tenders for bills and deferred transfers at 1s. 4 20-32d. and for immediate transfers at 1s. 5d. received about 27 per cent.

### BANK OF ENGLAND

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, February 6, 1918.

#### ISSUE DEPARTMENT.

Notes Issued	£	Government Debt..	£
.. .. 75,927,550		.. .. 11,015,100	
		Other Securities .. ..	7,434,900
		Gold Coin and Bullion ..	57,477,550
		Silver Bullion .. ..	—
	£75,927,550		£75,927,550

#### BANKING DEPARTMENT.

Proprietors' Capital	£	Government Securities	£
Rest .. .. 14,553,000		.. .. 56,889,951	
Public Deposits (including		Other Securities .. ..	96,893,646
Exchequer, Savings		Notes .. .. 29,796,235	
Banks, Commissioners		Gold and Silver Coin ..	1,131,951
of National Debt, and			
Dividend Accounts) ..	41,743,292		
Other Deposits .. ..	125,504,321		
Seven Day and other Bills	10,476		
	£184,711,783		£184,711,783

Dated February 7, 1918.

J. G. NAIRNE, Chief Cashier

#### BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year, Feb. 7.	Jan. 30, 1918.	Feb. 6, 1918.	Increase.	Decrease.
£	£	£	£	£
3,502,268	Rest .. 3,481,837	3,500,694	18,857	—
42,262,099	Pub. Deposits .. 38,236,917	41,143,292	2,906,375	—
226,469,916	Other do. 122,644,208	125,504,321	2,860,113	—
27,941	7 Day Bills .. 10,234	10,476	242	—
	Assets.		Decrease.	Increase.
112,396,597	Gov. Securities. 55,875,951	56,889,951	—	1,014,000
38,579,538	Other do. 91,889,588	96,893,646	—	5,004,058
35,839,089	Total Reserve .. 31,160,657	30,928,186	232,471	—
			6,018,058	6,018,058
			Increase.	Decrease.
£	£	£	£	£
39,539,325	Note Circulation 45,896,295	46,131,315	235,020	—
56,944,414	Coin and Bullion 58,606,952	58,609,501	2,549	—
13.3 p.c.	Proportion .. 19.4 p.c.	18.6 p.c.	—	8 p.c.
5.8 "	Bank Rate .. 5 "	5 "	—	—

### PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended Feb. 2.)

REVENUE.	EXPENDITURE.
£	£
Customs .. .. 988,000	National Debt Service .. .. 711,652
Excise .. .. 453,000	Interest, &c., on War Debt .. .. 40,000
Estate, &c., Duties .. 675,000	Development & Road Impvt .. .. 10,167
Stamps .. .. 178,000	Payments to Local Taxation .. .. 52,544,030
Land Tax and House Duty .. 200,000	Other Consolidated Fund .. .. 100,000
Property and Income Tax .. 16,007,000	Charges .. .. 10,167
Excess Profits Tax .. .. 5,024,000	Supply Services .. .. 52,544,030
Land Values .. .. —	Bullion Advances .. .. 100,000
Post Office .. .. 236,000	For Advance for Interest .. .. —
Crown Lands .. .. —	on Exchequer Bonds under .. .. —
Sundry Loans .. .. —	Capital Expenditure .. .. —
Miscellaneous .. .. 40,000	(Money) Act, 1904 .. .. —
Bullion advances repaid .. 80,000	For Treasury Bills .. .. 97,213,000
For Treasury Bills for Supply .. 84,828,000	War Loan and Exchequer .. .. 701,796
5% Exchequer Bonds, 1922 .. 22,000	Bonds .. .. 2,832,899
6% Exchequer Bonds, 1920 .. —	Other Debt under War Loan .. .. —
National War Bonds .. .. 23,292,000	Acts, 1914-16 .. .. —
War Expenditure Certificates .. 1,500,000	For Exchequer Bonds under .. .. —
War Savings Certificates .. 4% War Loan, 1929-1942 .. —	Section 61 of Finance Act, .. .. —
5% War Loan, 1929-1947 .. —	1916, and Section 34, 1917 .. .. —
Other Debts created under .. —	Under Telegraph (Money) .. .. —
War Loan Act, 1915, and .. —	Act, 1913 .. .. —
Finance Act, 1916 .. .. 4,304,229	Under Post Office (Lon- .. .. —
Telegraph Money Act, 1913 .. —	don) Railway Act, 1913 .. .. —
Under Post Office Rly. Act, .. —	Under Military Works Acts .. .. —
1913 .. .. —	Under Housing Act, 1914 .. .. —
Under Military Works Act, .. —	Public Buildings Expendi- .. .. —
1897-1903 .. .. —	ture Act, 1903 .. .. —
Under Public Buildings .. —	Old Sinking Fund, 1907-8 .. .. —
Under Housing Act .. .. —	Sinking Fund, 1914 .. .. —
Repayment of Advance for .. —	China Indemnity .. .. —
Interest on Exchequer .. —	East African Loan .. .. —
Bonds .. .. —	Canard Agreement Act .. .. —
China Indemnity .. .. —	Depreciation Fund .. .. —
East Africa Loan repay- .. —	Suez Canal Drawn Shares .. .. 1,000,000
ments .. .. —	Temporary Advances Repaid .. .. —
Suez Canal Drawn Shares .. —	Increase in Exchequer .. .. —
Ways and Means Advances .. 16,000,000	balances .. .. —
Decrease in Exchequer .. —	
balances .. .. 1,321,134	
	£155,162,544
£155,162,544	

\*Excluding sales through banks which have not yet been brought to account.

### LONDON BANKERS' CLEARING.

Date.	1918.	1917.	Increase.	Decrease.
January 2	460,652,000	389,121,000	11,541,000	—
" 9	455,056,000	376,702,000	78,354,000	—
" 16	400,636,000	350,063,000	50,573,000	—
" 23	403,782,000	360,122,000	43,660,000	—
" 30	413,098,000	389,127,000	23,971,000	—
February 6	44,563,000	430,225,000	10,336,000	—
Total ..	2,513,787,000	2,295,350,000	218,383,000	—

### CURRENCY NOTES.

Return of Currency Notes for the week ended February 6, 1918.

	Issued.	Cancelled.	Outstanding.
£1 notes .. ..	4,616,119	3,193,157	155,723,473
10s. notes .. ..	1,343,471	1,111,957	36,886,298
Note certificates .. ..	150,000	210,000	20,970,000
Previous total .. ..	817,987,251	606,091,955	211,915,296
	824,096,841	610,517,070	213,579,771

Ratio of gold held against notes, this week, 15.06 p.c.; last week 14.79 p.c.

### FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Jan. 11, 1918.	Jan. 4, 1918.	Jan. 12, 1917.
Gold coin and certificates ..	95,407,600	96,014,400	58,565,800
Gold Settlement Fund ..	73,325,800	67,737,400	41,382,000
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks ..	179,333,400	174,251,800	99,874,000
Gold with Federal Res. Agent ..	156,354,800	159,438,200	54,902,400
Gold Redemption Fund ..	3,918,400	3,854,000	356,400
Total gold reserves ..	339,566,600	337,544,000	155,132,800
Legal tender notes, silver, &c. ..	10,064,800	9,062,000	3,353,800
Total reserves ..	349,571,400	346,606,000	158,486,600
Bills discounted—Members ..	115,147,600	125,162,600	4,871,000
Bills bought in open market ..	52,538,200	54,267,600	23,195,800
Total bills on hand ..	107,685,000	179,430,200	26,066,500
U.S. Gov. long-term sec. ..	10,226,400	10,233,400	8,221,200
U.S. Gov. short term sec. ..	27,445,400	18,411,600	2,971,400
Municipal warrants ..	1,023,400	1,033,400	1,971,800
Loans on gold coin and bullion ..	—	—	—
Total earning assets ..	206,181,000	209,108,600	41,211,200
Due fm other Fed Res bks—n. ..	5,448,400	9,048,800	2,326,400
Uncollected items ..	60,910,800	60,401,400	24,169,200
Total deducts fm gross dep. ..	66,359,200	69,450,200	26,493,600
5% Red. Fund ag Fed. Res. bknts ..	107,400	107,400	80,000
All other resources ..	110,800	107,400	2,422,200
Total resources ..	62,329,800	62,329,800	22,745,000
Capital paid in ..	14,313,000	14,165,000	11,141,200
Surplus ..	226,800	226,800	—
Government deposits ..	12,104,600	26,261,200	5,551,800
Due to members—Res. account ..	300,004,200	289,846,000	136,117,200
Due to non-mbrs—clearing ac. ..	—	—	—
Members' bank deposits—nett ..	40,671,800	38,529,800	22,247,600
Collection items ..	4,081,000	4,128,800	—
Total gross deposits ..	356,861,600	358,695,800	163,966,000
F.R. notes in actual circulat'n ..	248,856,000	250,241,000	53,633,600
F.R. bk nts in circn—nett liab. ..	1,600,000	1,600,000	—
All other liab. in for Gov ords ..	472,400	451,000	54,200
Total liabilities ..	622,322,800	622,379,600	228,745,600
Gold res. ag nett deposit liab. ..	61.7%	60.2%	81.4%
Gold res ag F.R. nts in act circ ..	64.4%	65.3%	103.0%
Ratio of gold res to nett dep. ..	—	—	—
and F.R. nts liabilities combin ..	62.9%	64.2%	81.2%
Ratio of total res. to nett ..	—	—	—
deposit and F.R. note liab- ..	64.8%	62.5%	83.0%
ilities comb ned ..	—	—	—

### NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Feb. 2, 1918.	Jan. 26, 1918.	Jan. 19, 1918.	Feb. 3, 1917.
	£	£	£	£
Loans .. ..	834,280,000	815,104,000	814,310,000	702,218,000
Reserve held in own Vaults ..	3,620,000	3,704,000	4,092,000	106,068,000
Reserve held in Fed. Res. Bk. ..	108,664,000	107,616,000	106,906,000	40,332,000
Cash in own Vaults ..	20,556,000	21,690,000	22,706,000	—
Reserve held in Other Depos. ..	1,714,000	1,734,000	1,799,000	11,436,000
Net Demand Deposits ..	730,876,000	728,340,000	746,190,000	710,688,000
Net Time Deposits ..	40,616,000	40,150,000	39,495,000	33,420,000
Circulation .. ..	6,820,000	6,806,000	6,810,000	5,724,000
Excess Lawful Reserve ..	16,518,000	15,986,000	13,254,000	33,326,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits

### NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Feb. 2, 1918.	Jan. 26, 1918.	Jan. 19, 1918.	Feb. 3, 1917.
	£	£	£	£
Loans .. ..	166,928,000	164,222,000	164,250,000	148,732,000
Specie .. ..	3,554,000	3,516,000	3,566,000	12,880,000
Deposits .. ..	160,426,000	167,605,000	169,492,000	159,076,000
Legal Tenders ..	15,038,000	15,330,000	14,916,000	1,622,000

### BANK OF FRANCE (25 francs to the £).

	Jan. 31, 1918.	Jan. 24, 1918.	Jan. 17, 1918.	Feb. 1, 1917.
£	£	£	£	£
Gold in hand ..	133,003,920	132,941,880	132,880,760	134,440,240
Silver in hand ..	9,939,320	9,916,760	9,834,880	11,101,320
Bills discounted ..	40,627,320	35,753,500	35,534,920	8,307,720
Advances ..	48,054,520	48,304,000	48,320,000	50,252,400
Note circulation ..	941,373,520	926,505,360	922,500,160	700,575,040
Public deposits ..	942,000	2,400,720	1,922,600	2,104,240
Private deposits ..	118,075,600	113,407,120	114,283,000	93,601,920
Foreign Bills ..	57,000	556,360	209,960	221,680

Proportion between bullion and circulation 23.84 per cent. against 24.31 per cent. last week. Advances to the State £512,000,000, increase £6,000,000. The adjoined payments of drafts in Paris on account of the moratorium £20,011,240 decrease £23,840, and at the branches £25,129,320, decrease £27,080.

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	Jan. 31, 1918.	Jan. 23, 1918.	Jan. 15, 1918.	Jan. 31, 1917.
	£	£	£	£
Total Coin & Bullion	126,051,100	126,028,850	125,989,350	127,072,000
Treasury Notes	62,665,100	59,785,500	62,968,700	13,947,100
Bills discounted	655,276,250	620,901,850	640,679,200	409,001,950
Advances	436,050	286,350	338,050	497,850
Note circulation	556,946,700	545,941,600	552,197,300	392,924,450
Deposits	333,811,350	312,530,550	329,054,100	172,621,450

Clearing House return during January £478,428,170, against £487,563,765 in December.

## BANK OF SPAIN (25 pesetas to the £).

	Jan. 26, 1918	Jan. 19, 1918	Jan. 12, 1918	Jan. 27, 1917.
	£	£	£	£
Gold	79,018,335	78,704,796	78,690,479	51,390,050
Silver	28,517,939	28,356,739	28,296,124	29,900,805
Foreign Bills	3,534,523	3,564,879	3,613,878	3,434,897
Discounts and Short Bills	28,337,011	28,556,399	28,971,099	26,493,174
Treasury Account, &c.	26,792,163	27,073,345	26,825,713	26,722,917
Notes in Circulation	112,435,686	112,672,744	112,746,814	94,599,750
Current Accounts, Deposits	38,728,904	37,879,162	38,178,587	30,624,831
Dividends, Interests, &c.	2,021,545	2,128,861	2,507,058	1,863,856
Government Securities	1,436,668	1,652,566	1,799,075	1,328,313

## BANK OF NORWAY.

	Jan. 15, 1918.	Jan. 7, 1918.	Dec. 31, 1917.	Jan. 15, 1917.
	£	£	£	£
Gold	6,413,000	6,413,000	6,414,000	6,904,000
Balance abroad and Foreign Bills	4,540,000	4,768,000	4,844,000	4,453,000
Gov't Securities	749,000	715,000	717,000	767,000
Discounts & Loans	21,154,000	21,503,000	22,388,000	8,320,000
Notes in Circulation	17,093,000	17,394,000	17,985,000	12,965,000
Deposits at notice	11,920,000	11,938,000	12,179,000	4,398,000

## BANK OF SWEDEN.

	Jan. 19, 1918.	Jan. 12, 1918.	Jan. 5, 1918.	Jan. 20, 1917.
	£	£	£	£
Gold	13,130,000	13,711,000	13,718,000	10,364,000
Balance abroad and Foreign Bills	7,407,000	7,239,000	7,269,000	8,401,000
Swedish and Foreign Gov't. Securities	3,436,000	2,880,000	2,881,000	3,574,000
Discounts and Loans	12,686,000	13,516,000	14,753,000	5,522,000
Notes in circulation	28,595,000	28,902,000	30,162,000	20,412,900
Deposits at notice	8,005,000	8,661,000	8,744,000	6,598,000

## NETHERLANDS BANK (12 Florins to the £).

	Jan. 26, 1918	Jan. 19, 1918.	Jan. 12, 1918	Jan. 27, 1917.
	£	£	£	£
Gold and Silver	59,514,666	59,593,166	58,499,416	49,697,916
Bills and Advances	15,502,333	15,403,500	15,270,500	14,144,166
Note circulation	72,809,916	71,921,416	73,966,332	61,245,000
Deposits	6,249,916	4,746,583	3,533,333	6,831,916

## BANK OF ITALY (25 lire to the £).

	Dec. 20, 1917	Dec. 10, 1917	Nov. 30, 1917	Dec. 20, 1916
	£	£	£	£
Total cash	42,884,760	43,776,080	46,332,200	43,213,440
Inland Bills	28,521,920	32,174,000	33,507,760	19,188,480
Foreign Bills	907,800	919,120	884,400	840,080
Advances	17,829,040	20,894,080	23,505,720	9,407,000
Government securities	8,810,960	8,689,960	8,788,960	8,900,360
Circulation	257,735,560	256,695,760	253,120,080	152,388,320
Deposits at notice	35,333,480	33,454,720	33,894,120	19,593,520
Current accounts	22,121,680	21,923,760	18,024,760	14,161,680

## SWISS NATIONAL BANK (25 francs to the £).

	Jan. 23, 1918.	Jan. 15, 1918.	Jan. 7, 1918.	Jan. 23, 1917.
	£	£	£	£
Gold and silver	16,651,336	16,557,536	16,433,020	15,914,140
Bills	9,782,264	10,332,600	13,007,840	5,796,984
Note circulation	24,355,716	25,117,120	26,385,994	19,293,596
Current and deposit accounts	4,854,348	4,445,772	5,779,560	4,312,776

## LONDON OFFICE OF EXCHANGE.

Place.	Usance.	Feb. 5, 1918.		Feb. 7, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam	Cable transfers	10.77	10.82	10.72	10.76
	Three months' bills	10.93	10.98	10.85	10.95
Paris	Cable transfers	27.14	27.19	27.16	27.21
	Three months' bills	27.50	27.60	27.55	27.60
Switzerland	Cable transfers	21.45	21.55	21.37	21.47
	Three months' bills	21.80	21.90	21.72	21.82
Petrograd	Cable transfers	nom.	nom.	nom.	nom.
Genoa, &c.	Cable transfers	40.75	40.85	40.95	41.05
Spain	Cable transfers	19.78	19.88	19.60	19.70
	Three months' bills	504	574	57	58
Lisbon and Oporto	Cable transfers	294	304	294	304
Copenhagen	Cable transfers	15.45	15.55	15.40	15.50
Christiania	Cable transfers	14.80	14.90	14.75	14.85
Stockholm	Cable transfers	14.20	14.30	14.20	14.30

## OPEN MARKET DISCOUNT.

	Last week.	This week.
	Per cent.	Per cent.
Thirty and sixty day remitted	3 1/4	3 1/4
Three months	4 1/8	4 1/8
Four months	4 1/8	4 1/8
Six months	4 1/8	4 1/8
Three months fine inland bills	4 1/8	4 1/8
Four months	4 1/8	4 1/8
Six months	4 1/8	4 1/8

## BANK AND DEPOSIT RATES.

	Last week.	This week.
	Per cent.	Per cent.
Bank of England minimum discount rate	5	5
short loan rates	5	5
Bankers' rate on deposits	3 1/2	3 1/2
Bill brokers' deposit rate (call)	3 1/2	3 1/2
7 and 14 days' notice	3 1/2	3 1/2
Current rates for 7 day loans	3 1/2	3 1/2
for call loans	3 1/2	3 1/2

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques	Francs to £1	25.22 1/2	27.15 1/2	27.18
Amsterdam, cheques	Florins to £1	12.107	10.79	10.72 1/2
Italy, sight	Lire to £1	25.22 1/2	40.87 1/2	41.10
Madrid, sight	Pesetas to £1	25.22 1/2	19.75	19.52 1/2
Lisbon, sight	Pence to milreis	532 1/2	298 1/2	298 1/2
Switzerland, sight	Francs to £1	25.22 1/2	21.42 1/2	21.40
Christiania, sight	Kroner to £1	18.159	14.64	14.72 1/2
Stockholm, sight	Kroner to £1	18.159	14.22	14.20
Copenhagen, sight	Kroner to £1	18.159	15.13 1/2	15.37 1/2
Petrograd, sight	Roubles to £10	94.57	365	365
Alexandria, sight	Piastres to £1	97 1/2	97 1/2	97 1/2
Bombay, T.T.	Sterling to rupee	1/4	1/4 1/2	1/4 1/2
Calcutta, T.T.	Sterling to rupee	1/4	1/4 1/2	1/4 1/2
Hong Kong, T.T.	Sterling to dollar	—	2/11 1/2	2/11 1/2
Shanghai, T.T.	Sterling to tael	—	4/30	4/30
Singapore, T.T.	Sterling to dollar	—	2/4 1/2	2/3 1/2
Yokohama, T.T.	Sterling to yen	24.58d.	2/1 1/2	2/1 1/2
New York, cable	Dollars to £1	4.86 1/2	4.76 1/2	4.76 1/2
Buenos Aires, T.T.	Pence to dollar	47.58d.	50 1/2	50 1/2
Valparaiso, 90 days	Pence to peso	—	13 1/2	13 1/2
Montevideo, T.T.	Pence to dollar	51d.	58 1/2	59 1/2
Rio de Janeiro, 90 days	Pence to milreis	16d.	13 1/2	13 1/2

## The Week's Stock Markets.

When we come to think of it, the way business on the Stock Exchange manages to keep at a moderate average of activity is a constant source of wonder. By all the rules of the game the House ought to have put up its shutters and waited patiently until it "nosed" peace three months ahead. There is a little mild speculation in spite of all the Treasury regulations, but the public are emphatically warned off that preserve, and must pay in full for their purchases. That is to say, that where a buyer in the pre-war days could deal in, say, 1,000 shares, he has now to be content with 50 or 100, and naturally brokers would like to see the old conditions restored. Then, again, this is the income-tax season, which mops up a tremendous proportion of the loose cash which the average person keeps at his disposal. Finally, it is extremely difficult to find reasons for enthusiasm anywhere. It is true the war goes well in every direction, but the end looks a long way off, and with the 5 per cent. War Loan at 1 1/2 per cent. discount investors develop a shyness which is as natural as it is inconvenient to the scores of Departments that have a Brobdingnagian appetite for consuming the nation's wealth. Nevertheless, there seems to be plenty of hardy adventurers who will buy shipping and general industrial shares just as though the present inflation would last long enough to see more than 50 per cent of their capital back! It is a great idea, and we should like to see their optimism carried into other spheres of activity. Home Railways have been helped a little by a few increased dividends; but as a rule the results disclosed are not particularly flattering to the managements. Grand Trunks have been conspicuous on a rather shadowy idea that the Canadian Government will come to the rescue of the company in a more handsome manner than seems at all probable, but we can never be sure what wirepulling may accomplish in these cases. But we should prefer War Bonds to most other things that are dangled before investors.

In spite of the fact that money is usually scarce at this time of the year, owing to the active collection of income-tax, the Stock markets have been fairly buoyant, and a larger turnover has been experienced than might have been expected with the restrictions which are at present in force. Consols and War Loans have been wonderfully steady, and there has been quite a moderate demand for these securities from investors who have not applied directly for new bonds either through the banks or the Post Office. Other gilt-edged securities have not shown much activity, but that was scarcely to be expected, and the Colonial list has been extremely quiet, in fact, almost entirely neglected. Foreign stocks also have been rather feeble, and, except for a little display of strength on the part of French War Loans and Peruvian Corporation, the majority of stocks have been inclined to give way. Japanese were just barely steady, while Chinese, Russians, Spanish, Guatemalas, and most other South Americans have lost ground. Baku Corporation stock fell as much as 5 points. Business in this section, however, is

	Last Week	This Week		Last Week	This Week
Consols.....	54½	54½	N.S.W. 4½% 5 yr. bds.....	90	99
War Loan 3½%.....	86½	85½	" 4½%, 1922-7.....	90	90½
Canada 4%.....	99½	100½	" 4½%, 1921-3.....	97	97
" 5% 1929-47.....	93½	93½	" 5½%, 1920-2.....	97	98
" 4%, 1949-42.....	101½	101½	New Zealand 4%, 1929.....	86½	86½
India 3%.....	55½	55½	Queensland 4%.....	80½	80½
" 3½%.....	64½	64½	" 4½%, 1920-5.....	91	91
Australian 5½%, 1920-22.....	98	98	Union of S. Africa 4½%.....	92	92
Canada 4%.....	81½	81½	1930-5.....	92	92
" 4½%, 1920-5.....	91	91	Victoria 4½%, 1920-5.....	91	91
N.S.W. 4%.....	82	82½	Westn. Aus. 4%.....	79½	79½
Argentina 4%, 1900.....	67½	67½	French War Loan, 5%.....	70½	79½
Belgian 3%.....	64	62½	Japan 4½% (1st), 1905.....	99½	99½
Brazil, 1913.....	70	70½	" 5% 1907.....	92½	93
" 5%, 1914.....	80½	80½	Mexican 5%, 1899.....	51	58
Chinese 1896.....	94	94	Russia 4%.....	37½	38½
" 1912.....	83	82½	" 4½%, 1909.....	40	40
Egypt Unified 4%.....	85	85	" 5%, 1906.....	40½	50
Caledonian defd.....	8½	9½	London and N.-W.....	92½	93
Gt. Central pra.....	14	15½	London and S.-W. dfd.....	24½	24½
" dfd.....	6½	6½	Do red. pf. 1944.....	94	94
Gt. Eastern.....	35½	34½	Metropolitan.....	22½	22½
Gt. Northern dfd.....	38	38	Do. 5% pf.....	77	77
Gt. Western.....	86½	87	Met. District.....	15½	15½
Lanes. and Yorks.....	67½	67½	Midland dfd.....	59½	59
London Brighton dfd.....	60	60	Nth. British dfd.....	14	14½
London Chatham ord.....	8½	8½	Nth.-Eastern dfd.....	97	92½
Canadian Pacific.....	160	160½	Sth.-Eastern dfd.....	29½	30
E. Indian Guar. 4½% debts.....	84	84	Chesapeake.....	56	56
Grand Trunk ord.....	9½	10	Erie.....	21½	21
Do. 1st pf.....	53	58½	Southern.....	25½	26
Do. 3rd pf.....	21½	24½			
Antofagasta dfd.....	132½	132	Cent. Argentine ord.....	50½	59
Brazil Common.....	5	5	Leopoldina.....	38½	38½
B. A. & Pacific.....	40	39½	Mexican ord.....	18½	18½
B. A. Gt. Southern.....	73½	73	San Paulo (Brazilian).....	183	182
B. A. Western.....	71½	70½	United of Havana.....	75	75
Anglo-South American.....	7½	7½	London City & Midland.....	8½	8½
Bank of Australasia.....	120	121	London County & West.....	15½	16
Bank of N.S. Wales.....	36	36	London Joint Stock.....	24½	24½
Barclay & Co. "A".....	78½	78½	Nat. Prov. of Eng. (£10½ pd).....	20½	20½
Do. "B".....	12½	12½	Do. (£12 pd).....	30½	30½
Capital & Counties.....	24½	24½	Parr's.....	34½	34½
Chartered of India.....	73½	73	Standard of S.A.....	11½	11½
Hongkong & Shanghai.....	88	87	Union Discount.....	10½	10½
Lloyds.....	25	25½	Union & Smiths.....	26½	26½
London & Brazilian.....	24½	24½			
Armstrong, Whitworth.....	41½	41½	Kynochs.....	38½	39½
Birmingham Small Arms.....	53½	54	Monck Nickel ord.....	32	38
Cammell-Laird.....	7	7	South Durham Steel.....	42	43½
Cargo Fleet.....	27½	26½	Thornycroft.....	40½	40½
Dorman, Long.....	40½	39½	Vickers.....	42½	42½
Associated Cement.....	3½	3½	Fine Cotton Spinners.....	37½	35½
Borax dfd.....	4½	4½	Forestral Land.....	46½	47½
Bovril.....	21½	21½	Furness, Withy.....	61½	65½
Brazil Tractor.....	44½	45½	Harrods Stores.....	22½	22½
British Amer. Tobacco pf.....	18½	18½	Hudson's Bay.....	7½	7½
British Aluminium.....	33½	33½	Imperial Tobacco 'C' pf.....	32½	33½
British Oil & Cake.....	33½	34½	Lever Bros. "C" pf.....	20½	20½
Brunner, Mond.....	5	4½	Lyons, J.....	33½	33½
Castner-Kellner.....	3½	3½	Marconi.....	33½	33½
Coats.....	6½	6½	Maypole Dairy dfd.....	19½	19½
Courtaulds.....	64½	62	National Steam Car.....	17½	17½
Cunard.....	49½	49½	Pears, A. & F.....	18½	18½
Dennis Bros.....	35½	35½	P. & O. dfd.....	34½	34½
Eastern Telegraph.....	15½	15½	Royal Mail.....	124	127
Eastmans.....	8½	9½	Underground Inc. Bds.....	81½	81½
English Sewing Cotton.....	55½	55½			
Anglo-Egyptian "B".....	30½	32½	North Caucasian.....	8½	11
Baku (ros.).....	1½	1½	Romanian Cons.....	18	18
Burmah.....	7½	7½	Shell.....	58	58½
Lobitos.....	24½	24½	Spies (10½).....	7½	6½
Maikop Pipeline.....	2½	2½	Ural Caspian.....	8	8
Mexican Eagle pf.....	63½	62½			
Allagar 2/-.....	3½	3½	Perak 2/-.....	7½	7½
Anglo-Java Rub. 2/-.....	610½	610½	Port Dickson 2/-.....	4½	4½
Anglo-Malay 2/-.....	13½	13½	Rub. Estates Johore £1.....	43½	43½
Ayer Kuning £1.....	50½	49½	Rub. Estates Krian 2/-.....	4½	4½
Batang Malaka 2/-.....	47½	47½	Rubber Trust £1.....	28½	29½
Bekoh 2/-.....	45½	45½	Sampang (Java) 2/-.....	27½	27½
Brit. N. Borneo Trust £1.....	16½	16½	Sapumalkande £1.....	26½	26½
Bukit Cloh 2/-.....	51½	51½	Seaport £1.....	27½	27½
Bukit Kajang £1.....	71½	71½	Selangor.....	34½	34½
Bukit Mertajam 2/-.....	4½	4½	Sengat 2/-.....	3½	3½
Bukit Sembawang 2/-.....	34½	34½	Seremban £1.....	40½	41
Carey United £1.....	43½	43½	Shelford £1.....	40½	37½
Ceylon Para 2/-.....	94½	94½	Smlang £1.....	67½	66½
Chersonese.....	3½	3½	Singapore Para 2/-.....	44½	41½
Chevi 1 2/-.....	6½	6½	Singapore United 2/-.....	31½	31½
Dalkeith 2/-.....	210½	210½	Soembaer Ajoce 2/-.....	29½	29½
Eastern Invest. Trust £1.....	25½	25½	Stagbrook £1.....	33½	33½
Grand Central £1.....	26½	27½	Straits Bertam 2/-.....	6½	6½
Gula Kalumpang £1.....	35½	35½	Sumatra Para 2/-.....	9½	9½
Highlands £1.....	59½	59½	Sungei Bahru £1.....	37½	37½
Java Investment £1.....	29½	29½	Sungei K-par 2/-.....	11½	11½
Java Para £1.....	32½	30½	Sungei Kruit £1.....	50½	48½
Johore Rubber Lands £1.....	33½	33½	Taping 2/-.....	41½	41½
Kamunin.....	4½	4½	Tali Ayer £1.....	36½	35½
Kinta Kellas 2/-.....	43½	40½	Tandjong £1.....	89½	90½
Kuala Kubu 2/-.....	210½	217½	Tandjong Malim £1.....	31½	31½
Labu 2/-.....	9½	10½	Tebrau £1.....	61½	62½
Langen Java £1.....	45½	45½	Telogoredjo £1.....	43½	43½
Linggi 2/-.....	26½	27	Tempeh 2/-.....	2½	2½
London Asiatic 2/-.....	8½	8½	United Serdang 2/-.....	10½	10½
Malacca £1.....	58	58	United Sumatra 2/-.....	87½	84½
Malayalam £1.....	39½	37½	Val d'Or 2/-.....	43½	41
Merlimau 2/-.....	5½	5½	Vallambrosa 2/-.....	22½	22½
Padang Jawa 2/-.....	3½	3½	Way Halim 1½ pd.....	—	—
Pataing 2/-.....	47½	40½			
Abbotiakoon (10/-).....	4½	4½	Gt. Boulder (2/-).....	13½	13½
Bechnanland Exp.....	7½	7½	Kyushu.....	18½	18½
Brakpan.....	52	52	Mashonaland Agency.....	7½	7½
Broken Hill Prop. (8/-).....	50½	57½	Meyer & Charlton.....	58½	58½
Cam & Motor.....	14½	13½	Modder "B".....	8½	8½
Central Mining (£12).....	6½	6½	Do. Deep.....	7½	7½
Chartered.....	16½	16½	Mysore.....	34	34
City Deep.....	32	32	R and Mines (5/-).....	24½	24½
Cons. Gold Fields.....	17½	17½	Rio Tinto (£5).....	64½	64½
Cons. Langlaagte.....	19½	19½	Russo-Asiatic.....	24½	24½
Crown Mines (10/-).....	2	2	Spring Mines.....	32	31½
De Beers dfd. (£2 10s).....	13	13	Tanganyika.....	34½	34½
East Rand.....	6½	6½	Tanah.....	18	18
Edulid.....	18½	24½	Van Ryn Deep.....	37½	37½
Gov. Areas Mod.....	32	32			

so small that movements are not a fair indication of what is actually transpiring.

Home Railways have been rather erratic. The dividends so far are just about equal to expectations, but the Scotch distributions at a slightly higher rate than last year, followed by the advance of ½ per cent. in the case of Hull and Barnsley, gave the market a certain amount of encouragement, which, however, is not really justified by the actual results so far as have been disclosed. Americans were idle and uninteresting, except with regard to International Mercantile Marine, where the preference advanced several points and the ordinary, after showing some weakness, rallied smartly. Canadian Pacifics have dropped into almost complete neglect, but the Grand Trunk came into prominence on the idea that the Government might take over the line on much more favourable terms than the recent Commission suggested. All the securities of the company advanced sharply, at one time the gains amounting in some cases to as much as 5 or 6 points, but the probabilities are rather against such bullish views as the market has indulged in. Argentine Rails have been dull, and the tendency generally has been weak, because it is still very uncertain what the labour position actually is. There have been further riots and wilful damage to the properties of the English managed railways, and the country appears to be more or less in a state approaching Bolshevish, which is not calculated to give investors in the staple industries of the country much confidence as to the immediate future. San Paulos were weak, and Brazilian stocks, generally, received very little support.

Bank shares have been in good demand from the class of investor who appears to favour these eminently respectable securities, but the only outstanding point has been the sharp advance in Parr's on the amalgamation scheme with the London County and Westminster. Colonial Banks also were particularly good at one time, but the movements subsequently became irregular, possibly on a certain amount of profit taking. Breweries were not nearly so prominent as they have been of late, and, apart from gains of 2 points in Guinness stock, the changes were mostly adverse, both Watney, Combes and City of London losing ground on profit taking. Egyptian securities have continued in great request, and although in some cases a slight reaction has occurred, the tendency generally has been favourable. Iron and Steel shares as a rule have been good, and except for a fall of 2½ in Otis Steel, the movements have been almost invariably in an upward direction. Among Land shares, Hudson's Bays were rather weak, but Nigers have again secured a substantial advance. Nitrate shares were firm in anticipation of a big demand for the commodity, and among Miscellaneous Industrials the tone has been wonderfully confident. The chief movement, however, has occurred in the shipping division, where P. and O., Royal Mail, Furness, Withy, and a few others have been soaring up to heights which must make a prudent investor extremely cautious as to what may happen if the present boom begins to simmer down.

Oil shares have been good without any great activity being displayed in any direction, but Anglo-Egyptians, Mexican Eagles, Venezuelan Concessions, and a few others have shown a certain amount of liveliness, and apparently have received a considerable amount of support from speculative buyers. Rubber shares have been extremely quiet, compared to what conditions were recently, but the tone has, if anything, been firmer, partly owing to the fact that the price of the raw material has hardened to a trifle over 2s. 3d. The amount of business, however, is very disappointing to the dealers, who have laid themselves out specially for this particular section of the market, and instead of buyers tumbling over each other to secure shares, there are more holders anxious to try and secure the profits that have accrued on their purchases during the last few months.

## LONDON PRODUCE MARKETS.

There was no new noteworthy feature to record in most directions, actual transactions being confined to a moderate limit, while price changes were not of much importance.

**SUGAR.**—Quotations remained without alteration during the week.

**COFFEE.**—There was quite a steady business proceeding during this week, demand on consumptive account being of a sustained nature, and prices were maintained without difficulty. With regard to all mild liquoring descriptions, offers from second hands continue to be made with marked reserve. In auction, bold faded Neilgherry sold 119s. 6d.; longberry, 111s.; Santos, quay terms, good to superior, 70s. 6d. to 72s. 6d.; and peaberry, 82s. to 83s. 6d. Quite a featureless state of affairs governed the market for future delivery.

**Cocoa.**—Only a small business was effected on about former terms.

**SPICE.**—Business proved quiet, but rates generally steady. Of pepper, fair black Singapore, on spot, sold, 1s. 2d.; Tellicherry quoted 1s. 3½d.; and Muntok, 1s. 7½d. Cloves dull. Fair quality Zanzibar, spot, 1s. 9d. Tapioca market firm, quiet. Fair flake, spot, sellers, 7½d. per lb. Fair Penang, seed pearl, 70s.; medium, 67s. 6d.; and fair small sago, 67s. 6d.

Rice sparingly offered and in sustained request. Beans and peas remain unchanged.

**HEMP.**—Only retail sales were effected in East India kinds.

**SHELLAC.**—Small transactions occurred in spot lots at 400s. for fair free second orange. Futures dearer. March sold, 414s.; May, 410s.

**RUBBER.**—Moderate sales passed at about steady prices. Plantation, spot, crepe, sold, 2s. 3½d. to 2s. 3d.; February 2s. 3½d. to 2s. 3d.; March, 2s. 3½d.; April-June, 2s. 4½d.;

July-December, 2s. 5½d. to 2s. 5½d. Ribbed smoked sheet, spot, sold, 2s. 2½d. to 2s. 2½d. Fine hard Para, spot, sellers, 2s. 7½d.; soft fine, 2s. 3d.; ball, 1s. 6½d.

**CORN (Mark Lane).**—The market displayed a very steady tone, with an active demand for all cereals, but business was on a moderate scale. Wheat: English sparingly offered at 75s. 6d. for both whites and reds per qr. (504 lbs.). Of imported descriptions, No. 1 Northern Manitoba, 81s. 6d. to 82s. 3d.; No. 2 ditto, 80s. to 80s. 9d.; No. 3, 78s. to 78s. 9d. No. 2 hard winter, 80s. to 80s. 9d. Australian, 83s. 6d. to 84s. 3d.; and La Plata, 81s. 6d. to 82s., all landed, per 496 lbs. Flour was held for full rates, while reservedly offered. English town and country (G.R.), 44s. 3d. per sack, ex mill; and Canadian export, 51s. 9d., ex warehouse, per 280 lbs.

### CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING FEBRUARY 8, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 14½, 98% polarisation	£ s. d.	£ s. d.	<b>Wool</b> —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granulated	nom.	nom.	Greasy Crossbred	nom.	nom.
labeled, first marks	nom.	nom.	New Zealand	nom.	nom.
f.o.b., spot	nom.	nom.	(scoured) Merino	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Greasy Crossbred	nom.	nom.
French Cube	nom.	nom.	Cape snow white	nom.	nom.
prompt	nom.	nom.	<b>Indiarubber</b> p. lb.		
Crystallised, West	2 6 9	2 6 9	Plantation, Spot	0 2 3	0 2 3½
India ..	2 6 9	2 6 9	Crepe ..	0 2 3	0 2 3½
Beet, 88% f.o.b.	nom.	nom.	<b>Coal</b> —per ton		
<b>Tea</b> —per lb., duty	s. d. s. d.	s. d. s. d.	Durham, best ..	nom.	nom.
1½ lb.	nom.	nom.	Seconds ..	nom.	nom.
Indian Pekoe ..	nom.	nom.	East Hartlepool ..	nom.	nom.
Broken ..	nom.	nom.	Seconds ..	nom.	nom.
Orange ..	nom.	nom.	Steams, best ..	32 6	32 6
Broken ..	nom.	nom.	Seconds ..	29 6	29 6
Pekoe Souchong	nom.	nom.	<b>Lead</b> —per ton.	£ s. d.	£ s. d.
Ceylon Pekoe ..	nom.	nom.	English Pig. ..	nom.	nom.
Broken ..	nom.	nom.	Foreign soft, net	£ 29½-£ 28½	£ 29½-£ 28½
Orange ..	nom.	nom.	<b>Quicksilver</b> —per		
Broken ..	nom.	nom.	bottle firsthand	nom.	nom.
Pekoe Souchong	nom.	nom.	<b>Tin</b> —per ton		
<b>Cocoa</b> —per cwt., duty 6d. per lb.	s. d. s. d.	s. d. s. d.	English Ingots ..	£ 298-303	£ 310
Trinidad ..	87 0-99 0	87 0-99 0	Do, bars ..	£ 299-304	£ 311
Grenada ..	85 0-98 0	85 0-98 0	Standard cash ..	£ 296½	£ 305
West Africa ..	68 0-77 0	68 0-77 0	Tin Plates, per box	nom.	nom.
Ceylon Plantation	77 0-94 0	77 0-94 0	<b>Copper</b> —per ton.		
Guayaquil Arriba	110½-112½	110½-112½	English, Tough,	nom.	nom.
<b>Coffee</b> —per cwt., duty 42½ per cwt.			per ton ..	nom.	nom.
East India ..	97 0-115 0	100-3 121-6	Best Selected ..	£ 119-£ 123	£ 119-£ 123
Jamaica ..	77 0-151 0	77-0 151-0	Sheets ..	£ 147	£ 147
Costa Rica ..	97 0-118 0	97-0 118-0	Standard ..	£ 110-110½	£ 110-110½
<b>Provisions</b> —			<b>Jute</b> —per ton.		
Butter, per cwt.			Native firsts for	nom.	nom.
Australian finest	252½	252½	shipment	nom.	nom.
Argentine ..	252½	252½	<b>Oils</b> —		
Irish Creameries	nom.	nom.	Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Dutch ditto ..	nom.	nom.	Rape, refined ..	£ 71	£ 71
Russian finest ..	nom.	nom.	crude ..	£ 66	£ 66
Paris baskets ..	nom.	nom.	Cott'n Seed, crude	£ 60	£ 60
Danish finest ..	nom.	nom.	Petroleum, refined	£ 67-£ 95	£ 67-£ 95
Brittany rolls—			Petroleum Oil, per		
doz. lb. ..	nom.	nom.	8 lbs. ..	1½ 3	1½ 3
<b>Bacon</b> —per cwt.			Water White ..	1½ 3	1½ 3
Irish ..	172½	172½	Oil Seeds, Linseed		
Continental ..	171½-172½	171½-172½	Calcutta—per ton		
Canadian ..	171½-172½	171½-172½	Spot ..	29 15 0	29 15 0
American ..	172½-180½	172½-180½	Rape ..	£ 29-10 £ 30	£ 29-10 £ 30
<b>Hams</b> —per cwt.			<b>Iron</b> —per ton		
Irish ..	203½	203½	Cleveland Cash ..	nom.	nom.
Canadian ..	162½-165½	162½-165½	<b>Tobacco</b> —per duty,		
American ..	125½-165½	125½-165½	unmanufactured		
<b>Cheese</b> —per cwt.			7½ to 8½ per lb.		
Dutch ..	129½-160½	129½-160½	Maryland & Ohio	nom.	nom.
Canadian ..	nom.	nom.	per lb. bond ..	0 8-2 1	0 8-2 1
English Cheddar	142½	142½	Virginia leaf ..	0 7-2 11	0 7-2 11
Wilts loaf ..	nom.	nom.	Kentucky leaf ..	2 0-3 0	2 0-3 0
New Zealand ..	nom.	nom.	Latakia ..	1 6-6 6	1 6-6 6
<b>Rice</b> —per cwt.	s. d.	s. d.	Havana ..	nom.	nom.
Japan ..	26 3	26 3	Manila ..	nom.	nom.
Rangoon 2 stars ..	26 3	26 3	Cigars, duty 10/6	2½ upds.	2½ upds.
<b>Eggs</b> —per 120.			<b>Timber</b> —Wood		
English ..	44 0-45 0	44 0-45 0	Pitch Pine ..	300½-400½	300½-400½
Irish ..	38 0-40 0	40 0-42 0	Indian Teak ..	380½-700½	380½-700½
Danish ..	nom.	nom.	<b>Turpentine</b> —		
<b>Spelter</b> —			American Spot ..	nom.	124/6
G.O.B. as to position	nom.	54 0-50 0	<b>Copra</b> —per ton		
<b>Flour</b> —per sack.			Malabar ..	46 0 0	46 0 0
Country Straight	44/3	44/3	Ceylon ..	46 0 0	46 0 0
Runs ex Mill ..	44/3	44/3	F.M.S. Singapore	45 15 0	45 15 0
			F.M. Straits ..	45 10 0	45 10 0

Oats firm. English, 46s. 3d. per 336 lbs.; American white clipped No. 2, 61s. to 62s., landed, per 320 lbs. Barley: English milling, 62s. 9d.; and Californian, 93s., landed, per 448 lbs. Maize continues out of offer, and quite nominal.

**COTTON** (from our Manchester correspondent).—The trade passing in the market during the past week has shown no improvement, and complaints from sellers have tended to increase. The industry as a whole is in a very different position compared with the end of last year, and order lists in both yarn and cloth are distinctly lighter. The lack of confidence in current rates is very pronounced. All our customers seem to be of the opinion that the safest policy to adopt at the moment is to hold aloof. Under the circumstances it is useless for producers to try to force out orders,

and a period of marking time is being experienced. Sentiment in raw cotton circles has been very mixed, and fluctuations in prices have occurred from day to day without there being much change on the week. There are fears of tonnage for our Eastern markets being scarcer than ever during the next few months, and there is apprehension of what may happen if goods at to-day's high prices begin to accumulate in local warehouses. Letters and telegrams from India and China have been featureless, and there are no indications of dealers abroad being more prepared to arrange contracts with Lancashire manufacturers. Not more than a sorting-up business has been done for the minor outlets East and West. In certain kinds of cloth engagements are running down rather rapidly, and before very long makers will be in urgent need of work to go on with. There is not much to complain about as to the situation in home trade circles. Stock lots have commanded a ready sale. In American yarns buying has been confined to small lots to be sent in at once, and users are not at all disposed to purchase for distant delivery. Wefts are getting rather more plentiful. Only a retail trade has been done in shipping counts. Bolton spinnings have been firm in quotation, but fresh business has been restricted.

### American Business Notes.

No sooner had the Government in Washington announced its intention to take complete control of the railways than the howling began. All sorts of objections were raised, and complaints of mismanagement were as abundant as if it had been the Government of Downing Street that was being shied at. And, of course, the danger that threatens after the war was insisted upon. No doubt the American people will take the manifestations as philosophically as we have, on the whole, done here. Government interference is nowhere relished, and has, no doubt, frequently produced delays, wastes, and other vexations, especially during the period of transition, but all this is only to be expected, and the wise submit, while the war lasts.

Mr. Otto H. Kahn, the eminent and loyal German-American citizen of the United States, is ably and loyally assisting his fellow-citizens to understand what they are fighting for. Some of his recently reported utterances are of very high quality indeed. "I do not apologise for, nor am I ashamed of, my German birth," he said in one address delivered at Milwaukee. "But I am ashamed, bitterly and grievously ashamed, of the Germany which stands convicted before the high tribunal of the world's public opinion of having planned and willed war, of the revolting deeds committed in Belgium and northern France, of the infamy of the *Lusitania* murders, of innumerable violations of The Hague Conventions and the law of nations, of abominable and perfidious plotting in friendly countries and shameless abuse of their hospitality, of crime heaped upon crime in hideous defiance of the laws of God and men."

And he went on to disclose something from actual and personal experience of the plottings of the Prussians, who, for a full generation, had endeavoured again and again to bring about a situation that would force war upon the world. "I know from my personal knowledge," Mr. Kahn declared, "the stage was set for war six or seven years ago in connection with the Agadir episode. I know that the Pan-Germans meant to have a footing in South America, and, once there, would have threatened, and had prepared plans to threaten, this very country of ours." He declared further that he knew in 1913 that Austria meant to conquer Serbia, and so informed her then Ally, Italy, believing that she could do so with impunity. "I know also that Austria did not believe that its ultimatum to Serbia in July, 1914, would bring on a serious war."

That is just the gruesome thing about it. Neither Austria nor Prussia ever dreamed that they would range the whole civilised world against them. They saw their chance, as they thought, to execute gigantic schemes of robbery and enrichment by plunder. Their miscalculation is going to prove their ruin. "The spirit of Prussianism and the spirit of Americanism cannot live in the same world," Mr. Kahn declared; "one or the other must conquer. In the mad pride of its contempt for democracy Prussia has thrown down the gauntlet to us." And thankful we are that the great American Republic has picked that gauntlet up, for there can be no question that by this time France and

## PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and February 2, 1918:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Feb. 2, 1918.	Total Receipts into the Exchequer from April 1, 1916, to Feb. 3, 1917.
Balances in Exchequer on April 1—Bank of England ..	£ —	£ 25,209,947	£ 25,111,065
Bank of Ireland ..	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs .....	70,750,000	59,316,000	58,234,000
Excise .....	34,050,000	31,581,000	46,565,000
Estate, &c., Duties .....	29,000,000	26,462,000	25,571,000
Stamps .....	8,000,000	6,504,000	6,277,000
Land Tax .....	—	1,310,000	1,280,000
House Duty .....	2,600,000	—	—
Property and Income Tax and Super Tax .....	224,000,000	129,169,000	106,548,000
Excess Profits Duties, &c. ....	200,000,000	173,390,000	107,067,000
Land Value Duties .....	400,000	479,000	281,000
Post Office .....	33,700,000	27,750,000	27,250,000
Crown Lands .....	600,000	560,000	530,000
Receipts from Sundry Loans, &c. ....	7,500,000	1,925,975	5,154,238
Miscellaneous .....	27,100,000	47,788,713	12,157,044
Revenue .....	638,600,000	506,215,708	396,914,282
Total, including Balance .....	—	532,671,567	422,489,288
OTHER RECEIPTS.		2,120,000	3,130,000
Repayment of Advances for Bullion .....	—	169,818	91,370
Repayment of Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	100,000	210,000
Under Telegraph (Money) Act, 1913 .....	—	68,000	160,000
Under Post Office (London) Railway Act, 1913 .....	—	—	8,814
Under Military Works Acts, 1897 to 1903 .....	—	—	8,000
Under Public Buildings Expenses Act, 1903 .....	—	394,500	74,600
Under Housing Act, 1914 .....	2,390,158,000	1,765,712,000	—
For Treasury Bills (for supply) .....	—	—	3,087,600
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	1,300,000	—
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....	—	—	424
For 4½ per Cent. War Loan, 1925-1945 .....	—	—	34,222,000
For 5 per Cent. Exchequer Bonds, 1919 .....	—	—	84,140,469
For 5 per Cent. Exchequer Bonds, 1920 .....	—	—	64,468,806
For 5 per Cent. Exchequer Bonds, 1921 .....	—	—	82,270,400
For 5 per Cent. Exchequer Bonds, 1922 .....	—	—	48,000
For 6 per Cent. Exchequer Bonds, 1920 .....	—	—	160,831,000
For War Expenditure Certificates .....	—	—	29,878,500
For War Savings Certificates .....	—	41,100,000	47,050,000
For other Debt created under the War Loan Acts, 1914-1917 .....	—	584,086,351	202,650,484
For 4 per Cent. War Loan, 1925-1945, and 5 per Cent. War Loan, 1929-1947 .....	—	166,913,580	—
For National War Bonds .....	—	*323,182,000	—
East Africa Protectorate Loan: Repayments on account of Principal and Interest .....	—	5,940	5,940
Cunard Loan: Repayment on a/c. of Principal .....	—	130,000	130,000
Suez Canal Drawn Shares .....	—	—	10,795
China Indemnity .....	—	—	400,000
Temporary Advances—Ways & Means (including Treasury Bills £345,000,000 in 1916-1917) .....	—	861,103,500	823,703,000
Total .....	—	4,985,82,656	3,640,463,100

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

\*Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Feb. 2, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Feb. 3, 1917.
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	17,000,000	17,006,991	18,003,300
Interest, &c., on War Debt ..	194,500,000	149,518,112	101,927,294
Payments to Local Taxation Accounts, &c. ....	9,700,000	7,083,186	6,977,392
Other Consolidated Fund Services .....	1,695,000	1,508,098	1,699,838
Supply Services .....	2,543,830,000	2,083,205,887	1,614,136,554
Expenditure .....	2,766,725,000	2,248,382,274	1,752,744,376
OTHER ISSUES.		2,320,000	3,350,000
For Advances for Bullion .....	—	—	—
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	169,818	91,370
Under Telegraph (Money) Act, 1913 .....	—	115,000	210,000
Under Post Office (London) Railway Act, 1913 .....	—	95,000	204,000
Under Military Works Acts, 1897 to 1903 .....	—	—	8,008
Under Public Buildings Expenses Act, 1903 .....	—	—	8,000
Under Housing Act, 1914 .....	—	394,500	98,900
For Treasury Bills for Supply .....	—	1,781,586,000	1,583,529,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....	—	1,300,000	—
For War Loans, Exchequer Bonds, &c., under Section 34 of Finance Act, 1917 .....	—	10,783,352	417,785
For other Debt under the War Loan Acts, 1914 to 1917 .....	—	44,376,244	9,651,957
For Depreciation Fund under the Finance Act, 1917 .....	—	29,139,220	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908 .....	—	10,000	84,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) .....	—	80,000	53,160
Old Sinking Funds, 1911-12 and 1913-14, issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914 .....	—	949,000	250,000
East Africa Protectorate Loan Repayments—Issued to reduce Debt under the Finance Act, 1911 .....	—	5,940	5,940
Cunard Loan Repayments—Issued to reduce Debt under the Cunard Agreement (Money) Act, 1904 .....	—	130,000	130,000
Suez Canal Drawn Shares—Issued to reduce Debt under the Finance Act, 1898 .....	—	—	10,795
China Indemnity—Issued to reduce Debt under the Finance Act, 1906 .....	—	—	400,000
Temporary Advances repaid—Ways and Means (including Treasury Bills £344,696,000 in 1916-17) .....	—	840,849,000	462,489,000
	Feb. 2.	Feb. 3.	
Balances in Exchequer—	£	£	
Bank of England .....	13,102,606	21,503,241	
Bank of Ireland .....	2,093,702	2,129,966	
Total .....	4,985,821,656	3,640,463,100	

MEMO.—Treasury Bills outstanding on Feb. 2, 1918 ..... £1,072,751,000.

\* Includes £482,000, the proceeds of which were not carried to the Exchequer within the period of the account, besides an amount (not yet ascertained and brought to account) for Bills tendered as subscription to National War Bonds.

ourselves, together with Italy, deprived of the co-operation of Russia, would have been in grievous straits but for American help.

Coal shipments from the United States, Fuel Administrator Garfield has announced, will be limited strictly to shipments for war purposes and those necessary to be sent in exchange for commodities urgently needed in the United States. In no case will exports be permitted to equal in volume those of last year. All shipments, moreover, must be subject to the approval of the War Trade Board, which will supervise all contracts and make allotments.

The usual exhibit of the stock of money in the United States on January 1 of this year discloses remarkable changes compared with twelve months before. Gold coin in circulation has risen to \$972,561,000 compared with \$679,703,000 at the beginning of 1917, but gold certificates have fallen from \$1,660,030,000 to \$1,096,861,000. Silver certificates remain about the same, but there is an increase of nearly \$930,000,000 in the amount of Federal Bank notes outstanding, the total on the first of last month having risen to \$1,227,243,190. There is a further decline in the National Bank notes, but the total is still \$704,920,000, or barely \$4,000,000 less than a year ago, and the decline in the "greenbacks" outstanding is barely \$3,500,000. Altogether, however, the money in circulation has risen by about \$680,000,000 during the year to a total of \$5,120,425,000. As the population of the continental United States is estimated at 105,006,000, this represents per head a circulation of \$48.76.

We are glad to have Mr. Daniels', head of the American Navy, assurances that "the United States and its Allies are winning against the submarines." He

added, "we are having our ups and downs, but the fight is being won." And on the heels of this assurance came the torpedoing of the transport *Tuscania*, an Anchor Line vessel of 14,384 tons, carrying American troops. Happily only 210 were lost out of a total of 2,397 on board, and this is the first transport lost. We hope it may be the last, but the submarine is not yet vanquished, and sinking transports is permissible warfare.

## Notes on Books.

*Stock Exchange Year-Book.* Thos. Skinner and Co., Gresham House, Old Broad Street. Price 35s. nett.

We have before us the second issue of the "Stock Exchange Year-Book"—the first, unfortunately, has got lost or mislaid. It is a modest little volume, dated 1876, and contains 260 pages, while the preface tells us that "the first issue comprised information relating to investments representing the vast sum of nearly four thousand and a-half millions sterling, and yet many companies and stocks were omitted. Upwards of three hundred companies have been added, and the number is now as nearly as possible double the number quoted in the London Stock Exchange." Even in these far-off days, and with such modest beginnings, the Year-Book proved indispensable to dealers in stocks and shares, and the publication has now reached its forty-fourth year of issue. The body of the work occupies 2,344 pages, against 2,286 pages last year, in addition to the index and preface, and it is an infallible reservoir of information about nearly every concern whose securities are dealt in on the Stock Exchange. In several respects we prefer it to the bulkier "Official Intelligence," as it frequently goes more fully into the history of company and other securities. It is mentioned in the preface that at the end of April last there were 66,130 companies in existence, with a total capital of 2,738 millions, as against 64,690 companies, with a capital of 2,532 millions, in April, 1914. Last year the death rate was very high, 4,066 companies disappearing, as compared with 3,114 in 1913-14.

## DIVIDENDS ANNOUNCED.

Arthur Guinness, Son and Co.—Interim of 6 per cent. on the ordinary stock, being at rate of 12 per cent. per annum, free of tax, the same as a year ago.

Bristol Gas Co.—For the half-year ended Dec. 31 at the rate of 5 per cent. per annum on the nominal capital entitled to dividend.

Bisichi Tin Co. (Nigeria).—Interim of 5 per cent., less tax.

Bambrakelly (Ceylon) Tea and Rubber Co.—Interim of 5 per cent. (actual) for year ending Mar. 31, 1918, payable Feb. 12, less tax.

Barry Railway Co.—For the past half-year at the rate of 9½ per cent. per annum, with £6,807 forward.

Broken Hill Proprietary Block 10 Co.—(No. 112) 1s. per share, less tax, payable Mar. 6, the same as a year ago.

Cardiff Railway Co.—For year ended Dec. 31 of 1½ per cent. on the ordinary shares.

City and South London Railway.—For the six months ended Dec. 31 of ½ per cent., making 1½ per cent. for 1917. The sum of £21,265 is carried forward.

Cornwall Tailings Co.—1s. per share, less tax, payable Feb. 28, the same as a year ago.

Consolidated Main Reef Mines and Estate.—(No. 19) for the six months ended Dec. 31 at the rate of 5 per cent. (1s. per share) on shares numbered from 1 to 924,304 inclusive, and at rate of 2½ per cent. (6d. per share) on shares numbered from 924,305 to 1,247,602 inclusive.

Central London Railway Co.—For the six months ended Dec. 31 on deferred ordinary stock for year of 3 per cent. £11,147 is carried forward.

Carreras, Ltd.—At the rate of 12 per cent. per annum for half-year, making 10 per cent. for year ended Oct. 31, the same as for the preceding 12 months; £25,000 to reserve; forward, £44,227.

Clarkson's Old Brewery, Barnsley.—Interim of 10s. per share on the ordinary, free of tax.

Delhi, Umballa, Kalka Railway Co.—Final for year ended Sept. 30 of 4 per cent., together with a bonus of 3 per cent. on ordinary stock, making a total payment of 12 per cent. per annum, against 10 per cent. payable less tax, at 3s. 9d. in the £, on Feb. 25.

Exploration Company.—5 per cent., or 6d. per share, free of tax, against 1s. a share a year ago.

Furness Railway.—At rate of 2½ per cent. for half-year ended December 31 on the ordinary stock, making, with interim, 2½ per cent. per annum, compared with 2¼ per cent. for previous year. £7,492 to reserve, £11,091 forward.

Guest, Keen, and Nettlefolds.—Interim for six months ended Dec. 31 of 1s. per share on ordinary shares, free of tax, to be paid on Feb. 26; the same as a year ago.

Henry Bessemer and Co.—Further 12½ per cent. for year on ordinary shares, making 15 per cent., less tax, for the year, against 12½ per cent.

Humphreys (Limited), Knightsbridge.—10 per cent. per annum on ordinary shares for the year ended Nov. 30.

Hull and Barnsley Railway Company.—Interim of 1 per cent. absorbed £33,000; final 2½ per cent., against 2½ per cent., making 3½ per cent. for year, against 3 per cent.

Isle of Wight Railway Company.—Final on ordinary stocks of 2 per cent. on preferred and 1½ per cent. on the deferred converted ordinary, making for the whole year 4 per cent. on the preferred and 2½ per cent. on the deferred converted ordinary, the same as in 1916.

Lancashire Shipping Company.—Final 20 per cent., making 30 per cent. for the year. This is the same as a year ago.

London, Brighton and South Coast Railway.—£3 17s. 6d. per cent. for past half-year on undivided ordinary stock, making £5 per cent. for the year 1917, the same as for 1916; £3 15s. per cent. for half-year on preferred ordinary stock, making maximum 6 per cent. for the whole year, and £4 per cent. for year 1917 on deferred ordinary stock, the same as for 1916, leaving about £33,684 to be carried forward, as compared with £30,128.

London Electric Railway Company.—¾ per cent. for six months ended Dec. 31, making 1½ per cent. for 1917.

London and South-Western Railway.—¾ per cent., making 5½ per cent. for year, the same as for 1916.

London General Omnibus Company.—¾ per cent. on ordinary shares for six months ended Dec. 31, making 7 per cent. in all.

Merchants' Marine Insurance Company.—3s. 9d. per share, free of tax, making 12½ per cent. for the year 1917, the same as for 1916.

Metropolitan District Railway Company.—For the six months ended Dec. 31 on the 5 per cent. second preference stock for the six months ended Dec. 31 of 1½ per cent., making 3 per cent. for the year.

Midland Railway Company.—At the rate of 2½ per cent. on preferred ordinary, and 4 per cent. on the deferred, the same as a year ago.

Miller, Rayner, and Haysom.—Interim of 3 per cent. on the ordinary shares.

Mount Morgan Gold Mining Company.—No. 272 of 1s. per share, less tax, payable March 1.

Padang Jawa Rubber Estate.—Interim of 6½ per cent. (1½d. per share) actual, on account of the year ending March 31, the same as a year ago.

Read Brothers.—Final 6 per cent. on ordinary shares, and, as on previous occasions, a bonus of 2 per cent. on both classes of shares (making for whole year 7 per cent. on preference and 12 per cent. on ordinary shares), less tax.

Rhymney Railway.—At rate of 5 per cent. on ordinary stock for the half-year to Dec. 31, forward £2,998.

St. James's and Pall Mall Electric Light Co.—5s. 6d. per share on ordinary shares for half-year ended Dec. 31, making with interim a total distribution of 9 per cent. for the year, against 8 per cent. for 1916.

Telegraph Construction and Maintenance Co.—The directors propose to distribute, in addition to interim of 5 per cent. paid in July, a further dividend of 10 per cent., together with a bonus of 12s. per share.

Tottenham District Light, Heat and Power Co.—At rate of 5½ per cent. per annum on the "A" stock and 4 per cent. per annum on the "B" stock in respect of half-year ended Dec. 31. The dividends for corresponding period were at rate of 5 per cent. per annum on the "A" and 3½ per cent. per annum on the "B" stocks.

Underground Electric Railways Co. of London.—Final 2 per cent., free of tax, on 6 per cent. income bonds of 1948 for the half-year ended Dec. 31, making 4 per cent., free of tax, for the year 1917.

United Serdang (Sumatra) Rubber Plantations.—Final for year ended August 31 at the rate of 20 per cent., less tax, against 15 per cent.

Vale of Glamorgan Railway.—At rate of 4½ per cent. per annum, with £192 forward, against £286 a year ago, when the dividend was at same rate.

Westminster Electric Supply Corporation.—Final at rate of 10 per cent. per annum for half-year ended Dec. 31, making 9 per cent. for the year, as compared with 7 per cent. for 1916.

## Answers to Correspondents.

**\* A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.**

**Deposits against future queries may be lodged with the Publisher.**

W. G.—(1) *Capital*. An excellent Calcutta weekly, and obtainable from Messrs. Grindlay and Co., 54, Parliament Street, S.W. (2) A fine property, but shares seem too dear for present investment. (3) We doubt it. Outlook too obscure. (4) Labour shortage and absence of demand at ports. Wait a bit.

C. J. C.—(1) A well-managed concern, and we see no objection to holding them. (2) Also quite good to keep.

H. H. M.—(1) The dividend is slightly better, and price should creep up a little. (2) The country is slowly settling down, and with more stable government the bonds would improve rapidly. Unless you have something in view with more certainty of a quick rise it seems a pity to sell either of these stocks.

S. L. W.—We do not think any of them are worth buying for a rise.

J. G. R.—Quite a fair speculative purchase if you are prepared to wait. Meanwhile they give a fair return.

Tree.—We do not like either of them. The information about them is too vague.

E. V. A.—Yes, quite a good idea.

## OILFIELDS' PRODUCTION.

Ural Caspian Oil.—Total for week to Jan. 17, 2,121 tons.

The seventh War Loan of the Hohenzollern Empire seems to have been almost as unpopular as the Hungarian one, although it is, of course, boasted about as another great success. The proof of success lies in the extent of the popular support, and it is said that subscriptions below £100 provided in all less than £75,000,000, although the number of small subscribers is artificially raised in Germany by commandeering the savings of young workmen. Not only did the amount subscribed by the working classes turn out to be small, only about 12 per cent. of the total, but the number of subscribers of all descriptions fell off seriously, were, in fact, 1,500,000 fewer than those for the previous loan.

Wax from Sugar-Cane.—Wax for some time past has formed one of the by-products of the sugar industry in Natal, and its manufacture is now making very active progress. The process (which is patented) is somewhat intricate, but the treatment applied to an otherwise waste product (filter press cake from the sugar factories) results in the production of a very fine, hard, vegetable wax, practically equal in value to Carnauba and beeswax, with which latter it is chemically almost identical. The wax has a high melting point, and takes a very high polish. About 250 tons of this wax have been shipped to London during the past two years, and the demand appears to be unlimited.

## Tea, Oil and Rubber.

There is a grim sort of humour about the proposals for restricting the production of rubber by 20 per cent. all round that must appeal to everybody except those dour Scotchmen who manage most of the best plantations. Of course, the writ of the Rubber Growers' Association has scarcely yet started to run, but glancing through the January outputs it is decidedly amusing to find that the subsidiaries of the Rubber Plantations Investment Trust much more than doubled their yield. Bah Lias turned out 64,250 lbs. against 17,300, Badjoe Kidoel was well over the double mark at 62,000 lbs., Djasinga got 60,000 lbs. against 33,670, the Emerald 63,500 lbs. against 42,500, and the Johore 119,000 lbs. against 63,000. Of course, it is quite possible that all these yields might have been increased by 20 per cent. or even much more, but the superficial observer may be forgiven if he fails to catch the point. And in spite of the shortage of shipping facilities, the arrivals last week were 676 tons, or just 100 tons more than consumers required to be delivered, so that the statistical position is not visibly improving.

Under these circumstances it is not very surprising that the market for the commodity shows little elasticity. The price for standard crêpe hovers around 2s. 3d.—sometimes  $\frac{1}{2}$ d. or so more—but the good old day of 4s. and 5s. seem a long way off, however the manipulators may try to put a better complexion on things. There is a theory that the recent weakness is due to the fact that German purchases were made on a large scale in the United States before the latter joined the Allies, and that these have since had to be liquidated. There may be some truth in the statement—we have no means of checking it one way or the other—but with German finances in the condition that must be obvious to anyone who looks into the matter, it is difficult to believe that even if the story is true, it could have the effect that is pretended in some quarters. We should say that the much more simple explanation is that production is considerably exceeding the estimates, and that the bulls are becoming increasingly nervous.

The Tea Brokers' Association, in its monthly report, takes a rather unfavourable view of the position, and in the course of its comments says that the changes of the past month in the tea market are a record of the general endeavour made to adjust the well-established methods of an old business to the exigencies of the situation. The unavoidable diversion of much tea to ports that had only very limited facilities for handling has added to the difficulties of distribution; strenuous efforts are, however, being made in all quarters to get the new system into working order. We are hopeful that the increasing supplies will, so far as tea is concerned, save us from the misfortune of rationing. The

imports at various ports have been fairly large during the past month. The increasing shortage of transport and labour are, however, rendering the handling and removal of arrivals difficult; the distribution of the tea from the ship to the consumer is consequently a somewhat protracted business. It is, however, satisfactory that our depleted supply is being replenished, and we expect that the retail position will now gradually improve. It must at the same time be borne in mind that as both the wholesale trade and the shopkeepers are working on practically zero stocks, the available weekly supply will be quickly absorbed by the consumer.

It has taken the British Burmah Petroleum Co., Ltd., quite a time to get home, but circumstances have favoured it recently, and it has done surprisingly well in the past year. To July 31 last gross profits were £41,000 up at close on £300,000, out of which charges absorbed £39,500, and debenture interest £36,000, while £72,750 was set aside for depreciation. The balance is £151,000, which allows of a dividend of 2 2-5d. on the ordinary shares, while £15,000 has been placed to reserve, £25,740 is set aside for depreciation, £15,000 to commission account, and £45,000 is carried forward. The company has had a long row to hoe before it came anywhere near justifying its existence, but it looks now as though it would prove a most profitable concern when it gets properly established. We know from what the great Burmah Oil Co. has done that there must be a big field for any other concern operating in the same district, and it is not unreasonable to suppose that the British Burmah will ultimately justify its existence.

## The Week in Mines.

Business in the Mining Markets this week has been quite satisfactory, and movements in prices have generally been in favour of holders. Much of the activity, however, has been in the more speculative descriptions, and there are distinct signs of professional attempts to put life into shares of properties that have lain dormant for years, and the danger to the public of participating in these movements is quite obvious. Investors would do well to leave these shares severely alone.

### SOUTH AND WEST AFRICANS.

A prominent feature in the South African market has been the weakness of Brakpans, which fell to 5½, on the quarterly report showing an increase of 214,000 tons in the ore reserves during 1917, but a decrease of 39,000 tons in the second half of the year. This decrease is due to the elimination of certain large blocks of low-grade ore which have hitherto been considered payable, but are no longer so at the present abnormally high costs of working. Heavy rains have put a stop to development work on the Daggafontein property, and the shares have fallen 3-32 to 1½. Other members of the C.M.S. group have weakened in sympathy. On the other hand, New Modderfonteins have risen ½ to 23½, Central Minings to 6½, Gold Mines Investments 1s. 3d. to 18s. 3d., Mozambique 1s. 6d. to 17s. 6d., and Modder Leases ½ to 3 25-32. Profit-taking has caused a reaction in Rhodesian shares; Lonely Reefs have relapsed 1s. to 37½, Falcons 1s. 9d. to 27s. 3d., and Garkas ½ to 1½. Tanganyikas, however, have improved to 3 19-32. In the Diamond section, De Beers Deferreds have declined ½ to 12½. A number of low-priced West Africans have been galvanised into life, but they should be left alone by outsiders. Gold Coast Amalgamateds, however, have risen 1s. 3d. to 19s.

### COPPER AND MISCELLANEOUS.

Copper shares have been in request. Rio Tintos have risen ½ to 64½, and Hampdens at 32s., Mount Lyells at 27s. and Arizonas at 27½ are firmer. Tin shares have been actively supported, partly on account of the rise in the metal to over £300 a ton. Dolcoaths and South Crofts have been buoyant on the former's acquisition of the Tehidy estate, and on the latter's reported cutting of the East Pool lode; the former has risen 1s. 9d. to 13s. 6d. ex rights, and the latter is 4s. 3d. higher at 32s. Renongs at 2½, Mongus at 15s. 6d., and Geevours at 19s. 3d. are all appreciably higher. Good support, chiefly on Colonial account, has been forthcoming for Broken Hills. Norths have risen 2s. to 59s. 6d., South Silvers ½ to 10½, Block Tens 1s. 9d. to 28s. 3d., and Zinc Prefs. 1s. 3d. to 54s. 3d. Among Westralians, Ivanhooes have risen ½ to 2½, on favourable news from the mine, and Chillagoes have been actively dealt in again at about 1s. 3d.; the report showing an increase in the debit balance from £90,069 to £133,309 suggests no reason why the shares should be bought. In the American group, Casey Cobalts have risen 9d. to 7s., and New Chuquibambos 7-32 to 19-32. Russian shares have improved somewhat, and Indian shares have been in request, including Nundydroogs at 26s., Balaghats at 4s. 3d., and Burmas at 4½.

*Eat less  
Bread*

## MINING NEWS.

**RHODESIAN MINERAL OUTPUT.**—The production of gold in December was £270,616, a decrease of £37,589. The year's total shows a decrease of £399,958 on the same month of last year. The following table shows the production since January, 1913:—

MONTH.	1913.	1914.	1915.	1916.	1917.
January .....	220,776	249,032	293,133	318,586	296,113
February .....	208,744	259,888	286,789	313,769	289,734
March .....	257,797	273,236	299,686	335,368	300,183
April .....	241,098	295,907	315,541	339,386	297,977
May .....	242,452	290,062	318,898	323,783	299,271
June .....	241,303	306,421	322,473	333,070	302,195
July .....	249,301	320,670	336,565	322,365	288,731
August .....	250,576	316,972	344,493	338,001	294,359
September .....	250,429	309,398	321,085	322,035	291,367
October .....	247,068	337,241	339,967	325,608	289,978
November .....	239,036	311,711	313,160	317,135	275,830
December .....	254,687	309,669	331,376	306,205	270,616
Totals..	2,903,267	3,580,207	3,823,166	3,895,311	3,495,353

The number of producers was 192, or 17 more than in November, and the output of other metals was 18,577 ounces of silver, 50,809 tons of coal, 332 tons of copper, 493 tons of asbestos, and 19 carats of diamonds.

**SPRINGS MINES.**—The report for the December quarter shows that the working profit for the year was £266,117, and the nett profit £260,386. No allowance has been made for taxation in arriving at these figures. Reserves of ore have been increased by 783,000 tons to 2,567,000 tons, valued at 9.8 dwts. over 58 inches.

**BRAKPAN.**—For the year ended December 31 the working profit was £484,951, and the nett profit £474,003, which compare with £413,226 and £402,908 respectively for 1916. No allowance has been made in these figures for taxation or percentage of profits payable in connection with the acquisition of the Brakpan lease and Schapenrust claims. Reserves of ore have been increased by 214,000 tons to 3,268,000 tons, valued at 9.2 dwts. over 67 in. The extension of the reduction plant from 60,000 to 75,000 tons monthly has been completed. The capital has been increased during the quarter by £130,500 to £786,100.

**ALASKA GOLDFIELDS.**—The report for 1917 shows that the amount of dividends received during the year was £5,401, as against £6,514. No dividend has yet been paid on the common shares of the Northern Commercial Co., but the business of that company continues to be most satisfactory, and if normal conditions had prevailed a substantial dividend might have been expected. The Northern Navigation Co. has now redeemed at par the remaining 11,214 preferred shares of \$5 each held by the Alaska Goldfields. It is, therefore, proposed to distribute the surplus capital in hand by returning 1s. per share to the shareholders. This will involve a reduction in the capital from £202,500 to £187,500, the nominal value of each share being lowered from 13s. 6d. to 12s. 6d.

**FALCON MINES.**—The full report, issued this week, shows that during the year ended June 30 the outstanding debenture debt was reduced by £29,303 to £238,038. The ore reserves were increased from 862,066 tons to 904,122 tons, but at September 30 last the total was reduced to 859,026 tons, valued at 66s. 7d. per ton. There were treated 203,049 tons of ore, which yielded 3,414 tons of copper, 35,247 ozs. of gold, and 70,876 ozs. of silver, valued at 548,144, or 54s. per ton. Working costs averaged 35s. 5d. per ton, an increase of 4s. 9d. per ton, and the mine profit was £188,443, or 18s. 6d. per ton. In the first quarter of the current year a working profit of £45,806 was made. Operations resulted in a profit of £194,266, and a nett profit of £176,137, an increase of £41,871. The dividend of 20 per cent. absorbs £80,000, and £106,894, against £40,758, is carried forward, subject to excess profits duty.

## What Balance Sheets Tell.

## NORTHAMPTONSHIRE UNION BANK, LTD.

Results for the past year were very similar to those of 1916. Nett profits were £1,600 higher, but the amount brought in was smaller, and the divisible balance is almost identical at £80,970. After again paying two dividends of 15s. each, £10,000 against £20,000 is set aside as investment reserve, and the carry forward is increased by £10,000 to £16,970. Deposit and current accounts are £560,000 higher at £4,758,000, and cash is up £102,000 at £641,000, while investments have increased £200,000 to £2,742,000, and loans, &c., £239,000 to £2,050,000.

## YORKSHIRE PENNY BANK, LTD.

It is not surprising that a bank of this description should find its deposit accounts somewhat reduced, as its customers have no doubt put large amounts into the various forms of War Loans. Consequently we find liabilities to the public reduced by £662,000 to £19,124,000. Cash in hand and at short notice, together with Treasury bills, are £140,000 down at £6,530,000, investments are £220,000 lower at £6,627,000, and loans £280,000 at £5,760,000, but securities repayable within one year are £20,000 higher at £1,256,000.

## BRISTOL BREWERY GEORGES AND CO., LTD.

This fine old business, which came through the times of brewery adversity almost unscathed, has naturally done well in the past year. Nett profits amounted to £120,000, an increase of £18,000, and £10,000 more was brought in, so that the directors are able to raise the dividend from 11 per cent. to 15 per cent., and to increase the carry forward by £15,000 to £69,780. Moreover, while £6,000 less at £10,000 is written off for depreciation of licensed houses, £10,000 is placed to general reserve, and £5,000 to dividend reserve, in addition to the usual £4,000 written off brewery premises. Since the formation of the company, £245,780 in all has been written off brewery premises and £224,450 off licensed houses, so that the position of the company is a particularly strong one in this respect. During the year the business of John Arnold and Sons, Wickwar, Gloucestershire, with about 40 licensed houses, has been acquired, and should prove an important addition to the trade of the company.

## COMPANY MEETINGS.

## WEST YORKSHIRE BANK.

## ANNUAL MEETING.

## MR. J. H. HOWARTH'S REVIEW.

## SHOULDER TO SHOULDER THE MOTTO.

The eighty-eighth annual general meeting of the West Yorkshire Bank, Ltd., was held at the Literary and Philosophical Society's Rooms, Harrison Road, Halifax, on January 30, when Mr. J. H. Howarth (the chairman of directors) presided over a nice attendance of shareholders, and was supported by the following directors:—Mr. Gamaliel Sutcliffe, Mr. William Foster, Mr. Robert Whitworth, Mr. Joseph Blamires, Mr. Joseph Henry Kaye, and Mr. John Herbert Lacy Baldwin.

## THE CHAIRMAN'S REVIEW.

The Chairman, in moving the adoption of the report and balance-sheet, particulars from which had been published previously, said: We meet once more with the war still in progress. Talking about it is useless. What is useful and necessary is that everybody should do their share of the work that lies immediately to their hand, and stand shoulder to shoulder. Until there are clearer signs that Germany has changed her view, and ceased to dream that her place in the sun, which she was doing so well in securing by peaceful if underhand methods, can be captured by force and robbery, so long must we go on, whatever the cost. At present there are no such signs, and the Allied Powers have said the last word; have said it with singular clearness and unanimity, and in terms plain and unmistakable.

Deplorable as is the result of the struggle in blood and treasure to everybody engaged in it, the end is not in sight until we have some clearer means of knowing that Germany thinks the game is not worth the candle.

## A YEAR OF CONTROL.

The year 1917 will be remembered, and as well in West Yorkshire as anywhere, as the year of control; the year in which Government (having found it necessary in the national interest to step in to control firms, companies, and whole industries, both as to what raw materials they could or could not have, and what they were to do with what they got) proceeded to develop and complete the system. This development meant a vast change—altered conditions in all directions under which trade could be carried on, threw traders into uncertainty and perplexity as to how and where they stood, and altogether brought confusion. As the centre of the wool trade in the raw, and of the woollen and worsted trades generally, this area has borne the brunt. Control meant establishing numbers of new Government Departments, and extending old ones beyond recognition.

## CONFUSION INEVITABLE.

Confusion was inevitable. Government, in dealing with this immense business, was, through departmental officials, forced to step upon unfamiliar ground. Theory and practice, ideals and experience, came into opposition. It was a natural temptation to theory to suppose it could invent and impose the best methods of dealing with any and every kind of problem, and it was certain practice would be sure that theory (inexperienced) could not. Theory had been thrown into the field in a hurry; practice had spent its life and experience at the job. The effect was that in some official quarters it was a temptation to endeavour to control by compulsion rather than by consent, and trade was rather grudgingly taken into counsel. Nobody really objected to control or disputed its necessity, nor its usefulness. Trade felt that in affecting control some tension and friction and great perplexity might have been saved.

## THE HELP OF THE BANKS.

Through this time of difficulty the banks have had to steer, and, I think the general public will concede, have helped generously, and their action greatly relieved the situation. Altogether things have smoothed out, and come through fairly well.

The future promises to work better for each side. Controllers and controlled have learned much by their respective experiences. The Government is showing a gratifying willingness to take commerce into council, and in a degree as never before are proving anxious to know what trade has to say. The value of this fact in the arrangements and schemes which are under consideration for what is to be done after the war justifies confidence in good results being secured. The work of certain persons who have been called into public positions, and placed their practical experience and knowledge at the disposal of the country, has been of the utmost value, and that must be unhesitatingly acknowledged.

#### RECONSTRUCTION PROBLEMS.

Further, when we consider what has been done in production of all kinds, the organisation and adaptability required to produce it, we need not fear our power to deal with reconstruction and such problems as face us after the war. Generally those problems are well understood and foreseen, and preparations are being made beforehand for their solution.

#### THE MOTTO.

Shoulder to shoulder is the motto, and combination the word. Combination in ideals and methods rather than individualism, and combination between capital and labour as to production. Production unrestricted, and for which labour will be adequately paid. When the war is over the energies of the nation, which are now expended in producing all that is required for the armies, will be turned towards peaceful pursuits. Then production will be an all-important factor, and will form a question for agreed settlement between the masters and the employed.

#### THE IMPORTANCE OF PRODUCTION.

The more this country can produce the better, and the sooner will the burden of debt accumulated by the war be dealt with. What has been done through the stimulus of the war forms a good instance of the producing power of the country, and what can be done where employer and employed are in good working relationship. We expect soon to have a visit from a Tank, which we hope may be a great success.

The support of the war by continuous subscription is the best method of financing it, and much better than resorting to special loans from time to time.

#### THE STAFF AND THE SERVICES.

We shall to-day wish to express our sense of gratitude to those of the staff who have nobly gone to the front and fought for their King and country, and especially to those who have given their lives in the service. Ninety-seven members of the staff have joined the Forces. Five have lost their lives, 26 have been wounded, three have been discharged, one is a prisoner in Germany, one has been awarded the Military Cross, two have been awarded the Military Medal, one has been mentioned in despatches, and 24 have received commissions, including three made captain.

#### A TRIBUTE TO THE WOMEN.

Generally, the war depletion of the staff has placed us in great difficulty. The work has been continuous and stressful, and has been carried on almost at breaking point. The staff has been most loyal, and the female portion has been very successful.

#### THE FINANCIAL STORY.

Referring to the balance-sheet in detail, the Chairman said: On the liabilities side the capital is £400,000, and the reserve fund stood at £350,000. This year stands out as the first in a long series when the bank has not had to provide a large sum to meet depreciation in securities. Now, out of the substantially increased profits of the year, we are able to set aside a sum of £30,000 to the reserve fund, making it £380,000. The amount due on current accounts, deposits, &c., is £10,175,000, or £1,962,000 more than last year. Acceptances on behalf of customers stand at quite a small sum—£9,000—occasioned, of course, by restrictions owing to the war. On the assets side, cash on hand and at call is £2,140,000, an increase of £387,000 on last year. In British Government Treasury bills we hold £1,600,000, an increase of £1,050,000. Commercial bills of exchange, owing to the war and restrictions in trade in many directions, are scarcer, being £201,000 less than last year.

#### A WISE WORD.

If war experiences have the effect of breaking the habit in the textile trades of Yorkshire of long-dating forward of invoices, and taking three or four months' bills on top of that, it would be an advantage and lessen trade risks. Even the best are safer to trust for six weeks than for six months. There is less time for things to happen.

The amount invested in War Loans and other British Government securities, at £1,759,000, and also in Colonial Government, English railway debentures, and other stocks, at £330,000, are about the same as last year. Advances on current accounts, loans, &c., are £4,375,000, an increase of £782,000. Of this increase £435,000 is the amount still outstanding of the sum advanced to customers to buy the War Loan of early 1917.

#### PROFIT AND LOSS ACCOUNT.

The activity in banking business generally, and the increase in values affecting turnovers, have resulted in a larger profit. After providing for bad and doubtful debts, the profit amounts to £91,702, as compared with £75,806. With £11,384 brought forward, the disposable amount is £102,086. We paid an interim dividend to June 30 last of 10s. 8d. per share, absorbing £21,333 6s. 8d., less income-tax, and now propose a further dividend of 16s. per share, absorbing £32,000, less tax, being together at the rate of 13 1-3 per cent. per annum, to add £30,000 to reserve fund, and carry forward to next account £18,573.

The motion was seconded by Mr. Gamaliel Sutcliffe, who said that during its long history the bank had passed through periods of good and bad trades, but never had such a crisis as the present been experienced, and, therefore, they could congratulate themselves upon the balance-sheet submitted to them. This was not the time for self-confidence, but he ventured to say that whatever happened the West Yorkshire Bank would not be behind in taking advantage of the new state of affairs which would appear after the war, and the first object of the directors would be to encourage and support their customers to the best advantage.

Sir Frederick Whitley Thomson moved that thanks be given to the directors, whom he assured of the shareholders' heartfelt gratitude for the splendid services they had rendered. They were proud that the bank had made such a substantial profit, and that the dividend was substantial also. Commenting on trading matters generally, he said that English trade with Russia was much less than it ought to be, and it was up to traders to see that when the Russian markets were opened up through the new turn of events, this country got its fair share of the enormous trade which was sure to come from that country. Traders would seek the generous help of the bank. He noticed that a Trade Bank had been opened, but personally he would prefer to go to his own bank rather than an institution in London. It was only by extending the country's trade that the people of this country would be able to bear the enormous burden of the war. He condemned the suggested conscription of wealth, which would be like killing the goose which laid the golden egg, and welcomed the increasing co-operation and co-ordination arising between capital and labour.

The Mayor (Alderman Howard Clay), in seconding, said a feature of the present times was that most institutions were being subjected to somewhat severe criticism, and the banking system of the country had not escaped. The charge levelled against it was that in the past it had tended to take a somewhat narrow view of its position in the community, and overlooked its vital connection with the commerce of the country; but the directors of the West Yorks Bank were certainly exempt from that criticism. They had given necessary assistance to traders to help them to overcome the difficulties of the time. In conclusion, he said it had been stated that a Tank bank was to visit Halifax, but no definite information had been obtained yet. When the authorities did make up their minds, he hoped they would give reasonable notice to the town, so that preparations could be made.

The motion was carried and responded to by Mr. J. H. L. Baldwin, who expressed the feeling of the directors that they had a tower of strength in Mr. Howarth at the head of the bank.

Mr. E. J. Crossley moved the re-election of the retiring directors, Mr. Gamaliel Sutcliffe, Mr. William Foster, and Mr. Joseph Blamires, and mentioned that the first-named had occupied the position for 29 or 30 years. In emphasising Sir Frederick's criticism of the confiscation of wealth, he said he generally traced such advocacy to people of German origin or interests, or to people who were unthinking or were very little Englishers.

Mr. J. Bairstow seconded the motion, which was carried.

Mr. Blamires, responding, said the directors worked with the feeling that they were managing their own business.

The auditors, Messrs. B. and E. Musgrave, of Bradford, were re-elected, on the motion of Mr. J. F. Hirst, seconded by Mr. Greenwood Stirk, and thanks were accorded to the staff, the vote being moved by Mr. Frederick Holroyd, and seconded by Mr. Robert Whitworth. Mr. V. W. Wanklyn responded, and mentioned the interesting fact that 95 girls were employed and doing very well.

Mr. R. Maude moved, and Mr. Frank Sykes seconded, thanks to the chairman, and the passing of the motion concluded the business.

## LONDON AND LIVERPOOL BANK OF COMMERCE.

#### SUCCESSFUL RESULTS.

The 30th ordinary general meeting of the London and Liverpool Bank of Commerce, Ltd., was held on the 7th instant, at the offices, 34, Old Broad Street, London, the Lord Ritchie of Dundee, chairman of the bank, presiding.

The Secretary (Mr. H. Hopkins) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—Those of you who may have compared the balance-sheet with that of the previous year will have noticed that there is very little difference between the

figures. On the liabilities side our acceptances, including advances under the Government scheme, amount to £1,711,000, or about £100,000 more than last year, while on the other side we again show large liquid assets in the form of cash, money at call and short notice, and British Treasury bills, amounting to a total of £477,469, against £468,768. Investments which, with the exception of War Loan, are taken at or below the market prices ruling on December 31, are up by £36,000, which is entirely accounted for by our increased holding of British Government securities. Our current acceptances are of the usual character, and are employed exclusively and directly in financing the movement of commodities. There are no so-called financial drafts amongst them. They are, of course, small as compared to our acceptances in pre-war days, but in view of what is going on all over the world, I think it is surprising that they are not even smaller.

#### TRADERS AND GOVERNMENT CONTROL.

Consider what is happening in this country. The Government controls every article of importance. They have either taken the trade out of the hands of the traders or are controlling it through them. Their method of financing the movement of the controlled article is entirely different. Firms that were carrying on an active and lucrative business before the war find themselves with nothing to do, or forced to conduct their business by unnatural methods. They are certainly not profiteers—there are far fewer profiteers about than some of the newspapers would lead us to suppose. On the contrary, they have suffered through State control, but have loyally subordinated their own interests to what is supposed to be in the interests of the country. They are determined, however, to free themselves from Government interference at the earliest possible moment. A good deal of alarm was created recently by a Bill which the Government proposed to introduce into Parliament with the object of enabling the Government to maintain control for three years after the termination of the war, and I understand that representations and protests from traders have led the Government to assure them that there is no desire or intention to retain control for a day longer than is absolutely necessary. I think the country will take good care of that, and I believe traders will quickly recover their freedom.

After all, the prosperity of the country has been built up by the individual enterprise of the private citizen, and the sooner he is given a free hand again the sooner will the prosperity of the country revive. Then we shall see an immense demand for commodities of every description—foodstuffs, raw materials, and manufactured articles—and their movement will have to be financed. That again will bring about a demand for the facilities which it is our main business to provide, and there will be ample scope for our activities. We already have the connections in all parts of the world. We are fostering those connections now, and we shall be prepared to offer our services wherever we consider it prudent and desirable to do so. Meantime, it is satisfactory to know that even in present abnormal conditions our services are in demand, more especially of late in this country, and that we have also during the last year done a considerable acceptance business for account of the United States, where we have a large number of valuable clients.

#### PROFIT AND LOSS ACCOUNT.

Turning to the profit and loss account, you will see that we show a rather better result than last year, and that after providing for a distribution at the rate of 4 per cent., as before we propose to carry forward £15,358, against £14,196 brought in. You may recollect that when I addressed you last year I indicated that we should show a reduction in our charges account, and you will see that, in fact, it has been reduced by several thousand pounds. Had it not been that we thought it prudent to set aside a certain sum for contingencies, there would have been a larger net profit to dispose of.

Gentlemen, before I move the adoption of the report I should like to offer a word of welcome to our colleague Captain Schuster, who, as you know, has been absent from our meetings during the last two or three years, owing to his military duties. Captain Bonn also has been absent, and is again absent to-day, for the same reason. I know you would wish to join with me in expressing the hope that both of them—Captain Schuster, unfortunately, has to return to the front in the course of the next few days—may return to us safe and sound and for good at no distant date. Gentlemen, I now beg to move: "That the directors' report and accounts to December 31, 1917, taken as read, be received and adopted, and that, as recommended by the board, a dividend of 5s per share, less income-tax, in addition to the interim dividend of 3s per share, less income-tax, already paid by the board, be and the same is hereby declared upon the shares of the company for the year ended December 31, 1917, and that the same be payable forthwith."

Sir Felix Schuster, Bt., seconded the motion, which was unanimously adopted.

The retiring directors, Sir Felix Schuster and Captain Bonn, were unanimously re-elected, and the auditors, Messrs. Turquand, Youngs and Co., reappointed.

Votes of thanks to the officers and staff of the bank, and also to the chairman for his most able statement and for the manner in which he had conducted the proceedings at the meeting, terminated the proceedings.

#### BRITISH BURMAH PETROLEUM.

The adjourned seventh ordinary general meeting of the British Burmah Petroleum Co., Ltd., was held on Friday at the Cannon Street Hotel, E.C., the Hon. Lionel Hollana, chairman of the company, presiding.

The secretary (Mr. John Ponsford, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that there was no new outstanding feature and no material change in position or outlook to call for special comment. At their general meeting a year ago he ventured to state his opinion that so long as war conditions prevailed they could anticipate no great advance in revenue, while, on the other hand, the increasing cost of freight and material, the increasing difficulties and delays of shipping transport, gave cause for anxiety and inevitably hindered their sales and field operations. Under all the circumstances, therefore, they had no reason to be dissatisfied with the results of the year's working. The previous year's statement showed a trading profit of more than £109,000 in excess of the profit earned during the year 1915. They had succeeded in maintaining the position, and, indeed, had improved upon it substantially by a further £39,000 or so. After meeting all the sundry charges in Burmah and London debenture interest and depreciation, the balance carried down was nearly £151,000, which ranked against some £99,000 last year, and the balance of divisible profit remaining, after satisfying the debenture sinking funds and after making considerable allocations to reserve accounts, was, as against some £20,000 last year, nearly £45,000, to which, for comparison, had to be added a sum approaching £20,000 that they paid out last July in the way of an interim dividend upon their issued share capital—an improvement then of over £40,000. This was satisfactory, as it enabled them to recommend a substantial distribution in the way of dividend to the shareholders, a sum, including the interim dividend, of nearly £60,000 being distributed. But, to his mind, it was chiefly satisfactory because it gave evidence that the business had answered the helm, was beginning to repay the patience and prudence which they had exercised during several years of trial and discouragement. It was fair to claim that the balance-sheet, and the general financial position of the company that it disclosed, testified to the improved standing which had been gradually reached. The debenture debt had been considerably reduced. When the present year's allocations to the sinking funds had been applied, nearly one-quarter of it would be liquidated. A reserve fund had been established, although as yet for the most part a reserve employed in the business. Their cash position was improving, and, moreover, this year, for the first time, a heavy contingent liability that hitherto existed had been wiped off their balance-sheet. In regard to the Rangoon Oil Co., their allied undertaking, when its accounts for the year's working were made up, its financial position on March 31st last remained much where it stood at the end of the previous twelve months. As compared with the previous twelve months, they had an increased outturn of benzine, but their total daily throughput of crude oil was less than last year—1,662 barrels, against 1,736—sales being hampered and reduced by lack of shipping capacity. The nett profit for the twelve months, after making all allocations and satisfying all standing charges and other engagements, was £44,941, as compared with £20,541 last year. Out of that the board recommended a final payment for dividend which would amount to £39,459, making up the dividend for the year to 7½ per cent., free of income-tax, and they would then have a balance to be carried forward to the current year's account of £40,488, against a sum of £35,498 brought forward from last year. The dividend would be payable on March 1, and they anticipated that an interim dividend would again be paid at the end of July next on account of the first six months' working of the current year. It was impossible to foresee whether the profits realised during the past twelve months would be improved upon, or even maintained, during the current year. The outlook was too uncertain, too shadowed with contingencies that they could not control to justify any estimate. The report was adopted, and the usual formal business transacted.

In relation to the financial straits of the criminal Empires, it may be worth while noting that the seventh Hungarian loan produced little more than one-third of the amount expected. That is to say, it gave barely £125,000,000, as compared with £333,000,000 odd asked or prayed for. And such subscriptions as were recorded were chiefly the result of coercion applied to the banks. The public took very little.

Owing to the restrictions placed upon paper supplies we cannot provide newsagents with copies for chance sales. Would regular readers of the "Investors' Review," therefore, kindly place an order with their local newsagents or subscribe direct to the publisher?

## INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.				GROSS TRAFFIC TO DATE.			
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.	
Assam Bengal	Dec. 1	Rs. 1,30,307	+ 3,276	11	11,16,150	+ 83,642	11	
Barsi	.. 8	15,400	+ 7,700	1	5,77,000	+ 1,57,000	1	
Bengal & N.W.	Nov. 24	3,05,620	+ 88,415	25	25,62,240	+ 5,27,633	25	
Bengal Nagpur	Dec. 8	11,18,000	+ 1,75,000	3	3,68,81,578	+ 31,63,524	3	
Bombay, Baroda	Jan. 19	16,11,000	+ 1,100	2	2,18,52,000	+ 10,34,000	2	
Burma	Dec. 1	4,31,800	+ 36,671	35	35,08,824	+ 1,03,600	35	
Delhi Umballa	Jan. 26	88,800	+ 23,988	15	15,31,586	+ 1,06,820	15	
East Indian	.. 26	21,11,000	+ 38,000	3	3,92,07,000	+ 16,23,000	3	
Gt. Indian Penin.	.. 26	25,05,700	+ 1,200	3	3,73,67,411	+ 31,26,014	3	
Luoknow-Bareilly	Nov. 24	41,599	+ 3,018	1	3,12,651	+ 1,440	1	
Madras and S.								
Mahratta	Dec. 8	10,90,000	+ 48,788	1	92,20,000	+ 4,46,210	1	
Nizam's Gd. (Broad)	.. 1	1,11,157	+ 2,563	1	10,68,380	+ 53,122	1	
.. (Metre)	.. 1	97,213	+ 8,510	1	6,14,822	+ 28,490	1	
Rohilkund and								
Kumaon	.. 1	49,020	+ 11,625	1	3,55,047	+ 15,899	1	
South Indian	.. 8	6,73,218	+ 6,980	1	62,99,588	+ 3,62,399	1	

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.
Dublin United	Feb. 1	£ 7,429	+ 1,761	1	£ 32,367	+ 4,984	1
Hastings and Dist.	.. 4	971	+ 206	1	4,587	+ 109	1
Isle of Thanet	Jan. 5	164	+ 104	1	2,290	+ 1,434	1
Lancashire United	.. 30	2,546	+ 901	1	10,328	+ 2,746	1
Provincial	.. 19	2,265	+ 385	1	36,795	+ 4,863	1
Yorks. (Wst. Rdng.)	Feb. 3	2,203	+ 456	1	11,180	+ 2,327	1

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.
Alabama Power	Nov. 5	£ 114,696	+ 24,747	12	£ 1,277,830	+ 359,725	12
Anglo-Argentine	Feb. 4	50,620	+ 3,006	1	260,035	+ 13,472	1
Auckland Electric	Oct. 26	22,308	+ 880	1	92,118	+ 7,834	1
Brazilian Traction	Nov. 1	7,695,000	+ M535,000	11	M841,100	+ M655,800	11
Brisbane Elec. Inv.	Oct. 5	33,580	+ 820	10	328,420	+ 2,600	10
British Columbia	Dec. 8	£ 167,133	+ £ 30,967	5	£ 590,797	+ £ 60,091	5
B.A. Lacroze	.. 1	40,901	+ 795	6	230,476	+ 419	6
Burmah Electric	.. 1	Rs. 26,224	+ Rs. 6,327	—	109,108	+ Rs. 1,483	—
Calcutta	Feb. 2	Rs. 71,435	+ Rs. 4,178	1	Rs. 2,77,553	+ Rs. 7,498	1
Carthage and							
Herreries	Jan. 1	4,011	+ 29	1	4,011	+ 29	1
Cordoba Light							
P. & T.	Nov. 1	13,339	+ 503	8	108,715	+ 2,137	8
Hongkong	Dec. 1	12,561	+ 388	1	£ 647,597	+ £ 38,825	1
La Plata	.. 1	4,605	+ 169	12	48,962	+ 1,873	12
Lima	.. 1	20,432	+ 3,187	12	195,748	+ 8,037	12
Madras Electric	Jan. 31	Rs. 40,542	+ Rs. 5,231	1	Rs. 78,278	+ Rs. 6,474	1
Manila Electric	Aug. 8	65,467	+ 4,607	8	547,492	+ 70,625	8
Mexico	Nov. 5	£ 215,256	+ £ 108,669	1	£ 3,193,106	+ £ 197,227	1
Rangoon	Jan. 5	5,561	+ 728	1	5,561	+ 728	1
Singapore Electric	Dec. 15	£ 12,548	+ £ 749	1	£ 613,405	+ £ 11,654	1
Toronto	Nov. 5	£ 425,556	+ £ 8,753	11	£ 5,032,176	+ £ 239,133	11
United of Monte V.	Jan. 1	36,016	+ 2,675	3	101,101	+ 7,992	3
Vera Cruz	.. 1	56,300	+ 1	9	520,700	+ 1	9
Winnipeg	Nov. 1	£ 86,888	+ £ 14,744	11	£ 748,976	+ £ 327,782	11

b 28 days. \* From Jan. 1. § Nett. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.
Alcoyand Gandia	Jan. 26	Ps. 7,500	+ Ps. 6,000	1	Ps. 31,500	+ Ps. 14,570	1
Antofagasta (Chili)	Feb. 1	38,050	+ 820	1	132,490	+ 7,215	1
Arauco	Dec. 31	14,500	+ 2,000	1	132,000	+ 23,200	1
Argentine N.E.	Feb. 2	9,400	+ 3,000	1	253,800	+ 48,998	1
Bilbao R. and Canta	Oct. 1	3,911	+ 1,426	10	35,861	+ 10,946	10
Bolivar	Dec. 1	12,000	+ 4,193	6	67,132	+ 22,821	6
Brazil	Nov. 1	M4,746,000	+ M664,379	1	M453,300	+ M52,897	1
Brazil Gt. Southern	Oct. 1	M18,538,200	+ M14,900	1	M427,477	+ M50,207	1
B. Ayres & Pacific	Feb. 2	115,000	+ 5,000	1	2,392,000	+ 301,000	1
Do. Central	Dec. 1	30,817	+ 8,931	6	145,925	+ 5,054	6
Do. Gt. South'n	Feb. 3	143,000	+ 1,000	1	3,112,705	+ 315,549	1
Do. Western	.. 3	64,000	+ 11,000	1	1,341,000	+ 275,000	1
Central Argentine	.. 2	97,000	+ 4,000	1	2,901,200	+ 482,600	1
C. Ur'g'ay of Mte V.	.. 2	19,083	+ 5,122	1	550,151	+ 153,291	1
Do. East'n Ex.	.. 2	5,039	+ 197	1	147,416	+ 7,898	1
Do. North'n Ex.	.. 2	3,860	+ 850	1	95,147	+ 25,706	1
Do. West'n Ex.	.. 2	2,793	+ 1,115	1	65,612	+ 6,551	1
Cordoba Central	Jan. 26	27,000	+ 703	1	904,180	+ 13,935	1
Costa Rica	Dec. 15	2,011	+ 3,293	1	69,176	+ 50,592	1
Cuban Central	Feb. 2	33,633	+ 7,525	1	442,109	+ 89,092	1
Dorada Extension	Dec. 1	8,200	+ 300	1	106,900	+ 7,200	1
Egyptian Delta	.. 31	11,867	+ 4,490	8	297,915	+ 44,846	8
Entre Rios	Feb. 1	18,100	+ 5,300	1	427,400	+ 69,400	1
French Sante Fé	Aug. 1	132,000	+ 29,099	8	900,336	+ 173,429	8
Gt. South. of Spain	Jan. 26	Ps. 31,457	+ Ps. 78,654	1	Ps. 117,818	+ Ps. 26,995	1
Gt. West. of Brazil	Feb. 2	19,300	+ 4,400	1	94,200	+ 22,150	1
Havana Central	Jan. 26	9,972	+ 1,063	1	237,154	+ 41,305	1
Inter. of C. Amer.	Dec. 1	20,754	+ 3,470	1	260,589	+ 38,328	1
La Guadalupe and Car.	Jan. 1	8,250	+ 750	1	8,250	+ 750	1
Leopoldina	Feb. 2	35,854	+ 9,622	1	167,579	+ 58,546	1
Midland Uruguay	Jan. 1	10,638	+ 3,395	7	94,885	+ 7,355	7
Mogiana	Nov. 1	M2,242,000	+ M222,440	1	M216,690	+ M247,712	1
N.W. of Uruguay	Dec. 1	£ 33,000	+ £ 8,388	6	£ 159,682	+ £ 13,092	6
Nitrate	Jan. 31	38,888	+ 2,854	1	73,606	+ 5,444	1
Paraguay Central	Feb. 2	2,920	+ 910	1	87,860	+ 9,690	1
Paulista	Nov. 1	M3,506,000	+ M589,750	11	M306,540	+ M142,613	11
Peruvian Corp'n	Jan. 1	Si1,189,350	+ S254,220	7	S7,277,620	+ S836,998	7
Salvador	.. 19	82,816	+ 2,241	1	841,496	+ 81,574	1
State of Bahia S.W.	Nov. 1	M85,000	+ M45,000	11	M1,021,000	+ M60,000	11
S. Paulo (Brazilian)	Feb. 3	35,425	+ 12,525	1	179,608	+ 55,834	1
Sorocabana	Dec. 1	M2,107,000	+ M224,206	7	M16,988	+ M173,205	7
Talita	.. 1	29,108	+ 13,306	6	150,436	+ 38,895	6
United of Havana	Feb. 2	84,017	+ 23,128	1	1,394,173	+ 291,124	1
West'n of Havana	.. 2	11,713	+ 4,490	1	233,054	+ 53,489	1
Zafra and Huelva	Nov. 1	10,538	+ 403	12	123,820	+ 3,332	12

\* Months. † From Jan. 1. † From July 1. c Nett. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.
Beira	Oct. *c	£ 67,631	+ 9,860	12	£ 753,845	+ 13,927	12
Canadian Northern	Jan. 31	£ 948,200	+ £ 18,600	1	£ 24,572,100	+ £ 108,000	1
Canadian Pacific	.. 31	£ 3,535,000	+ £ 464,000	1	£ 10,570,000	+ £ 412,000	1
Gr. Trk. Main Line	.. 31	218,424	+ 46,202	1	664,985	+ 113,407	1
Gr. Trk. Western	.. 31	37,038	+ 5,330	1	130,448	+ 6,707	1
Detroit G. H. & M.	.. 31	12,205	+ 3,306	1	43,613	+ 1,946	1
Gr. Trk. Pac. Prairie Sc.	.. 31	28,741	+ 6,769	1	90,392	+ 22,608	1
Mashonaland	Sep. 1	47,670	+ 9,630	1	47,670	+ 9,630	1
Mid. of Westn. Aus.	Nov. 1	8,206	+ 190	5	33,562	+ 1,108	5
New Cape Central	Dec. 29	2,169	+ 48	1	100,157	+ 15,343	1
Rhodesia	Oct. *c	99,697	+ 11,023	1	99,697	+ 11,023	1

\* Months. † July 1. † Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME	NETT EARNINGS FOR MONTH.				NETT EARNINGS TO DATE.			
	Month.	Amount.	In. or Dec. on last year	No. of Mths.	Month.	Amount.	In. or Dec. on last year	No. of Mths.
		Dols.	Dols.			Dols.	Dols.	
Atchafalaya T. & S. Fe	Nov.	4,100,000	-1,062,000	11	44,286,000	+ 1,488,000	11	44,286,000
Atlantic Coast Line	Sep.	757,000	+ 132,000	9	8,260,000	+ 537,000	9	8,260,000
Baltimore & Ohio	Nov.	1,918,000	+ 1,050,000	11	28,797,000	+ 2,260,000	11	28,797,000
Canadian Northern	Dec.	65,300	+ 758,500	11	3,335,100	+ 2,961,000	11	3,335,100
Canadian Pacific	Jan.	3,911,000	+ 1,110,000	11	46,546,000	+ 3,910,000	11	46,546,000
Chesapeake & Ohio	Nov.	1,127,000	+ 182,000	11	12,860,000	+ 1,444,000	11	12,860,000
Chicago & N.W.	Oct.	2,747,000	+ 527,000	10	22,239,000	+ 3,023,000	10	22,239,000
Chicago Burl. & Q.	Nov.	2,943,000	+ 1,365,000	10	29,640,000	+ 1,925,000	10	29,640,000
Chicago G.W.	Nov.	294,000	+ 159,000	11	3,487,000	+ 995,000	11	3,487,000
Chicago Mil. & S.P.	Nov.	1,486,000	+ 1,847,000	11	21,134,000	+ 7,020,000	11	21,134,000
Chicago, Rock I. & P.	Nov.	1,835,000	+ 57,000	11	16,461,000	+ 2,534,000	11	16,461,000
Colorado & Southern	Oct.	536,000	+ 116,000	10	4,875,000	+ 603,000	10	4,875,000
Cuba	Nov.	89,495	+ 56,433	11	671,275	+ 150,122	11	671,275
Delaware & Hd.	Nov.	459,000	+ 246,000	10	5,491,000	+ 1,130,000	10	5,491,000
Denver & Rio Gran.	Nov.	572,000	+ 429,000	11	7,152,000	+ 1,539,000	11	7,152,000
Erie	Nov.	691,000	+ 556,000	11	10,031,000	+ 7,125,000	11	10,031,000
Gr. Tr. Main Line	Nov.	1,862,000	+ 1,228,000	11	11,907,300	+ 1,627,900	11	11,907,300
Grand Trunk Westn	Nov.	615,650	+ 1,959	11	£ 35,450	+ £ 362,400	11	£ 35,450
Detroit G. H. & Mil.	Nov.	666,700	+ 1,160	11	£ 67,700	+ £ 99,900	11	£ 67,700
Gt. Northern	Nov.	3,371,000	+ 696,000	11	21,703,000	+ 2,747,000	11	21,703,000
Illinois Central	Nov.	1,466,000	+ 409,000	11	17,538,000	+ 2,580,000	11	17,538,000
Kansas City Southn.	Nov.	372,000	+ 2,000	11	4,128,000	+ 581,000	11	4,128,000
Lehigh Valley	Oct.	921,000	+ 449,000	10	10,483,000	+ 1,657,000	10	10,483,000
Louisville & Nashv.	Nov.	1,296,000	+ 178,000	11	16,949,000	+ 836,000	11	16,949,000
Minn. S.P. (Soo)	Nov.	496,000	+ 276,000	11	4,918,000	+ 2,736,000	11	4,918,000
Miss. K. & Texas	Oct.	926,000	+ 170,000	10	6,429,000	+ 2,174,000	10	6,429,000
Missouri Pacific	Nov.	2,212,000	+ 1,112,000	4	7,735,000	+ 2,241,000	4	7,735,000
New York Cent. & H.	Nov.	5,662,000	+ 15,000	10	42,110,000	+ 1,593,000	10	42,110,000
N. Y. N. Haven & H.	Nov.	1,875,000	+ 186,000	10	18,128,000	+ 1,057,000	10	18,128,000
New York Ont. & W.	Nov.	98,000	+ 27,000	11	2,117,000	+ 71,000	11	2,117,000
Norfolk & Western	Nov.	1,796,000	+ 15,000	5	18,372,000	+ 3,399,000	5	18,372,000
Northern Pacific	Nov.	1,428,000	+ 2,122,000	11	26,009,000	+ 2,278,000	11	26,009,000
Pennsylvania East	Nov.	5,338,000	+ 3,181,000	11	86,440,000	+ 16,000,000	11	86,440,000
and West Lines	Nov.	1,064,212	+ 1,199,202	11	14,876,712	+ 6,026,712	11	14,876,712
Phil. and Reading	Nov.	577,933	+ 5,826	11	9,806,000	+ 212,860	11	9,806,000
Reading	Nov.	1,875,000	+ 133,000	4	7,264,000	+ 1,447,000	4	7,264,000
St. Louis & San F.	Oct.	714,000	+ 61,000	10	6,118,000	+ 304,000	10	6,118,000
Seaboard Air Line.	Nov.	2,471,000	+ 109,000	5	11,795,000	+ 1,857,000	5	11,795,000
Southern	Nov.	5,190,000	+ 258,000	11	56,301,000	+ 8,036,000	11	56,301,000
Southern Pacific	Nov.	3,901,000	+ 668,000	11	39,694,000	+ 2,312,000	11	39,694,000
Union Pacific	Nov.	1,029,000	+ 235,000	11	11,298,000	+ 421,000	11	11,298,000
Wabash	Nov.							

# The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

Vol. XLI.—No. 1,050.]  
NEW SERIES.

[Registered as a  
Newspaper.]

SATURDAY, FEB. 16, 1918.

[Price 6d.]

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O. MORGAN OWEN, General Manager.

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NOTICE IS HEREBY GIVEN that the Coupons due 1st March, 1918, will be paid on and after that date (Saturdays excepted) between the hours of 11 and 3, by the Yokohama Specie Bank, Limited, where lists may be obtained.

Coupons must be left three clear days for examination prior to their payment.

The Yokohama Specie Bank, Limited,

K. TATSUMI, Manager.

7, Bishopsgate, E.C. 2, 14th February, 1918.

# The Investors' Review.

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# The Investors' Review.

Vol. XLI.—No. 1,050.  
New Series.

SATURDAY, FEB. 16, 1918.

(Registered as a Newspaper.) Price 6d.

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The *Investors' Review* is a Subscription Journal, and will be delivered to subscribers in London by the first post, or sent to the country and abroad by the first mail, on Saturday Morning, on the following terms:—

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**One Reply to One Question — One Shilling.** Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

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## Passing Events.

A welcome increase was shown in the money brought in by the sale of National War Bonds in the weeks ended February 2 and 9. The Bank of England statement regarding its issue, which covers the week ended the 9th inst., was an increase of £4,136,000 over the previous week's receipts at £23,634,000. This was provided by 19,398 subscribers, and brings the aggregates up to 324,441 subscribers, and £351,892,000. From the Post Office the money received in the week ended February 2 was only £1,015,000. This was furnished by 36,000 subscribers, which was 4,200 less than during the preceding week, the decrease in the money received being £34,000. Up to the date given 680,600 applications in all have been made through the Post Office for a total of £16,692,000. Of War Savings certificates 2,336,194 were sold in the same week ended February 2, raising the total sales to 148,988,957. That is to say, War Savings certificates have up to the said date provided £115,466,446 in cash to the Treasury, and these various forms of borrowing added together have furnished the Government with £484,050,000 towards meeting the expenses of the war. It is far short of enough, but we are thankful that it amounts to so much.

War expenses were not so heavy last week; in fact, the outgoings on special services were only £36,290,000—alas for the *only*—or slightly more than £5,184,000 a day. Interest on war debt, however, absorbed £5,629,388, and miscellaneous outgoings required £10,380, so that altogether the week's current expenditure was £41,929,568, or within a few thousands of £6,000,000 a day. As usual now, however, this expenditure was but a small part of the week's overturn, which was £152,529,000. Of that no more than £28,618,000 was provided from revenue. We say "no more than," but as a matter of fact, the week's receipts from taxation and monopolies, although only £13,951,200 short of the actual expenditure, were magnificent. But most of it came from direct taxes, as usual, the week's proceeds of the property and income-tax, including super-tax, having been £20,207,000. Excess profits gave us £4,172,000, but there should now be an increase from this source unless the intentions of the Government in framing the impost are

being circumvented, which is quite probable. Up to date, however, the excess profits duty, including the munitions levy, has produced £177,562,000, against £149,376,000, the product of the income-tax and super-tax. The entire receipts of the Exchequer this fiscal year up to the end of last week have been £534,854,000, and of that aggregate the income-tax, munitions levy, and excess profits tax have together produced £326,938,000, so that all the other sources of revenue have been good for rather less than £208,000,000. In the past week, too, out of a total of £28,618,000 paid into the Exchequer, £24,379,000 came from these same direct taxes. Surely this should warn the Government that there must be some broadening out of the basis of taxation, and the puzzle will be in what direction that can be contrived. It will not do to attempt to get more money by screwing up or "broadening" the Customs tariff. We shall have to create other direct taxes, and in re-arranging these direct taxes there must certainly be some readjustment, and a considerable increase in the burdens borne directly by land. There is surely an obvious scandal behind the fact that our farmers should be exempt from paying income-tax on a footing level with the scale imposed upon their fellow-countrymen, and that the power of the masses of the people in towns to pay taxes of any kind should be permanently weakened by the absence of any direct levy on the revenues of leaseowners in relief of local rates, and in augmentation of the receipts of the Imperial Exchequer.

Analysing the items appearing on the two sides of the weekly Treasury statement, we find that the Government repaid £60,723,000 of Treasury bills due, including the bills tendered as subscriptions to National War Bonds, while only £53,653,000 of new supply Treasury bills were emitted. It also paid off £36,553,000 of "other" war debt and £12,000,000 of temporary advances, and at the same time devoted £1,000,000 to the support of the market for war stocks, as shown under the heading "depreciation." The amount, however, received from the mysterious "other" war debt sources was £39,732,000, and £21,679,000 came in from the sale of National War Bonds. War Savings certificates gave £2,200,000, and £1,169,000 was furnished by the 4 and 5 per cent. War Loans. By re-borrowing half the amount of tem-

porary advances paid off, the Government was able to balance its week's issues and receipts with £595,210 left over. This was added to the Exchequer balances, raising them to £15,791,518.

Subjoined, extracted from the *Times*, is Mr. Bonar Law's enumeration of the work accomplished under the present Government in 1917. It is a record honourable to the Ministers concerned and promising for the future, but no wonder the men who superintend the work are tired:—

**Man-Power.**—In 1917 we put into the Army 820,645 additional men. We placed in civil employment at home 731,000 men and 804,000 women.

**Food Production.**—Last year 1,000,000 additional acres were brought under the plough. The additional amount of cereals produced was 850,000 tons, and of potatoes 3,000,000 tons. Already this year a further 800,000 acres had been brought under the plough in England, and 400,000 in Scotland and Wales.

**Wheat Stocks.**—There were 2,000,000 more quarters of wheat in this country at the end of last year than at the end of December, 1916.

**Shipbuilding.**—In 1916 the total quantity built was 539,000 tons. In 1917 the tonnage built in this country was 1,163,474 tons, and we secured abroad 170,000 tons in addition.

**Better Use of Ships.**—Notwithstanding the loan of 1,500,000 gross tons to the Allies we imported precisely the same amount from September to November last year as from February to April. Whereas before the war every 100 tons net shipping brought to this country 106 tons of goods, the average was now 150 tons.

**Timber.**—We succeeded last year in reducing the imports of timber by 3,000,000 tons. That has been made good by an increase of 1,800,000 tons at home, and the balance has been made good by our work in France.

**Munitions.**—The number of guns available in France increased last year by 30 per cent. The supply of aeroplanes in 1917 was two and a-half times as great as in 1916.

The rift, always there, though hidden, appears to be widening between Prussia and Bavaria. It may be—some hope that it will be—the signal of a rending asunder of the German Empire, the Catholic kingdom of Bavaria, with other South German communities, including Wurtemberg and Baden, falling back upon Catholic Austria to form a new federation against the arrogant and domineering Prussian. We neither know nor care much about that domestic affair, but it is interesting to note what Count von Preysing, the successor of Count von Hertling in the Bavarian Premiership, told the Diet last week about the German debt. Up to the present, he said, Germany's war costs have been £6,500,000,000, the yearly charge imposed by which is about £400,000,000. "If no war indemnity," he went on, "proves to be obtainable, the confiscation of wealth up to £2,000,000,000 to £2,500,000,000 will be unavoidable," and he warned Bavaria that under the terrific load now hanging over the country, Bavaria would cease to be any longer independent. It is somewhat late in the day to begin to discover truths like these, but statements of this kind remind us how eagerly the Germans must hunger after those dreamt-of indemnities, to exact which was no small part of the motives that made them begin the war. Already, on the mere strength of the "peace" with Ukrainia, they are clamouring for annexations and indemnities, just in the old way, being ignorant of the devastation the war has caused. And within the Empire itself they cannot understand that their prolongation of the fight more and more renders it impossible for them, even supposing they were victorious in conformity with their evil imaginations, to exact any indemnity from the beaten foe. Are they going to get an indemnity from Ukrainia, from any part of Russia? No.

Lord Leverhulme delivered a long and interesting address at the Royal Society of Arts on Wednesday on the subject of the conscription of wealth and the relations of capitalist and labourer. We should have liked, had space permitted, to say something about various points raised by him. He has got a strong grip of the truth about our industrial position, the duties of citizens, the relations of capital to labour, and so forth, and is obviously anxious to work for the improvement of his fellow men. He also says some wise things

about the conscription of capital, and illustrates the impossibility of carrying out any such wealth-stripping as some people talk about. But the main purpose of the address seems to have been to grope after the best mode of improving the relationship between what he calls the employer capitalist and the employee worker, or of reconciling their apparently conflicting interests. He finds it, we judge, in co-partnership of a certain limited kind, which he prefers to "profit-sharing." The suggestion is well worth discussion, although labour and capital may come to adjustments of claims by more than one channel. For example, there may be such a thing as organisations of workmen acting as their own capitalists, as M. Yves Guyot has been suggesting, unions of workmen capable of entering into contracts with capitalists for the execution of definite undertakings. We cannot say more now, but will doubtless have to return to the subject.

It is at least open to question whether this is a favourable opportunity to start an agitation for a less conservative policy on the part of railway boards and a more generous distribution of profits. Scotch railways, it is true, have squeezed out an additional fraction, but all the big English companies have been content to leave their dividends at last year's figure. The Great Western has been particularly signalled out for attack, and on a short-sighted view of the results there may be some justification for it. Gross receipts last year were £18,810,000, an increase of £1,442,000, and expenses were £1,387,000 higher at £13,210,000. Consequently, the nett income advanced £55,000 to £5,600,000. Moreover, miscellaneous receipts were up £120,000, and the amount brought in was £58,000 larger, with the result that the total amount available shows an increase of £233,000 at £6,266,000. The appropriation to reserve is doubled at £400,000, and as fixed charges are only a trifle more, the balance forward is raised by £30,000 to £248,500, after providing for a dividend of 5½ per cent. The malcontents want only £200,000 placed to reserve, and an extra ½ per cent. on the ordinary stock, which would bring the distribution up to the 1913 level. Reserve and depreciation funds now stand at £7,405,000, having been augmented by £1,930,000 during the year. It is a substantial sum, but the arrears of work are heavy, and the future uncertain, so we cannot extend much sympathy to the agitation.

On working results the North-Eastern Railway did less well than some of its neighbours, for while receipts rose £1,030,000 to £14,034,000, expenses advanced £1,085,000 to £10,000,000. Fortunately, miscellaneous revenue was £60,000 higher at £223,000, and £13,000 more was brought in, while fixed charges were £10,000 lower. After again placing £200,000 to reserves and £50,000 to pension fund, the dividend of 6½ per cent. is repeated, and the carry forward is increased by £26,500 to £296,600. Depreciation and reserve funds in all have been credited with £1,310,000, and now amount to £5,413,000. It is mentioned in the report that 17,185 men of the company's staff have joined the colours, which is equivalent to 31½ per cent. of the total number employed by the company at the beginning of the war.

We wonder whether it is mere thoughtlessness or the silliest sort of stupidity that leads so many railway companies to omit last year's figures of gross receipts and expenses from their accounts? They are obliged to show nett revenue and a host of other details for the corresponding period, but repeatedly we find the columns for the two items mentioned ostentatiously left blank, and the previous report has to be turned up to get the comparison. The Midland Railway is a sinner in this respect, and the reason for the omission puzzles us in a derisory kind of way, although the trouble to us of finding the missing figures is trifling, but it may be much more irksome to shareholders and others interested in the line. Anyhow, for the benefit

of those whom it concerns, we may state that the gross receipts in 1917 were £18,167,000, as compared with £16,860,000 in 1916, an increase of £1,307,000, while the expenditure was £12,515,000, an increase of £1,319,000. It may be of interest to mention that last year the receipts showed an increase of £760,000 over 1915, and the expenses an increase of £755,000. Nett revenue was £12,000 lower at £5,652,000, but miscellaneous receipts, mainly owing to an improvement in general interest, were £15,600 higher at £627,000, and £16,400 more was brought forward. Fixed charges required £3,000 more at £1,470,000, and £200,000 is again placed to general reserve, so that the dividend of 4 per cent. on the deferred stock (of which  $1\frac{1}{2}$  per cent. has been paid as interim) can be comfortably repeated, and the balance over is raised by £17,000 to £175,700. Capital expenditure amounted to £110,000, as against £27,000 in the previous year, and the account is now £3,848,000 overdrawn, but the company has ample funds to carry on with for the time being. No less than £1,320,000 has been set aside during the year for arrears of railway maintenance, and the total depreciation and reserve funds now amount to £8,415,000 against £6,723,000 at the end of 1916. That looks pretty healthy, but it must not be forgotten that the well-watered capital amounts to over 200 millions, and the actual capital expenditure has been 130 millions. Cash in hand, including Treasury bills, has fallen £760,000 to £3,350,000, but investments in Government securities have increased nearly two and a-half millions to £3,720,000, against savings bank and provident funds amounting to £2,820,000. The position looks healthy enough at least from a superficial point of view, and we may leave it at that.

The London and South-Western Railway obtained an increase of £675,000 in gross receipts, the total being £7,656,000, but expenses rose £679,000 to £5,620,000. Changes of a thousand or two up or down have occurred in nett revenue credits, the balance brought in, and fixed charges, but they are not worth following in detail. Suffice it to say that after placing £20,000 to electrification, suspense account, and meeting fixed charges, the balance is £2,000 up at £1,674,000. The dividend on the ordinary stock is again  $5\frac{1}{2}$  per cent., and on the deferred  $1\frac{1}{2}$  per cent., for the year, leaving £2,000 more at £63,650 to be carried forward. Capital expenditure was relatively heavy at £97,550, but this compares favourably with £225,000 in 1916 and £620,000 the year before. The capital account is now £1,270,000 overdrawn. Depreciation and other funds have been increased by £420,000, and now stand at £1,656,000.

After looking through the accounts of the Caledonian Railway Co., we are not inclined to recommend its policy of increasing the dividend for imitation by other companies. Gross receipts were £670,000 higher at £6,883,000, and of this £8,000 was saved in nett revenue, which comes out so much to the good at £2,162,000. Miscellaneous receipts were £9,000 up at £174,000, but the balance brought in was £10,000 less, so that there was not much of a margin to squander. However, £18,000 was saved on general interest, and the dividend on the ordinary stock is raised from  $3\frac{3}{4}$  per cent. to  $3\frac{1}{2}$ , requiring an additional £23,000, and the balance forward is £1,000 lower at £18,150. That looks like sailing very close to the wind. It is true, reserve and other funds have been increased by £620,000, but they had been shockingly neglected in the past, and still amount to no more than £1,050,000, so that, with all the arrears to be made good, we cannot regard the position as entirely satisfactory.

War conditions have created many new precedents, but surely one of the most curious is that along with the report of the North British Railway Co. there is issued a circular from the Scottish Railway Stockholders' Protection Association. This association was

appointed at a meeting held in Glasgow last December at which holders of some 15 millions of stock were represented, and the main object appears to be to take such steps as may be considered necessary towards securing fair treatment for stockholders at the end of the war, whatever the attitude of the Government towards the railways may then or thereafter be. It is stated that the outlook for railway stockholders, the majority of whom are small investors, with an average holding of not more than £500, is very uncertain, while the increased wages bill now amounts to a very heavy annual burden on the receipts, and the interests not only of the ordinary but of the preference and even the debenture stocks will be seriously threatened. And so, evidently with the warm approval of the directors, holders may join the association for a subscription of anything from half-a-crown to a guinea. English companies please copy. It is perhaps rather unfortunate that this movement should have been inaugurated in a section where the railways have done remarkably well in the past year. The North British obtained gross receipts of £7,211,000, an increase of £740,000, following a gain of £640,000 in 1916. Working expenses were £683,000 higher at £4,914,000, following an advance of £660,000 last year, but even so nett revenue was £57,000 up at £2,297,000, and a small decline in miscellaneous receipts was offset by the larger amount brought in. Consequently the total available balance was £58,000 up at £2,406,000, but fixed charges required £30,000 more at £894,000, and after again placing £20,000 to reserve the dividend on the deferred stock is raised from  $\frac{1}{2}$  per cent. to  $\frac{3}{4}$  per cent., and the carry forward is only £1,700 less at £36,300. Capital expenditure amounted to £192,000 against £113,000, and the account is now £2,932,000 overdrawn, an increase of £425,000. During the year £277,000 has been added to the various depreciation and reserve funds, which now amount to £972,000, the renewals fund being £680,000 and the reserve £240,000. The total looks substantial, but in these times it makes one rather uneasy to see capital expenditure mounting up as it does.



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These "most pathetic lines," the South-Eastern and Chatham, have been waiting for years, with an optimism worthy of a better cause, for "something to turn up," or they would long ago have wiped off a huge chunk of dead capital, and started on a fresh career that ought to have been more profitable to everybody concerned. But they stick to the costly and clumsy arrangement of a Managing Committee, and the progress made is not exactly dazzling. Last year the gross receipts were £6,060,000, an increase of £330,000, but working expenses advanced £334,000 to £4,047,000, so that with miscellaneous revenue unchanged the nett income is £4,000 lower at £2,020,000. Fixed charges were the same at £183,000, and of the balance the South-Eastern gets £1,083,000, or £2,100 less, and the Chatham £753,000, or £1,400 less, the proportions being 59 per cent. and 41 per cent. respectively. During the year depreciation funds have been increased by £445,000, and now amount to £1,180,000, but it will require a great deal more spent on the lines to bring them up to a decent standard of efficiency. With miscellaneous revenue the total income of the South-Eastern is £1,433,000, a decrease of £6,300, but the amount brought in was larger, and after paying fixed charges the balance is £3,200 up at £980,220. After again placing £15,000 to reserve, the dividend of 1½ per cent. for the year on the deferred stock is repeated, and the balance forward is a trifle larger at £12,540. In the case of the London, Chatham and Dover Railway Co. the total nett income was £2,500 larger at £822,300, but the amount brought in was smaller, and the balance available after paying fixed charges is almost identical at £386,530. This allows of 4½ per cent. being again paid on the Arbitration preference stock, and the carry forward is £300 up at £83,800. Nothing else in the accounts calls for remark.

In the report of the British Wagon Co., Ltd., it is mentioned that owing to the serious shortage of labour and great difficulty in obtaining the necessary materials, considerable delay has occurred in the repair of wagons. At the request of the Railway Executive, steps have been taken to deal with this difficult position, and as a result of conferences with other similar concerns, it has been decided to form a new company called "Wagon Repairs, Ltd.," which will take over the wagon repairing businesses of the companies interested, but their head works will not be included in the arrangement—for at present at all events. This union of interest, it is hoped, will effect many economies, promote efficiency and usefully subserve the national interests. Including £1,000 more brought in, the nett profits of the British Wagon Co. were £58,830, a decrease of £3,400, but debenture interest required less, and the directors are able to repeat the dividend of 8s. per £3 share, and 2s. 8d. per £1 share, while £5,000 is again placed to reserve, raising it to £180,000. The balance forward is the same at £6,400. Debentures have been reduced £138,000 to £690,000, and the value of the assets has been written down £100,000 to £936,000, the number of wagons owned being 3,000 smaller at 31,000.

At first sight it looks as though the Imperial Tobacco Co. (of Great Britain and Ireland), Ltd., had not had quite such a profitable year to October 31 last, but a closer study of the figures shows that this is not the case. Nett profit is brought out at £3,538,000, a decrease of £374,000, but the figure is arrived at after providing reserves for income-tax and excess duty, both of which are on a higher scale than in the previous year, and, moreover, in the last accounts the reserve for income-tax was entered on the debit side at £527,000. Nothing this time, as against £25,000, is written off leaseholds, and after again setting aside £50,000 for pensions and placing a million to reserve fund, the balance is £178,000 up at £2,488,000. On the other hand, the amount brought in, after deducting bonuses to customers—£198,000 against £170,000—was £121,000 less at £22,000, so that, after repeating

the dividend of 22½ per cent., tax free, on the ordinary shares, the carry-forward is £51,000 higher at £271,000, subject to customers' final bonus. It is altogether a wonderful achievement, and evidently higher duties and a certain amount of control of retail prices have done nothing to interfere with the prosperity of the company. Creditors and bills payable are £1,120,000 up at £4,505,000, while stocks have increased £1,300,000 to £9,791,000, no doubt largely owing to the higher cost of raw materials. Debtors owe £890,000 more at £4,178,000, and £480,000 more at £794,000 has been paid on account of leaf in transit, &c. Investments are up £480,000 at £2,405,000, but Treasury bills, &c., are £1,200,000 down at £250,000, while cash has increased £240,000 to £1,083,000. The position looks as strong as could be desired.

It is no secret that our efforts to supply our requirements in the matter of dyes have not been attended with the fullest success, though great progress has been made. British Dyes, Ltd., has achieved a great deal, but nothing like enough, and as a result other manufacturers have been induced to take up the manufacture of dyes, including some of the explosive companies. An announcement is expected to be made shortly of a further development in the British Government's policy in regard to this matter. It is proposed to allot a sum of money to British dye manufacturers to encourage them to lay down plant to produce particular kinds of dyes which require great skill in the making, and are indispensable for the future of industry. The money will be advanced to the manufacturers in the form of secured loans. It is also intended to prohibit the importation of dyes for a number of years after the war, except on Government order. In fact, the Government will be the sole importer of foreign dyes, and will control the production of certain kinds of dyes in this country.

The Board of Referees has rendered two important decisions this week in regard to applications made for increased statutory percentages under the excess profits duty provisions of the Finance Acts. It has raised the statutory percentage for Chilean nitrate companies to 9 per cent. on the capital employed, and for Indian gold mining companies to 27½ per cent. This is the first of the important gold mining applications to be decided. The question of what percentage shall be allowed for the Rand companies has yet to be argued. The rubber companies' second application, we are informed, will probably be made next month. At present the statutory percentage is 10 per cent.; but it is hoped to get this raised to at least 15 to 20 per cent.

Exceptional interest attaches to the report of the City of London Brewery Co., Ltd., for the past year, owing to the handsome dividend and bonus of 30 per cent., which compares with 5 per cent. for the previous 12 months. Attention is called to the fact that the ordinary capital was reduced by 70 per cent. in 1914, and the profits have since been allowed to accumulate until it was seen that the interests acquired at Fulham were being satisfactorily developed. Exceptional profits have been made in addition to these accumulations, and the shareholders are warned not to expect a repetition of the bonus of 20 per cent. Gross profits were £63,000 higher at £246,310, and after providing for depreciation, debenture interest, and all other expenses the nett profit also is £63,000 up at £135,280, while £17,000 more was brought in. Consequently the directors are able to place £20,000, against £15,000, to reserve (raising it to £112,000), and after providing for the dividend and bonus the balance forward is practically the same at £58,420. Nothing in the balance-sheet calls for remark, but the company has greatly strengthened its position.

Although the results of Wm. France, Fenwick, and Co., Limited, for 1917 show a considerable falling off as compared with the previous year, the shareholders

can scarcely regard them as other than quite satisfactory. Trading profits amounted to £166,950, a decrease of £93,000, and, after paying debenture interest, the nett profit is £88,000 down at £139,720. But the shareholders are again to receive a dividend of 15 per cent. and a bonus of 10 per cent., while the carry forward is £1,400 higher at £8,310. This is accomplished by reducing the appropriations to reserve by £90,000. The general reserve, however, including proceeds of steamers lost and sold during the year, less their book value, has been increased by £350,000, and now stands at £750,000, against an issued capital of £300,000, and the special reserve for war contingencies amounts to £67,000, after charging £92,350 for excess profits duty, &c., so that the company is in an exceptionally strong position. During the year £40,000 debenture stock has been redeemed, reducing the amount outstanding to £96,400, while investments have increased £280,000 to £707,000, and debtors, stores, &c., are £170,000 higher at £274,000. Property account has been reduced to £320,000, and the company has nothing to fear when normal conditions are restored.

Comparatively small changes are shown in the results of the Port Talbot Railway and Docks Company for the past year. Gross receipts were £1,000 down at £136,170, while expenses were £1,000 up at £73,660, but miscellaneous credits were the same, and the total nett income of £120,750 is £2,000 lower. On the other hand, fixed charges also were rather less at £39,720, and, after again paying 9 per cent. on the ordinary shares, the balance forward is a trifle larger at £4,050. Capital expenditure amounted to £8,540, or rather more than last year, and the account is now overdrawn to the extent of £404,000. The company has a reserve fund of only £6,000, and no specific provision appears to have been made for deferred maintenance. Is it quite prudent to continue paying such a large dividend in these circumstances?

John Knight, Ltd., of the Royal Primrose Soap Works, notwithstanding the serious damage done to the company's factory by the Silvertown explosion, and subsequently by a destructive fire, in the year to November 30 earned practically the same profit as in the previous twelve months. The accounts show only £74,400, or £31,000 less, but the apparent decline is due to the provision of excess duty. Anyhow, £39,000 more was brought in, and, after placing £18,140 (new) to reserve, raising it to £70,000, the ordinary shares again receive 8½ per cent. and the £70,000 deferred shares £12,500, or almost 18 per cent., while the carry forward is only £3,000 smaller at £71,620. Nothing in the balance-sheet need detain us, but we may note that altogether £26,260 has been spent on extensions and alterations required for Government work.

Further striking progress is shown by the Union Bank of Canada in its report to November 30, and the balance-sheet now reaches the handsome total of \$143,412,000, an increase of \$34,400,000 over the previous year, which in turn was \$18,400,000 ahead of the 1915 figures. Notes in circulation have increased 4 millions to \$12,780,000, current accounts 15 millions to \$44,369,000, and deposit accounts 13 millions to \$73,508,000. On the other hand, coin and Dominion notes are up \$10,300,000 at \$20,469,000, and deposits in central gold reserves \$3,500,000 at \$8,200,000. Altogether cash balances, short loans, and investments amount to 70 millions, an increase of \$20,400,000. Loans and discounts in Canada have risen \$9,600,000 to \$58,790,000, and those outside Canada \$2,300,000 to \$3,154,000, while letters of credit are up 2 millions at \$2,587,000. All this indicates expanding conditions of business, with the result that profits have advanced \$112,000 to \$763,460. The usual dividend of 8 per cent. and bonus of 1 per cent. are paid, \$150,000 is again placed to contingent account, charities get \$15,000, against \$5,000, and \$75,000 (new) is written

off bank premises, leaving \$13,000 more at \$106,600 to be carried forward. It is a fine display at all points.

The spectacular rise of a month ago in the shares of the Gaika Gold Mining Company, which was due to the striking of a new reef in the south section of the mine, has been followed this week by a sharp relapse. This was due to the receipt of news from the mine to the effect that the reef had, on closer acquaintance, been found to have lost a great deal of its earlier brilliant promise. The length of the pay shoot seems to be only 205 feet, the last payable result, namely, 21.7 dwts. over 72 inches, having been reached at that point. This would give an average value over the whole distance of about 1 oz. 4 dwts., with an average width of 88 inches. The drive on the reef has been extended to 215 feet, but the reef is now in poor ground. Further prospecting is being undertaken in this section of the mine in the hope of discovering a payable extension of the reef. This incident is but another confirmation of the experience which has shown that it is an unfortunate characteristic of Rhodesian gold mines to peter out at depth, the only conspicuously shining example to the contrary being the Globe and Phoenix Mine.

Last June a very acute situation arose in the Lancashire cotton industry, and it was necessary for the Government to intervene, with the result that a Control

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CAPITAL SUBSCRIBED	- £31,304,200
CAPITAL PAID UP	- 5,008,672
RESERVE FUND	- 4,000,000
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Board was appointed with very extensive powers. The problem which then required attention related to the steady decrease in the stocks of American cotton in Liverpool, prices during the month of June having advanced 5d. per lb. The Board, which was composed of representatives of the Board of Trade and local spinners and manufacturers, at once got to work. In a few weeks it was decided to restrict consumption by the stopping of a percentage of spindles and looms. A census of cotton stocks was taken at the end of October, which showed supplies available for this country of 573,589 bales American, 94,138 bales East Indian, 137,109 bales Egyptian and Peruvian, and 48,158 bales of sundry cottons. The policy of the Control Board has been vindicated this week, when a similar census was taken. It is announced that the stocks available for this country are now 685,983 bales American, 149,174 bales East Indian, 277,422 bales Egyptian and Peruvian, and 41,466 bales of sundry cottons. Imports, of course, are very irregular according to shipping facilities, but the action taken by the authorities has undoubtedly saved the Lancashire cotton industry from disaster. If matters had been allowed to run their own course, no one knows to what height prices would have been put up, and undoubtedly numerous firms would have had to close down.

### "Rhonddaism in Excelsis."

"We are getting on!" Mr. Asquith once remarked at some rather startling deviation from the usual Parliamentary amenities; and really this simple phrase is all that we have breath to utter as we watch the amazing progress of Lord Rhondda, who, marching like a conqueror, a Hindenburg and a Ludendorff rolled into one, crushes one of the most cherished liberties of England at every triumphant stride!

We were proud in this country that we were free from domiciliary police visits except under a magistrate's warrant where there was grave suspicion of crime, but now our dwellings can be searched from the attic to the cellar at the will of miscellaneous Committees distributed over the country, of whose membership and powers most people are wholly ignorant, and of their equally miscellaneous hordes of attendant officials. As to the suspicions that move this army corps of Sherlock Holmes to action, we gather that inquisitorial searches in tradesmen's books, anonymous letters, the sight of parcels at railway stations, and similar recondite clues guide the up-to-date Rhondda detective in his duty of bringing condign punishment on the householder who has dared to show more foresight in his provision for the needs of his family than the Food Ministry has shown for the needs of the nation. It is well known in Oriental countries that it is imprudent, not to say perilous, for the governed to show greater wisdom than the governors.

A new and most appalling crime has been added to the Decalogue—the crime of hoarding! What it is exactly no one knows—not even the Food Controller or the Law Officers of the Crown. Like "the shape which shape had none," it cannot be defined; it is shrouded in mystery as in a fog, and there is no householder who does not manage his store cupboard on the famous Mother Hubbard principle who can be certain that he is not guilty of it, and that he may not at any moment be dragged into a police-court and subsequently housed in gaol.

There has been much criticism of the Food Ministry in the past, but hitherto no one has suggested that it was too silent a service like the Navy. On the contrary, a great many of us have felt that we would gladly stop our ears and close our eyes if we could against the deluge of speeches, lectures, addresses, recipes, leaflets, pamphlets, placards, that have been poured forth in an endless stream on a patient and long-suffering nation from Lord Rhondda's headquarters. But now, when speech might be really helpful, a dead silence has descended on the Food Ministry. To all questions on the nature of Food Hoarding, it gives even more darkling answers than

the famous oracle at Delphi. May the householder keep supplies for a week, for a fortnight, for a month? "It all depends," is the oracular response of the Food Ministry. One food official explains that, though no definition of criminal hoarding is possible, yet the Ministry is always "reasonable." If Lord Rhondda is under the impression that any single person in this country who is not an official has the smallest confidence in the judgment, discretion, or reasonableness of any Government Department in its dealings with the helpless public, when not guided by the strictest rules, he should promptly produce that confiding being and show him carefully under a glass case.

The fact is that the manner in which this sudden campaign of food-hoarding prosecutions has been initiated shows a total want of judgment in the Ministry, and suggests very strongly what is called "playing to the gallery." While the whole nation has been bewildered with speeches and advice, no attention was ever called to the terms of the Food Hoarding Order of last April, which is, in any case, very vaguely drawn, and of the existence of which probably a large number of people are quite ignorant. Then, without a word of warning, there is a burst of prosecutions; a perfect vendetta is set on foot in a section of the Press; there is such widespread alarm that it is generally reported that people are destroying food stocks which they may have bought in the most entire good faith. Probably it was this fact that led Lord Rhondda to announce a week's grace; but even that, unless accompanied by some definition of hoarding, leaves the public wholly at the mercy of the local Food Committees and their individual caprices. What sort of justice is there in confiscating supplies bought in good faith when there was no acute shortage in those particular articles? If it be decided that no private stocks are to be held—a very doubtful policy in the national interest—these stocks should be bought back at a fair price. But is it really desirable that people should be prevented from keeping reasonable stores, and should be entirely unprepared to meet any acute scarcity should it arise? Are Lord Rhondda and his Food Committees prepared to feed the whole population in that case? Have any plans for that purpose been made? We very much doubt it; and even if there are such plans, we very much doubt if they could be put into operation with the rapidity that would be necessary to prevent a disaster.

We wonder whether the commonplace facts of existence ever penetrate to a Government Department. No doubt there is some really selfish and unpatriotic hoarding by a few greedy people in every class, though whether it is worth while overturning the liberties of the nation to punish them may be doubted; but plenty of people must have stocks, now liable to be confiscated as hoards, which have been acquired very differently. How many people are still struggling to consume the superfluous supplies they obtained when it was necessary to buy 10s. worth of groceries to get a pound of sugar? How many people bought stocks in self-defence when every week saw the prices of the most ordinary commodities jump upwards by leaps and bounds? How many people now find themselves with surpluses in the pantry because they have loyally kept the voluntary rations? To penalise people for their patriotism is surely an extraordinary way of encouraging cordial support of the Food Controllers' regulations!

And are there not enough causes of daily friction and irritation for everyone already without forcing every woman to buy all the provisions she needs for her household in quarter and half-pounds! As if the shops were not already crowded, and shopping a burden almost past endurance! Cannot Lord Rhondda rise above this foolish idea of producing an impossible equality? For that is what really lies at the bottom of this extravagantly virulent campaign. It is, in fact, Bolshevik. When the food queues began, great indignation was constantly expressed that only working women stood in them, and not the "well-to-do." As a matter of fact, the well-to-do avoided the queues in many cases by the

simple method—open to all—of doing without the particular article. But when during the recent prolonged shortage of butter and margarine well-dressed women were compelled at last to stand in the queues, we are told that in many places they had such an unfriendly reception from the working women that they were driven to leave empty-handed. Common sense should have told people without this practical illustration that to lengthen a queue in any way is to make it worse for everybody; and that harmony between the classes is not likely to be strengthened when the last half-pound of margarine is dealt out to a woman in furs just because she happens to stand in front of a woman in apron and shawl. Yet that is equality—in a queue.

In this matter of food hoarding the best sort of equality would be that every household should have at least a month's, or even two months' supply in stock for all reasonable needs in case of acute shortage. That may not be universally possible, though considering the high wages earned by the large mass of the population it might be pretty general, but what advantage is there in bringing everyone down to the level of those who, unable to make any provision for the future, must be looked after by the authorities at any crisis? Does Lord Rhondda fancy the problem of soothing and providing for the indignant mothers of hungry children will be made easier for him if he has all the mothers and children of the nation on his hands simultaneously instead of only a minority?

But every Government Department is possessed with a passion for uniformity. After all, it saves so much thought, and the official mind hates thought. While the war lasts we are all to drink one tea, in which apparently the finest China and the strongest Darjeeling are to be unhappily blended—it was unnecessary for the newspapers to inform us after this that Lord Rhondda does not drink tea—though why, so far as supplies hold out, we should not drink what we prefer, only the Food Ministry can tell. The only consolation in this orgy of officialism is that with each new regulation the fall of the new mushroom bureaucracy at the close of the war becomes more assured.

### Boot and Leather Manufacturing Companies' Profits.

Few of our "war industries" had more difficulties to contend with during 1917 than the boot and shoe trade, but in spite of shortage and dearness of raw materials, and multifarious State-imposed restrictions, the majority of the joint stock enterprises connected with the trade have been able to make much larger profits, and in several instances to disburse larger sums in dividend to the shareholders. This is seen clearly from the following statement of results of eleven of the more important undertakings:—

Company.	Profits.		Dividends.		Average of Last Three Pre-war Years.	Carried Forward.	Amount.	+ or —
	1917.	1916.	1917.	1916.				
(a) Angus, George, and Co., Ltd. ....	74,650	64,58	17½	15	10.83	61,900	+ 1,295	
(a) Bostock, Edwin, and Co., Ltd. ....	36,80	35,100	23	23	16	12,000	+ 3,000	
(b) Dick, R. and J., Ltd.	137,900	93,635	14½	12	3.0	12,445	+ 8.0	
(a) Freeman, Hardy and Willis, Ltd. ....	128,700	118,020	17½	17½	13.3	67,700	+ 10,410	
(a) Gandy Belt Man. Co., Ltd. ....	(d) 32,360	(d) 23,750	(e)	25	10	4,430	— 5.0	
(c) Handford, Greatrex and Co., Ltd. ....	11,411	6,458	10	5	4.0	1,142	— 481	
(a) Lennards, Ltd. ....	39,860	38,470	10	10	8.33	27,260	+ 7,110	
(a) Loveys, John, and Co., Ltd. ....	11,137	8.43	12	10	3.33	4,085	+ 335	
(a) Public Benefit Boot Co., Ltd. ....	26,920	33,300	10	10	nil	14,600	+ 3,000	
(a) Sears, J., and Co. (True Form Boot Co.), Ltd. ....	77,59	77,02½	17½	17½	(f) 11.25	25,407	+ 7,730	
(a) Stead and Simpson, Ltd. ....	83,040	76,650	10	10	3.66	55,975	+ 20,000	

(a) Year ended Dec. 31. (b) Year ended Aug. 31. (c) Year ended June 30. (d) Accounts for 1916 and 1915. (e) In respect of 1917 an interim dividend of 10% as compared with 8% has been declared. (f) Two years' average.

The only two exceptions to the unbroken records of prosperity are those of the Public Benefit Boot Co. and Handford, Greatrex and Co. In the case of the Public Benefit Boot Co. the datum line for excess profits tax

is very low, and the expansion in revenue in 1917 was not sufficient to offset the increase in the duty. Handford, Greatrex's drop to 5 per cent. in 1916 was due to an exceptional circumstance. The year 1917, it will be observed, witnessed a substantial recovery.

The accounts of the Gandy Belt Manufacturing Co. are not due for publication till March, but the directors have recently recommended that £37,500 of the reserve fund be capitalised, and that one new ordinary share be allotted for every two similar shares held. It is also proposed that the dividends on the preference shares be raised from 5½ to 6 per cent. per annum. The capital of the company will be increased to £200,000, of which £75,000 in preference and £125,000 in ordinary shares will have been paid up.

Most of the concerns have put by substantial sums to reserve, and generally strengthened their financial position. And this is as it should be, for the future is uncertain. For although leather goods and footwear continue in strong demand, while there is a prospect of substantial orders for the boot equipment of the American Army in Europe, the cost of production continues to increase, and the maintenance of the present margin of profit seems far from assured. Moreover, there is the position when the war ends to consider. Demobilisation will probably bring substantial orders for civilian boots, but it is exceedingly doubtful if anything like the quantity at present being manufactured will be required. Then there is the all-important factor of price, which is not likely to leave anything approaching an extravagant margin of profit.

### By-the-Way War Notes.

From the manner in which German news distributors have been proclaiming the imminence of an overwhelming offensive against the Allied lines in the West, we should be inclined to infer that the cunning Prussians really mean to attack somewhere else. It is not in accordance with their usual tactics to proclaim beforehand what they are about to do. Advertisements of the kind must increase the difficulties and mar the success of the attack. Against this risk, however, we have to put the increasing necessities within Germany. Hunger there and in Austria is on the increase, is probably greater to-day than we have any just conception of, and talk about an irresistible offensive in the West, and prophecies that Calais is sure this time to be taken and held, the whole garnished with abundant threats of what

## THE LONDON CITY & MIDLAND BANK LIMITED.

Head Office: 5, THREADNEEDLE ST., LONDON, E.C.2.  
Foreign Branch Office: 8, Finch Lane, London, E.C.3.

Subscribed Capital - - - £24,906,432  
Paid-up Capital - - - 5,188,840  
Reserve Fund - - - 4,342,826

Deposits - - - £220,551,768  
Cash in hand and at Bank of  
England - - - 44,110,353  
Money at Call and Short Notice 31,003,560  
Bills of Exchange - - - 35,052,991

OVER 1,000 OFFICES in the UNITED KINGDOM.

*This Bank is the Proprietor of the Belfast Banking Company, Limited, and will facilitate transactions between this Country and the North of Ireland.*

For Particulars apply at Head Office.

is to follow our discomfiture, may have been prompted, have doubtless been prompted, in no small measure by anxiety regarding affairs at home and the desire to keep up the people's spirits. The Prussian tyrant may even begin to fear that his German slaves may one day revolt.

Probably an offensive on the West is being organised by the Germans with the utmost diligence, and with equal diligence the French and ourselves, with the increasing help of the Americans, are getting ready to encounter and overcome it. We believe we need have no fear of the result of the shock; the pity only is that while we diligently prepare and wait expectant so much intrigue and such squabbling and Press mud-throwing should be going on among politicians at home. At the front, happily, it is altogether different. Not only are we there gathering and consolidating our strength in men and munitions, but the enemy is being daily and nightly bombarded, raided, harassed, and spied upon from the air and worried in his dug-outs and trenches. His strength is being tried in this manner with an assiduity which must tend to exhaust him and to derange his nerves. And at their best the German armies are not what they were before their destruction in the three and a-half years of fighting.

The most forlorn spot in the long war line is Rumania, and while we admire the fine courage with which her Ministers and King throw back the insolent German ultimatum and refuse to make peace at the order of the bullies, we cannot but be anxious about the immediate consequences. Rumania is isolated. We can give her no effective help, and Russia has failed her. Had we been able to force the Dardanelles—well, we need not hark back on that for our discouragement, it is better to look at the problem from the enemy point of view, and to ask what he can gain by forcing Rumania to submit. Is there any substantial advantage to come from such a triumph? Not while we control the ocean routes, not while we can bottle up the mouth of the Dardanelles, as was illustrated in the recent *Goeben-Breslau* incident, not either while Russia remains a mystery to the enemy. We begin to suspect Mr. Trotsky to be an exceedingly astute diplomatist. He will obviously have to be attended to by the Allies, for his "down arms, Russians!" coupled with the refusal to conclude a peace with Germany, might turn out to be a master-stroke of policy. We must wait and see. Present indications are that the Berlin master brigands are puzzled and a bit alarmed. They know not what to make of it, and may presently find that they have denuded their Eastern front of too many troops to be safe in their vaunted conquests. It looks, too, as if Mackensen may be in no position to overrun Moldavia and wipe Rumania out. All the more reason to fire off salvos and shout and wave flags in anticipatory jubilation over the "triumph" just about to be won in the West.

We must not forget that by spring Greece will have a large, well-equipped, and disciplined army to take its place in the Macedonian conflict, or that Bulgaria, whatever façade of strength may be put up by her with Germany's help, is in a state of exhaustion and paralysis. And Turkey, too, that empire of nomads, great

Ally of the pious Lutheran-Wodan Kaiser, can by now be in no position to wage any effective war at any point, and the condition of Austria is as near as may be one of hopeless misery, so that on the Italian front even the Prussians cannot hope to organise any effective assault when spring comes. What more is required of us, then, except steadfastness and patience, the avoidance of wrangling and diligence in labour and self-denial? Our Army and Navy, helped by their comrades of France, Italy, America, Belgium, Serbia, and Greece, may be relied on to bring us the peace desired.

Last week's tale of sinkings of merchant vessels by German submarines is again not pleasant to contemplate, 13 merchant vessels of 1,600 tons gross and over having been returned as sunk, together with six of less than that tonnage, and three fishing vessels. Thus the total number of vessels of all sizes returned is 22, and, in addition 11 were unsuccessfully attacked. These figures, however, require adjustment, two of the 13 large vessels returned having been actually sunk in the previous week, and one of the 11 unsuccessfully attacked is also attributable to that week. Thus, making the requisite adjustments, the real sinkings of large ships in the week ended February 2 were 12, and of small ships five, or 17 in all, without counting fishing vessels, and last week the number of large ships sunk was 11, and of small six. For each of these two weeks, therefore, the total of the sinkings appears to have been 17; that is, two higher than in the week ended January 26, 10 higher than in the week ended January 19 and 12 above the total for the week ended January 12. No real progress would seem to have been made in destroying these pirates of the sea. As Sir Eric Geddes said, we only "hold" the enemy, he is not yet subdued. U-boat energies, indeed, seem to be developing on other seas than those surrounding our islands, for last week four Italian steamers of over 1,500 tons were sunk and three small vessels of under 100 tons, besides one sailing vessel damaged. As the days get longer, however, our power will increase, and the opportunities of the stealthy submarine get circumscribed, but we cannot be sure that we shall attain complete triumph over them, even by Lord Jellicoe's date. At the same time, when contrasted with the feats of assassination perpetrated at the beginning of the unrestrained submarine fury just a year ago, it is obvious that great progress had been made, and that progress implies an enormous waste of German submarines, with a proportionate strain on German workmen engaged in keeping up the supply, not to speak of the crews lost with the boats sunk.

Were the Prussians to reach the victory they still brag about as "coming" and "certain"—which they nowise can—they would find it "hollow, hollow all delight," barren and a curse.

#### BOOKS RECEIVED.

*Banking and Currency* By Ernest Sykes, B.A. (Oxon.). With an introduction by F. E. Steele. Fourth edition. London: Butterworth and Co.—An excellent handbook, judiciously revised up to date.

## STANDARD BANK OF SOUTH AFRICA, L<sup>TD</sup>.

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa and to the Administration of Rhodesia.

<b>Subscribed Capital</b> ...	<b>£6,194,100</b>	<b>Reserve Fund</b> ...	<b>£2,000,000</b>
<b>Paid-up Capital</b> ...	<b>£1,548,525</b>	<b>Uncalled Capital</b> ...	<b>£4,645,575</b>

WM. REIERSON ARBUTHNOT, Esq.  
SIR DAVID M. BARBOUR, K.C.S.I., K.C.M.G.  
ROBERT E. DICKINSON, Esq.

**Board of Directors.**  
JAMES FAIRBAIRN FINLAY, Esq., C.S.I.  
HORACE PEEL, Esq.  
WILLIAM SMART, Esq.

Rt. Hon. LORD SYDENHAM, G.C.S.I.,  
G.C.M.G., G.C.I.E., G.B.E.  
H. L. M. TRITTON, Esq.

**Head Office: 10 CLEMENTS LANE, LOMBARD STREET, LONDON, E.C. 4.**

**New York Agency: 68, WALL STREET, Over 250 Branches and Agencies in South and East Africa.**

**EVERY DESCRIPTION OF BANKING BUSINESS** transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, South-West Africa Protectorate, and the Belgian Congo, and with the Bank's Agencies in New York and elsewhere.

**CURRENT ACCOUNTS** are opened on the usual terms.  
**DEPOSITS RECEIVED** for fixed periods at rates which may be ascertained on application.

**BILLS NEGOTIATED AND COLLECTED.**

The officers of the Bank are bound not to disclose the transactions of any of its customers.

**MAIL AND TELEGRAPHIC REMITTANCES** made.  
**LETTERS OF CREDIT AND DRAFTS** granted on the branches and Agencies of the Bank.

**THE BANK ISSUES CIRCULAR LETTERS OF CREDIT** available in all parts of the world.

**COMMERCIAL LETTERS OF CREDIT ISSUED.**  
**PURCHASE AND SALE OF STOCKS AND SHARES** effected.

**DIVIDENDS, ANNUITIES, &c.,** received.  
**EXECUTOR AND TRUSTEE** Business undertaken.

FRANCIS SHIPTON, London Manager.

## BANK RATE NOTICES.

**THE LONDON CITY AND MIDLAND BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on Deposits at seven days' call at the Head Office and London Branches will be THREE per Cent. until further notice.

J. M. MADDERS, }  
S. B. MURRAY, } Joint  
F. HYDE, } General  
E. W. WOOLLEY, } Managers.

5, Threadneedle Street, E.C. 2,  
14th February, 1918.

**BRITISH LINEN BANK (LONDON OFFICE).**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on Deposit Accounts at this Office will be THREE per Cent. until further notice.

JAMES LITTLE, Manager.

Threadneedle Street, London, E.C.,  
14th February, 1918.

**THE NATIONAL BANK OF SCOTLAND, LIMITED.**

Incorporated by Royal Charter and Act of Parliament.

London Office: Nicholas Lane, Lombard Street.

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on Deposits at this Office will be THREE per Cent. per annum for money at seven days' notice.

J. FERGUSON, Manager.

14th February, 1918.

**THE CAPITAL AND COUNTIES BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the RATE OF INTEREST allowed on Deposits repayable on seven days' notice is this day REDUCED to THREE per Cent. per annum.

G. A. HARVEY, }  
E. D. VAISEY, } Joint  
General Managers.

No. 39, Threadneedle Street, E.C.,  
14th February, 1918.

**LLOYDS BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed by this Bank upon Deposits at its Metropolitan Branches is REDUCED to THREE per Cent. for money at seven days' notice.

HENRY BELL, General Manager.

No. 71, Lombard Street,  
14th February, 1918.

**THE LONDON JOINT STOCK BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed at the Head Office and London Branches of this Bank on Deposits subject to seven days' notice of withdrawal is this day REDUCED to THREE per Cent. per annum.

J. F. DARLING, General Manager.

5, Princes Street, Mansion House, E.C. 2,  
14th February, 1918.

**PARR'S BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed by this Bank at the Head Office and Metropolitan Branches on Deposit at seven days' notice is THREE per Cent. per annum until further notice.

JOHN STEWART, General Manager.

Bartholomew Lane, E.C.,  
14th February, 1918.

**BANK OF SCOTLAND (LONDON OFFICE).**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on Deposit Accounts will be THREE per Cent. until further notice by advertisement.

WILLIAM SMILES, Manager.

No. 30, Bishopsgate, E.C.,  
14th February, 1918.

**WILLIAMS DEACON'S BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed by this Bank on Deposits at seven days' notice at this Office and Metropolitan Branches will be THREE per Cent. per annum from this date until further notice.

JOHN J. MEAGHER, Manager.

20, Birchin Lane, E.C.,  
14th February, 1918.

## BANK RATE NOTICES.

**THE COMMERCIAL BANK OF SCOTLAND, LIMITED (LONDON OFFICE).**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on Deposits at this Office will be THREE per Cent. until further notice by advertisement.

GEO. S. COUTTS, Manager.

No. 62, Lombard Street, London, E.C.,  
14th February, 1918.

**NATIONAL PROVINCIAL BANK OF ENGLAND, LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed by this Bank at its Head Office, Bishopsgate, and London Branches is this day REDUCED to THREE per Cent. for money placed on Deposit at seven days' notice.

D. J. H. CUNNICK, }  
F. ELEY, } Joint General  
A. G. HOPEWELL } Managers.

No. 15, Bishopsgate, London, E.C. 2,  
14th February, 1918.

**THE UNION BANK OF SCOTLAND, LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on Deposits with the Union Bank of Scotland, Limited, at this Office will be THREE per Cent. per annum from this day until further notice.

GEO. J. SCOTT, Manager.

London Office, 62, Cornhill, E.C.,  
14th February, 1918.

**THE UNION OF LONDON & SMITHS BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on Deposits at the Head Office and Metropolitan Branches, repayable on seven days' notice, will be THREE per Cent. per annum from this date until further notice, which will be given by advertisement only.

H. H. HART, General Manager (Town and Foreign).  
L. E. THOMAS, General Manager (Country).

No. 2, Princes Street, E.C.,  
14th February, 1918.

**LONDON COUNTY AND WESTMINSTER BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the INTEREST allowed to Depositors is this day reduced to the following rates, viz. :-

On Deposits subject to seven days' notice THREE per Cent., and on Deposits at call TWO AND A HALF per Cent., until further notice.

F. J. BARTHORPE, Head Office Manager.

No. 41, Lothbury, E.C.,  
14th February, 1918.

**THE CLYDESDALE BANK, LIMITED (LONDON OFFICE).**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on Deposits at this Office will be THREE per Cent. per annum until further notice.

DAVID YOUNG, Manager.

30, Lombard Street, E.C.,  
14th February, 1918.

**LONDON PROVINCIAL AND SOUTH WESTERN BANK, LIMITED.**

HEAD OFFICE: 170, Fenchurch Street, E.C. 3.

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed at the Head Office and Metropolitan Branches of this Bank on Deposits repayable at seven days' notice is THIS DAY REDUCED to THREE per Cent. per annum.

HERBERT HAMBLING, General Manager.

14th February, 1918.

**MARTIN'S BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST on Deposits with the Head Office of this Bank, subject to seven days' notice, will be THREE per Cent. per annum from this date until further notice.

G. BROMLEY MARTIN, Managing Director.

No. 68, Lombard Street, E.C.,  
14th February, 1918.

In these days, when wide circulation of papers through the post is impossible, we rely on newspaper advertisement to remind our friends that we look to them to do what they can to make the merits of the Society known in their own circles.

The Clerical's strong 2½ per cent. Valuation, unbroken Bonus record, and attractive rates of premium, carry great weight with everyone who is selecting an office in which to assure his life in these hazardous times. — A. D. BESANT, General Manager and Actuary, **Clerical, Medical and General Life Assurance Society**, 15, St. James's Square, S.W. 1, London.

## The Investors' Review.

### Money and Credit Notes.

**BANK RATE 5 PER CENT.** (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

*Norfolk House, Friday Evening.*

Up to Thursday morning the Money market generally betrayed its subjection to the tax-collector. Call money sometimes cost 4 per cent., and notice money was throughout the week 3½ per cent. Discount rates, too, were firm, with a reluctance shown by buyers at 4 per cent. and upwards for remitted paper. Then on Thursday, as noted below, the Government announced that it would reduce its rate on Treasury bills to 3½ per cent., and the market obeyed orders. Open market discount rates came down by almost ½ per cent. to 3½, as against 4 to 4½ per cent. for three months' remitted bills. Money was less pliable, being nowise more plentiful than before, but it also may be pushed down in spite of the tax-collecting pressure, so all-powerful is the Government over the market in the absence of any great volume of independent business competing with it.

It is useless to delay over the Bank return, for it gives no clue to the movement in rates of interest, for it cannot be said to have anything to do with it. The largest change is a decrease of £2,130,000 in the public deposits, the credit thus going to increase the other deposits by £761,000, and to reduce the other securities by £1,227,000. Government securities also shrunk £540,000, the reserve having been fortified by £404,000, thanks to the receipt of £334,000 in gold and a return of £70,000 in notes from the circulation. The increase in the reserve and decrease of liabilities raised the proportion of the one to the other by ½ to 19 per cent.

On Thursday the Treasury decided to reduce the rate for three and six months' Treasury bills from 4—to which it was reduced on December 27 last—to 3½ per cent. At the same time, the Bank of England lowered its rate for clearing bank balances lent to it on three days' notice to 3 per cent., and the clearing banks followed this by reducing their deposit rates by ½ per cent. to 3 per cent., while the discount houses also came into line by reducing their rates to 3 per cent. for money at call and to 3½ per cent. for money at notice. Thus all rates were reduced by ½ per cent., except the special rate allowed by the Bank of England on approved foreign balances, which remains at 4½ per cent. The pleasing feature of this simultaneous readjustment of monetary conditions to meet this new step taken by the Treasury is the unity of policy which it reveals as existing between the Government and the market; and this active readiness on the part of the banks and the market to fall in with the wishes of the Treasury certainly deserves recognition. The object of this lowering of Treasury bill rates is not so much to cheapen Government borrowing as to stimulate the process of reducing the amount of Treasury bills outstanding, and the policy of reducing rates to effect

that object has been adopted in preference to suspending sales of the bills. The reduction in deposit rates will also assist the process of funding Treasury bills, though its effect is more likely to be reflected in still larger purchases of National War Bonds by those who have money lying at the banks. The amount of Treasury bills held by the Money market is probably not much more than 50 per cent. of the total, so that the private holding of Treasury bills must run into several hundreds of millions. It is these holdings which the Treasury desires to get funded into War Bonds.

The removal of the embargo on Dutch commercial cables has enabled exchange operations with Holland to be resumed on a normal basis, and as a result the quotation for florins has moved 8 points in our favour to 10.82½ fl. to the pound. The announcement of the treaty with Ukraine has been followed by a further slight rise in the Scandinavian exchanges, Stockholm being quoted at 14.30 kr., Christiania at 14.89 kr., and Copenhagen at 15.52½ kr. to the pound. The peseta has risen further in value owing to a reported hitch in the negotiations for a Spanish credit for the Allies, and the Madrid exchange is quoted at 19.62½ pesetas to the pound. The Chilean exchange has risen rather sharply to 13½d.

Arrangements are being made for the issue in France of a loan of 200 million francs to Morocco. The rate of interest will be 5 per cent., and the price of issue about 89 per cent. The loan, which will be guaranteed by the French Government, will probably be issued towards the end of this month.

### SILVER.

The silver market has been quite uninteresting throughout the week and the price of bars remains at 42½d. per oz. Holidays have stopped business in Shanghai, from whence no rate of exchange has come for some days, and Mocatta's circular says this tended to give the market here "an uninteresting and flabby tone." They do not look for any immediate change at present. In Montagu's circular we find some interesting statements with regard to the Indian reserve and its note circulation. On many occasions the wish has been expressed that a substantial portion of the gold reserve held against the Indian paper money should be in India itself, not in London, and this wish is now apparently being gratified. The total gold held in India on the 7th instant was more than double that held at August 31 last, that is to say, £18,370,000 against £8,080,000. Practically the amounts respectively of silver and gold held within and outside India have changed places within these two dates, and the amount of silver in reserve has been reduced to a lower figure than any recorded since May 7 last year, which was in its turn the lowest shown since November 18, 1913, when the note issue was only 6,475 lacs of rupees, whereas it is now 10,484 lacs.

Applications for the Rs. 60,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,21,55,000. Of these Rs. 59,59,000 were allotted in deferred transfers, and Rs. 41,000 in immediate transfers. Tenders for bills and deferred transfers at 18. 4 29-32d. and for immediate transfers at 18. 5d. received about 27 per cent.

A Reuter message from Zurich states that, after an interval of nearly three and a-half years, the Austro-Hungarian Bank has published its returns. These show that the notes in circulation at the end of 1913 amounted to 2,490,000,000 kronen, in 1914 to 5,200,000,000 kronen, in 1915 to 7,200,000,000 kronen, in 1916 to 10,890,000,000 kronen, and in 1917 to 18,440,000,000 kronen. The average monthly increase in 1915 of 166,000,000 kronen rose to 640,000,000 kronen in 1917.

Meanwhile the gold cover has been steadily decreasing at a rate which threatens its total extinction. At the end of 1914 it was 22.9 per cent. of the note circulation; in 1915, 9.4 per cent.; in 1916, 2.8 per cent.; and in 1917, only 1.6 per cent. As the gold cover decreased, the loans by the bank to the Austrian and Hungarian Governments increased enormously. In 1915 they amounted to 625,000,000 kronen, or 8.7 per cent. of the note circulation; at the end of 1916 to 5,299,000,000 kronen, or 48.6 per cent.; at the end of 1917 to 13,690,000,000 kronen, or 76.1 per cent.

Attempts are now being made to reduce the note circulation by the issue of interest-bearing bonds of the Austro-Hungarian Bank.

## BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, February 13, 1918.

## ISSUE DEPARTMENT.

Notes Issued	£	Government Debt	£
76,275,335		11,015,100	
		Other Securities	7,434,900
		Gold Coin and Bullion	57,825,335
		Silver Bullion	—
£76,275,335		£76,275,335	

## BANKING DEPARTMENT.

Proprietors' Capital	£	Government Securities	£
14,553,000		56,349,951	
Reserve	3,507,225	Other Securities	95,666,673
Public Deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts)	39,012,911	Notes	30,214,535
Other Deposits	120,265,157	Gold and Silver Coin	1,117,773
Seven Day and other Bills	10,639		
£183,348,932		£183,348,932	

Dated February 14, 1918.

J. G. NAIRNE, Chief Cashier.

## BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year, Feb. 14.	Feb. 6, 1918.	Feb. 13, 1918.	Increase.	Decrease.
£	£	£	£	£
3,472,235	3,500,694	3,507,225	6,431	—
51,923,359	41,143,292	39,512,911	—	2,170,381
145,157,070	125,504,321	126,265,157	760,836	—
28,240	10,476	10,639	163	—
134,959,208	56,889,951	56,349,951	540,000	—
44,034,194	95,893,646	95,666,673	1,226,973	—
36,140,502	30,928,186	31,332,308	—	404,122
			2,534,403	2,534,403
£	£	£	£	£
59,450,535	46,131,315	46,060,800	—	70,515
57,141,037	58,609,501	58,943,108	333,607	—
18.3 p.c.	18.6 p.c.	19 p.c.	4 p.c.	—
5.4	5	5	—	—

## LONDON BANKERS' CLEARING.

Date.	1918.	1917.	Increase.	Decrease.
January	2,073,224,000	1,865,125,000	208,099,000	£
February 6	44,563,000	430,225,000	10,338,000	—
" 13	383,794,000	440,939,000	—	56,245,000
Total	2,513,787,000	2,295,350,000	218,437,000	—

## PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended Feb. 9.)

REVENUE.	EXPENDITURE.
Customs .. .. .	National Debt Service .. .. .
Excise .. .. .	Inter st, &c., on War Debt .. .. .
Estate, &c., Duties .. .. .	Development & Local Impvt .. .. .
Stamps .. .. .	Payments to Road Taxation .. .. .
Land Tax and House Duty .. .. .	Other Consolidated Fund .. .. .
Property and Income Tax .. .. .	Charges .. .. .
Excess Profits Tax .. .. .	Supply Services .. .. .
Land Values .. .. .	Bullion Advances .. .. .
Post Office .. .. .	For Advance for Interest .. .. .
Crown Lands .. .. .	on Exchequer Bonds under .. .. .
Sundry Loans .. .. .	Capital Expenditure .. .. .
Miscellaneous .. .. .	(Money) Act, 1904 .. .. .
Bullion advances repaid .. .. .	For Treasury Bills .. .. .
For Treasury Bills for Supply .. .. .	War Loan and Exchequer .. .. .
5% Exchequer Bonds, 1922 .. .. .	Bonds .. .. .
6% Exchequer Bonds, 1920 .. .. .	Other Debt under War Loan .. .. .
Nation-1 War Bonds .. .. .	Acts, 1914-16 .. .. .
War Expenditure Certificates .. .. .	For Exchequer Bonds under .. .. .
War Savings Certificates .. .. .	Section 61 of Finance Act, .. .. .
4% War Loan, 1929-1942 .. .. .	1916, and Section 34, 1917 .. .. .
5% War Loan, 1929-1947 .. .. .	Under Telegraph (Money) .. .. .
Other Debts created under .. .. .	Act, 1913 .. .. .
War Loan Act, 1915, and .. .. .	Under Post Office (London) .. .. .
Finance Act, 1916 .. .. .	Railway Act, 1913 .. .. .
Telegraph Money Act, 1913 .. .. .	Under Military Works Acts .. .. .
Under Post Office Rly. Act, .. .. .	Under Housing Act, 1914 .. .. .
1913 .. .. .	Public Buildings Expendi- .. .. .
Under Military Works Act, .. .. .	ture Act, 1903 .. .. .
1897-1903 .. .. .	Old Sinking Fund, 1907-8 .. .. .
Under Public Buildings .. .. .	Sinking Fund, 1914 .. .. .
Under Housing Act .. .. .	China Indemnity .. .. .
Repayment of Advance for .. .. .	East African Loan .. .. .
Interest on Exchequer .. .. .	Cunard Agreement Act .. .. .
Bonds .. .. .	Depreciation Fund .. .. .
China Indemnity .. .. .	Suez Canal Drawn Shares .. .. .
East Africa Loan repay- .. .. .	Temporary Advances Repaid .. .. .
ments .. .. .	Increase in Exchequer .. .. .
Suez Canal Drawn Shares, .. .. .	balances .. .. .
12,797 .. .. .	595,210
Ways and Means Advances .. .. .	
5,000,000 .. .. .	
Decrease in Exchequer .. .. .	
balances .. .. .	
£153,124,261	£153,124,261

\*Excluding sales through banks which have not yet been brought to account

## CURRENCY NOTES.

Return of Currency Notes for the week ended February 13, 1918.

	Issued.	Cancelled.	Outstanding.
£1 notes	4,318,553	3,098,219	156,943,807
10s. notes	1,315,314	1,351,564	36,850,248
Note certificates	500,000	100,000	21,370,000
Previous total	824,096,841	670,517,070	213,579,771
	830,230,708	675,066,853	215,163,855

Ratio of gold held against notes, this week, 14.71 p.c.; last week 15.06 p.c.

## FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Jan. 11, 1918.	Jan. 4, 1918.	Jan. 12, 1917.
Gold coin and certificates	95,407,600	96,014,400	58,565,800
Gold Settlement Fund	73,325,800	67,737,400	41,902,400
Gold with foreign agencies	10,500,000	10,500,000	—
Total gold held by banks	179,333,400	174,251,800	99,874,000
Gold with Federal Res. Agent	156,354,800	159,438,200	51,902,400
Gold Redemption Fund	3,918,400	3,854,000	356,400
Total gold reserves	339,506,600	337,544,000	155,132,800
Legal tender notes, silver, &c.	10,064,800	9,062,000	3,353,800
Total reserves	349,571,400	346,606,000	158,486,600
Bills discounted—Members	115,147,600	125,162,600	4,871,000
Bills bought in open market	52,538,200	54,267,600	23,195,800
Total bills on hand	167,685,800	179,430,200	28,066,800
U.S. Gov. long-term sec.	10,226,400	10,233,400	8,221,200
U.S. Gov. short term sec.	27,445,400	18,411,600	2,971,400
Municipal warrants	1,023,400	1,033,400	1,971,800
Loans on gold coin and bullion	—	—	—
Total earning assets	206,181,000	209,108,600	41,231,200
Due fm other Fed Res bks—n.	5,448,400	9,048,800	2,326,400
Uncollected items	60,910,800	60,401,400	24,169,200
Total deductns. fm gross dep.	66,359,200	69,450,200	26,495,600
5% Red. Fund ag Fed. Res. bknts	107,400	107,400	80,000
All other resources	110,800	107,400	2,452,200
Total resources	62,329,800	625,379,600	228,745,000
Capital paid in	14,313,000	14,165,000	11,141,200
Surplus	226,800	226,800	—
Government deposits	12,104,600	26,201,200	5,551,800
Due to members—Res. account	300,004,200	289,846,000	136,117,200
Members' bank deposits—net	40,671,800	38,529,800	22,247,600
Collection items	4,081,000	4,118,800	—
Total gross deposits	356,861,600	358,695,800	163,956,600
F.R. notes in actual circulat'n	248,856,000	250,241,000	53,633,600
F.R. bk nts in circn—net liab.	1,600,000	1,600,000	—
All other liab. in for Gov crdts	472,400	451,000	54,200
Total liabilities	622,321,800	625,379,600	228,745,600
Gold res. ag nett deposit liab.	61.7%	60.2%	81.4%
Gold res ag F.R. nts in act circ	64.4%	65.3%	103.0%
Ratio of gold res to nett dep.	—	—	—
and F.R. nts liabilities combi- ned	62.9%	64.2%	81.2%
Ratio of total res. to nett deposit and F.R. note lia- bilities comb ned	64.8%	62.5%	83.0%

## NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Feb. 9, 1918.	Feb. 2, 1918.	Jan. 26, 1918.	Feb. 10, 1917.
Loans	839,054,000	834,120,000	815,104,000	694,142,000
Reserve held in own Vaults	3,570,000	3,620,000	3,704,000	104,400,000
Reserve held in Fed. Res. Bk.	111,920,000	108,664,000	107,676,000	38,000,000
Cash in own Vaults	19,634,000	20,556,000	21,690,000	—
Reserve held in Other Depos.	1,814,000	1,714,000	1,734,000	11,476,000
Nett Demand Deposits	735,830,000	730,876,000	728,306,000	708,088,000
Nett Time Deposits	40,388,000	40,516,000	40,150,000	33,264,000
Circulation	6,836,000	6,820,000	6,806,000	5,720,000
Excess Lawful Reserve	19,182,000	16,518,000	15,986,000	31,704,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

## NEW YORK STATE BANKS &amp; TRUST COMPANIES (dollar at 4s.).

	Feb. 9, 1918.	Feb. 2, 1918.	Jan. 26, 1918.	Feb. 10, 1917.
Loans	168,620,000	166,928,000	164,722,000	150,422,000
Specie	3,654,000	3,554,000	3,516,000	13,160,000
Deposits	167,734,000	166,426,000	167,606,000	159,662,000
Legal Tenders	14,878,000	15,018,000	15,330,000	2,022,000

## BANK OF FRANCE (25 francs to the £).

	Feb. 14, 1918.	Feb. 7, 1918.	Jan. 31, 1918.	Feb. 15, 1917.
Gold in hand	133,129,880	133,069,560	133,003,920	127,565,240
Silver in hand	10,036,720	10,022,760	9,939,320	10,980,000
Bills discounted	53,394,160	53,880,640	40,627,320	24,841,280
Advances	48,684,160	49,465,040	48,054,520	49,965,880
Note circulation	952,817,040	949,604,760	941,373,520	709,882,800
Public deposits	1,676,720	10,823,960	942,000	1,351,400
Private deposits	105,377,040	103,256,160	118,075,600	93,858,480
Foreign Bills	708,080	656,640	573,080	79,520

Proportion between bullion and circulation 33.58 per cent., against 23.64 per cent. last week. Advances to the State £500,000,000, unchanged. The adjourned payments of drafts in Paris on account of the moratorium £19,913,000, decrease £41,320, and at the branches £25,047,840, decrease £48,200.

## BANK OF SPAIN (25 pesetas to the £).

	Feb. 2, 1918	Jan. 26, 1918	Jan. 19, 1918	Feb. 3, 1917.
Gold	79,024,706	79,018,335	78,704,796	51,807,452
Silver	28,492,588	28,517,939	28,356,739	29,719,005
Foreign Bills	3,536,575	3,534,523	3,564,870	3,400,359
Discounts and Short Bills	28,077,028	28,337,011	28,556,309	26,332,400
Treasury Account, &c.	26,312,300	26,792,163	27,073,345	25,949,869
Notes in Circulation	113,105,750	112,435,686	112,672,744	95,607,106
Current Accounts, Deposits	38,446,675	38,728,994	37,879,162	29,778,845
Dividends, Interests, &c.	2,301,420	2,021,545	4,128,861	1,767,580
Government Securities	1,176,247	1,436,668	1,652,566	1,066,618

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	Feb. 7, 1918.	Jan. 31, 1918.	Jan. 23, 1918.	Feb. 7, 1917.
Total Coin & Bullion	£126,016,850	£126,051,100	£126,028,850	£127,113,550
Treasury Notes	61,929,250	62,665,100	59,785,500	14,144,050
Bills discounted	630,465,250	655,276,250	620,901,850	409,436,000
Advances	425,650	436,050	286,350	600,750
Note circulation	556,083,000	555,946,700	545,941,600	394,614,600
Deposits	315,167,050	333,811,350	312,530,550	175,252,300

Clearing House return during January £478,428,170, against £487,563,765 in December.

## BANK OF NORWAY.

	Jan. 22, 1918.	Jan. 15, 1918.	Jan. 7, 1918.	Jan. 22, 1917.
Gold	£6,413,000	£6,413,000	£6,413,000	£6,900,000
Balance abroad and Foreign Bills	4,506,000	4,547,000	4,768,000	4,403,000
Gov't Securities	690,300	749,000	715,000	767,000
Discounts & Loans	20,703,000	21,154,000	21,503,000	8,623,000
Notes in Circulation	16,820,000	17,093,000	17,394,000	12,743,000
Deposits at notice	11,523,000	11,900,000	11,938,000	4,691,000

## SWISS NATIONAL BANK (25 francs to the £).

	Jan. 31, 1918.	Jan. 23, 1918.	Jan. 15, 1918.	Jan. 31, 1917.
Gold and silver	£16,633,852	£16,651,336	£16,557,536	£15,874,500
Bills	10,587,276	9,782,264	10,332,600	6,475,784
Note circulation	25,324,100	24,355,716	25,117,120	20,127,444
Current and deposit accounts	5,525,920	4,854,348	4,445,772	4,375,196

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	Feb. 12, 1918.		Feb. 14, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam	Cable transfers	10.80	10.85	10.75	10.80
	Three months' bills	10.95	11.00	10.92	10.97
Paris	Cable transfers	27.15	27.20	27.13	27.18
	Three months' bills	27.55	27.60	27.53	27.58
Switzerland	Cable transfers	21.42	21.52	21.33	21.43
	Three months' bills	21.77	21.87	21.68	21.78
Petrograd	Cable transfers	nom.	nom.	nom.	nom.
Genoa, &c.	Cable transfers	4.95	4.95	4.15	4.25
Spain	Cable transfers	19.60	19.70	19.60	19.70
	Three months' bills	57	58	57	58
Lisbon and Oporto	Cable transfers	29½	30½	29½	30½
Copenhagen	Cable transfers	15.55	15.65	15.40	15.50
Christiania	Cable transfers	14.95	15.05	14.82	14.92
Stockholm	Cable transfers	14.33	14.43	14.25	14.35

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques	Francs to £1	25.22½	27.18	27.16
Amsterdam, cheques	Florins to £1	12.107	10.72½	10.77
Italy, sight	Lire to £1	25.22½	41.10	41.15
Madrid, sight	Pesetas to £1	25.22½	19.52½	19.67
Lisbon, sight	Pence to milreis	53½d.	29½d.	29½d.
Switzerland, sight	Francs to £1	25.22½	21.40	21.25½
Christiania, sight	Kroner to £1	18.159	14.72½	14.90
Stockholm, sight	Kroner to £1	18.159	14.20	14.27½
Copenhagen, sight	Kroner to £1	18.159	15.37½	15.42½
Petrograd, sight	Roubles to £10	94.57	—	—
Alexandria, sight	Piastres to £1	97½	97½	97½
Bombay, T.T.	Sterling to rupee	1/4	1/4½	1/4½
Calcutta, T.T.	Sterling to rupee	1/4	1/4½	1/4½
Hong Kong, T.T.	Sterling to dollar	—	2/11½	2/11½
Shanghai, T.T.	Sterling to tael	—	4/3½	4/3½
Singapore, T.T.	Sterling to dollar	—	2/3½	2/3½
Yokohama, T.T.	Sterling to yen	2.58d.	2/1½	2/1½
New York, cable	Dollars to £1	4.86½	4.76½	4.76½
Buenos Aires, T.T.	Pence to dollar	47.58d.	50½	50d.
Valparaiso, 90 days	Pence to peso	—	13½d.	14d.
Montevideo, T.T.	Pence to dollar	51d.	59½d.	59½d.
Rio de Janeiro, 90 days	Pence to milreis	16d.	13½d.	13½d.

## OPEN MARKET DISCOUNT.

	Last week.	This week
	Per cent.	Per cent.
Thirty and sixty day remitted	3½-4	3½
Three months	4-4½	3½
Four months	4-4½	3½
Six months	4-4½	3½
Three months fine inland bills	4½-5	4½
Four months	4½-5	4½
Six months	4½-5	4½

## BANK AND DEPOSIT RATES.

	Last week	This week
	Per cent.	Per cent.
Bank of England minimum discount rate	5	5
" " short loan rates	—	—
Bankers' rate on deposits	3½	3
Bill brokers' deposit rate (call)	3½	3
" 7 and 14 days' notice	3½	3½
Current rates for 7 day loans	3½	3½
" for call loans	3½	3½

A story is going the round of the papers that William Hohenzollern is going to make his headquarters at Spa, and to take a short cure there. And in order to surround himself with the requisite desert to protect him from prying eyes and accommodate his guards, a number of Belgians are being ejected from houses in the neighbourhood of the one he has taken. The ejection is to be summary and swift, but we doubt the whole story. Spa is quite accessible from French and British aerodromes, and William is as arrant a coward as exists. The mere threat of a visit from our aeroplanes has but to reach his ears, and he would vanish from Spa like a troubled ghost.

## The Week's Stock Markets.

Except in a few minor sections there has not been much to excite enthusiasm in the Stock markets this week. Of course, the reduction of the rate on Treasury bills, followed by the inevitable lowering of the bankers' allowance on deposits, tended to help the gilt-edged market, but the competition of the provincial Tank campaign and the threat of a second invasion of London on a greatly extended scale does not make for activity in older securities. And in other respects developments have not been particularly favourable. Political unrest always reacts to a greater or less extent on the Stock Exchange, and the signs of seething at Westminster have not been without effect in Throgmorton Street. Then the Russian imbroglio and all that follows from it with regard to Rumania and the situation generally on the Eastern front make timid people frightened of their own shadow. Under the circumstances one might have thought that Home Railways, which at any rate maintain their position, would have received some attention, especially as they are now "full" of dividend, but they have been one of the weakest sections in the House, scarcely giving place even to the temporarily discredited Argentine market in this respect. The latter has again been upset by an outbreak of labour troubles and sabotage, and although the Government—frightened at the Frankenstein it has helped to create—now appears to be taking strenuous measures to suppress the disorders incalculable mischief has already been done, and it will take a long time before confidence is restored. Several sections of the Industrial market have been actively supported, mainly on amalgamation rumours, the most interesting of which are the suggested combines of armament firms—Vickers, Armstrongs, and the rest—and explosive manufacturers. But the Shipping division has got into the doldrums, partly because it is beginning to dawn on buyers that the inflation of tonnage and capital values cannot last for ever, and partly because holders are in many cases getting anxious to secure their profits. We should say generally that there is no immediate necessity to realise, but undoubtedly many prices are at a level which cannot be maintained indefinitely.

Judging by the number of transactions recorded daily on the Stock Exchange, the business has not been nearly so bad as some of the dealers would like to make out. It must be admitted, however, that it has been ill-distributed, and while a few specialities have shown up to great advantage the general average has been decidedly disappointing. Gilt-edged securities opened with a very dull tone except in the case of the tax-free War Loan, which is coming into more favour on the feeling that with the national expenditure likely to continue at the same rate for some considerable time those who compounded the tax may even yet come out best in the bargain. After the rate on Treasury bills was reduced the tone for very obvious reasons became much stronger, and several fractional gains were recorded throughout the list. Colonial issues made a fairly good start, but afterwards dropped into utter neglect, and only responded feebly to the stimulus of the cheaper money which we are promised. In the Foreign section business has dropped to a point at which it is scarcely worth considering. A few bargains in Japanese and Spanish helped these stocks to a small extent, but Brazilians, Mexicans, and other usually favoured securities had nothing to show in any direction. Russians have been completely suspended as far as business is concerned for the time being until the outlook becomes somewhat clearer. Among minor issues a fall of 1½ in Cuban Ports may be mentioned.

Home Railways have been in a very distressful state all the week, and although they hardened a little towards the end on purchases by bargain hunters the loss on balance amounts to a considerable figure. The reports have been as good as the market could reasonably have expected, but there was a feeling that miscellaneous receipts might enable the companies to give the shareholders a little extra dividend on this occasion owing to the large accumulation of funds which are held up to provide for arrears of maintenance. This apparently has not appealed to railway directors, and the agitation to get the Great Western dividend increased has perhaps helped to unsettle the market still further. Americans have been a perfect blank, and Canadian Pacific have scarcely been mentioned. The official denial with regard to the rumoured guarantee by the Canadian Government of a substantial return on Grand Trunk stocks knocked the bottom out of this market, and very serious declines occurred. As a matter of fact, in well-informed quarters the story was never given much credence, but it evidently attracted some of

	Last Week	This Week		Last Week	This Week
Consols.....	54 3/4	54 3/4	N.S.W. 4 1/2% 5 yr. bds.....	99	99
War Loan 3 1/2%.....	85 1/2	85 1/2	" 4 1/2% 1922-7.....	90 1/2	91
" 4 1/2%.....	100 1/2	100 1/2	" 5 1/2% 1921-3.....	97	97 1/2
" 5% 1929-47.....	93 1/2	93 1/2	" 5 1/2% 1920-2.....	98	98 1/2
" 4% 1919-42.....	101 1/2	102	New Zealand 4%, 1929.....	86 1/2	86 1/2
India 3%.....	55 1/2	55 1/2	Queensland 4%.....	80 1/2	80 1/2
" 3 1/2%.....	64 1/2	64 1/2	" 4 1/2% 1920-5.....	94	94
Australian 3 1/2% 1920-22.....	98	98	Union of S. Africa 4 1/2% 1920-5.....	92	92 1/2
Canada 4% 1940-60.....	81 1/2	81 1/2	Victoria 4 1/2% 1920-5.....	94	94
" 4 1/2% 1920-5.....	93	93 1/2	Westn. Aus. 4%.....	79 1/2	79 1/2
N.S.W. 4% 1933.....	82 1/2	82 1/2	French War Loan, 5%.....	79 1/2	80 1/2
Argentina 4% 1900.....	67 1/2	67 1/2	Japan 4 1/2% (rst), 1905.....	99 1/2	99 1/2
Belgian 3%.....	62 1/2	62 1/2	" 5% 1907.....	93	93
Brazil, 1913.....	70 1/2	70 1/2	Mexican 5%, 1899.....	58	5 1/2
" 5% 1914.....	80 1/2	79 1/2	Russia 4%.....	38 1/2	38 1/2
Chinese 1896.....	94	94	" 4 1/2% 1909.....	40	40
" 1912.....	82 1/2	82 1/2	" 5% 1906.....	50	49
Egypt Unified 4%.....	85	86	London and N.-W.....	93	92
Caledonian defd.....	9 1/2	9 1/2	London and S.-W. dfd.....	21 1/2	21 1/2
Gt. Central prd.....	13 1/2	13 1/2	Do red. pf. 1914.....	94	94
" dfd.....	6 1/2	6 1/2	Metropolitan.....	22 1/2	22 1/2
Gt. Eastern.....	34 1/2	34	Do. 5% pf.....	77	77
Gt. Northern dfd.....	38	35 1/2	Met. District.....	15 1/2	15 1/2
Gt. Western.....	87	86	Midland dfd.....	59	59
Lancs. and Yorks.....	67 1/2	64 1/2	Nth. British dfd.....	14 1/2	14 1/2
London Brighton defd.....	60	60 1/2	Nth.-Eastern.....	9 1/2	9 1/2
London Chatham ord.....	82	83	Sth.-Eastern dfd.....	30	29
Canadian Pacific.....	160 1/2	161 1/2	Chesapeake.....	56	56
E. Indian Guar. 4 1/2% debts.....	84	84	Erie.....	21	20 1/2
Grand Trunk ord.....	10	9 1/2	Southern.....	25	26 1/2
Do. 1st pf.....	58 1/2	55			
Do. 3rd pf.....	24 1/2	22 1/2			
Antofagasta dfd.....	132	132	Cent. Argentine ord.....	59	57 1/2
Brazil Common.....	5	5	Leopoldina.....	38 1/2	38
B. A. & Pacific.....	39 1/2	38 1/2	Mexican ord.....	18 1/2	19
B. A. Gt. Southern.....	73	72 1/2	San Paulo (Brazilian).....	182	182
B. A. Western.....	70 1/2	70	United of Havana.....	75	74 1/2
Anglo-South American.....	7 1/2	7 1/2	London City & Midland.....	8 1/2	8
Bank of Australasia.....	121	121	London County & West.....	16	15 1/2
Bank of N.S. Wales.....	36	36 1/2	London Joint Stock.....	24 1/2	24 1/2
Barclay & Co. "A".....	7 1/2	7 1/2	Nat. Prov. of Eng. (£100 pd).....	26 1/2	26 1/2
Do. "B".....	12 1/2	12 1/2	Do. (£12 pd).....	30 1/2	30 1/2
Capital & Counties.....	24 1/2	24 1/2	Parr's.....	33 1/2	33 1/2
Chartered of India.....	73	72 1/2	Standard of S.A.....	11 1/2	11 1/2
Hongkong & Shanghai.....	87	87	Union Discount.....	16 1/2	16 1/2
Lloyds.....	25 1/2	24 1/2	Union & Smiths.....	26 1/2	26
London & Brazilian.....	24 1/2	25			
Armstrong, Whitworth.....	47 1/2	42 1/2	Kynochs.....	39 1/2	38 1/2
Birmingham Small Arms.....	54	59	Mond Nickel ord.....	3 1/2	3 1/2
Cammell-Laird.....	7	7	South Durham Steel.....	43 1/2	43 1/2
Cargo Fleet.....	26 1/2	27 1/2	Thornycroft.....	40 1/2	40 1/2
Dorman, Long.....	39 1/2	40 1/2	Vickers.....	42 1/2	41 1/2
Associated Cement.....	3 1/2	3 1/2	Fine Cotton Spinners.....	35 1/2	35 1/2
Borax dfd.....	41 1/2	41 1/2	Forestal Land.....	47 1/2	47 1/2
Bovril.....	21 1/2	21 1/2	Furness, Withy.....	65 1/2	64 1/2
Brazil Traction.....	45 1/2	44 1/2	Harrods Stores.....	2 1/2	2 1/2
British Amer. Tobacco pf.....	18 1/2	18 1/2	Hudson's Bay.....	7 1/2	7 1/2
British Aluminium.....	33 1/2	33 1/2	Imperial Tobacco "C" pf.....	33 1/2	32 1/2
British Oil & Cake.....	34 1/2	34 1/2	Lever Bros. "C" pf.....	20 1/2	20 1/2
Brunner, Mond.....	4 1/2	4 1/2	Lyons, J.....	3 1/2	3 1/2
Castner-Kellner.....	3 1/2	3 1/2	Marconi.....	3 1/2	3 1/2
Coats.....	6 1/2	6 1/2	Maypole Dairy dfd.....	19 1/2	20 1/2
Courtauld's.....	6 1/2	6 1/2	National Steam Car.....	17 1/2	16 1/2
Cunard.....	4 1/2	4 1/2	Pears, A. & F.....	1 1/2	1 1/2
Dennis Bros.....	35 1/2	35 1/2	P. & O. dfd.....	34 1/2	34 1/2
Eastern Telegraph.....	150 1/2	152 1/2	Royal Mail.....	127	126
Kashtmans.....	9 1/2	11 1/2	Underground Inc. Bds.....	8 1/2	8 1/2
English Sewing Cotton.....	55 1/2	55 1/2			
Anglo-Egyptian "B".....	32 1/2	32 1/2	North Caucasian.....	1 1/2	1 1/2
Baku (ros.).....	1 1/2	1 1/2	Roumanian Cons.....	1 1/2	9 1/2
Burmah.....	7 1/2	7 1/2	Shell.....	5 1/2	5 1/2
Lobitos.....	2 1/2	2 1/2	Spies (10/-).....	6 1/2	6 1/2
Malakop Pipeline.....	2 1/2	2 1/2	Ural Caspian.....	1 1/2	1 1/2
Mexican Eagle pf.....	62 1/2	63 1/2			
Allagar 2/-.....	3 1/2	3 1/2	Perak 2/-.....	7 1/2	7 1/2
Anglo-Java Rub. 2/-.....	7 1/2	6 1/2	Port Dickson 2/-.....	4 1/2	4 1/2
Anglo-Malay 2/-.....	13 1/2	13 1/2	Robt. Estates Johore £1.....	43 1/2	43 1/2
Ayer Kuning £1.....	49 1/2	48 1/2	Rub. Estates Krian 2/-.....	4 1/2	4 1/2
Batang Malaka 2/-.....	47 1/2	47 1/2	Rubber Trust £1.....	29 1/2	29 1/2
Bekoh 2/-.....	4 1/2	4 1/2	Sampang (Java) 2/-.....	2 1/2	2 1/2
Brit. N. Borneo Trust £1.....	16 1/2	17 1/2	Sapumalkande £1.....	2 1/2	2 1/2
Bukit Cloh 2/-.....	5 1/2	5 1/2	Seaport £1.....	27 1/2	26 1/2
Bukit Kajang £1.....	71 1/2	72 1/2	Selangor.....	34 1/2	34 1/2
Bukit Mertajam 2/-.....	47 1/2	47 1/2	Sengat 2/-.....	3 1/2	3 1/2
Bukit Sembawang 2/-.....	3 1/2	3 1/2	Seremban £1.....	4 1/2	4 1/2
Carey United £1.....	43 1/2	44 1/2	Shelford £1.....	37 1/2	37 1/2
Ceylon Para 2/-.....	9 1/2	9 1/2	Sialang £1.....	16 1/2	16 1/2
Chersonese.....	3 1/2	3 1/2	Singapore Para 2/-.....	4 1/2	4 1/2
Chevi 1 2/-.....	6 1/2	6 1/2	Singapore United 2/-.....	3 1/2	3 1/2
Dalkeith 2/-.....	3 1/2	3 1/2	Soembar Aje 2/-.....	2 1/2	2 1/2
Eastern Invest. Trust £1.....	25 1/2	25 1/2	Stagbrook £1.....	33 1/2	33 1/2
Grand Central £1.....	27 1/2	27 1/2	Straits Beriam 2/-.....	6 1/2	6 1/2
Gula Kalumpung £1.....	35 1/2	34 1/2	Sumatra Para 2/-.....	8 1/2	8 1/2
Highlands £1.....	59 1/2	59 1/2	Sungei Baku £1.....	37 1/2	37 1/2
Java Investment £1.....	29 1/2	28 1/2	Sungei Kapar 2/-.....	11 1/2	11 1/2
Java Para £1.....	30 1/2	30 1/2	Sungei Kruit £1.....	48 1/2	49 1/2
Johore Rubber Lands £1.....	33 1/2	33 1/2	Taipung 2/-.....	4 1/2	4 1/2
Kamunin 2/-.....	4 1/2	4 1/2	Tali Ayer £1.....	35 1/2	35 1/2
Kinta Kellas 2/-.....	4 1/2	4 1/2	Tanjong £1.....	9 1/2	9 1/2
Kuala K. bu 2/-.....	2 1/2	2 1/2	Tanjong Malim £1.....	31 1/2	31 1/2
Labu 2/-.....	10 1/2	10 1/2	Tebrau £1.....	62 1/2	63 1/2
Langen Java £1.....	45 1/2	45 1/2	Teloregadj £1.....	43 1/2	43 1/2
Lingga 2/-.....	27 1/2	27 1/2	Tempeh 2/-.....	2 1/2	2 1/2
London Asiatic 2/-.....	8 1/2	8 1/2	United Serdang 2/-.....	10 1/2	10 1/2
Malacca £1.....	5 1/2	5 1/2	United Sumatra 2/-.....	8 1/2	8 1/2
Malayalam £1.....	37 1/2	39 1/2	Val d'Or 2/-.....	4 1/2	4 1/2
Merlimau 2/-.....	5 1/2	5 1/2	Vallambrosa 2/-.....	22 1/2	22 1/2
Padang Jawa 2/-.....	3 1/2	3 1/2	Way Halim 1 1/2 pd.....	—	—
Pataing 2/-.....	49 1/2	47 1/2			
Abbotiakoona (10/-).....	4 1/2	4 1/2	Gt. Boulder (2/-).....	13 1/2	13 1/2
Beechuanaland Exp.....	7 1/2	7 1/2	Kyshtim.....	1 1/2	1 1/2
Brakpan.....	5 1/2	5 1/2	Mashonaland Agency.....	7 1/2	6 10 1/2
Broken Hill Prop. (8/-).....	57 1/2	59 1/2	Meyer & Charlton.....	5 1/2	5 1/2
Cam & Motor.....	13 1/2	12 1/2	Modder "B".....	8 1/2	8 1/2
Central Mining (£12).....	6 1/2	6 1/2	Do. Deep.....	7 1/2	7 1/2
Chartered.....	16 1/2	15 1/2	Mysore.....	3 1/2	2 1/2
City Deep.....	3 1/2	3 1/2	Rand Mines (5/-).....	24 1/2	24 1/2
Cons. Gold Fields.....	34 1/2	32 1/2	Rio Tinto (£5).....	64 1/2	61 1/2
Cons. Langlaagte.....	19 1/2	19 1/2	Russo-Asiatic.....	2 1/2	2 1/2
Crown Mines (10/-).....	2	2	Spring Mines.....	3 1/2	3 1/2
De Beers dfd. (£2 10/-).....	13	13	Tanganyika.....	3 1/2	3 1/2
East Rand.....	6 1/2	5 1/2	Tananyik.....	4 1/2	4 1/2
Geduld.....	2 1/2	2 1/2	Van Ryn Deep.....	3 1/2	3 1/2
Gov. Areas Mod.....	3 1/2	3 1/2			

the more speculatively minded dealers. Argentine Railways have naturally been depressed by the further outbreak of labour troubles, and although there was some slight recovery on the belated Government action to prevent complete chaos the market has been more or less demoralised throughout the week. Mexicans were scarcely mentioned, and San Paulos, United of Havana, and a few others were flat in sympathy with the rest of the section.

Bank shares were just steady. Scarcely any movement occurred, and the dealings were on a very limited scale. Breweries, after the recent display of strength, have been mostly on the down-grade, no doubt owing to efforts to secure some of the profits which had previously accrued. City of London, Allsopp, and Watney have particularly suffered from this influence. Egyptian securities have continued to attract a great deal of support, and although there have been small reactions, prices generally are substantially higher on balance. Although we have great faith in the future, after the long-continued upward movement, it may be prudent to call a halt. Iron and Steel shares, as a rule, have been very firm, and most of the leading issues have gained small fractions almost every day, but the only prominent movement has been in Canadian Car and Foundry, which have advanced sharply. Rumours about a big amalgamation of armament companies have been very persistent, and no doubt there is something of the sort in the wind, but no explicit details have transpired. Among Land shares, Hudson's Bays have been well supported, but Nigers have lost part of the recent advance.

Nitrates were very firm at one time, but closed below the best; and among Miscellaneous Industrials, the tendency has fluctuated between moderate optimism and some anxiety as to the future. Textiles were steady, and Selfridge debentures advanced 3 points. Shipping shares have been irregular, with a rather dull tone. Royal Mails and Court Lines were particularly weak, and the chief exception has been a smart advance in Khedivial shares, which are nearly 5s. up on the week.

Oil shares have not received much support, and such things as Trinidad Leaseholds, Ural Caspians, Venezuelan Concessions, and British Burmahs have given way fractionally, but often there has scarcely been enough business to test the market properly. Rubber shares have, on the whole, maintained a firmer appearance, in spite of the fact that the price of the commodity has again fallen back to the neighbourhood of 2s. 3d. At the same time there is a general feeling that something must be done to relieve the young producers from the unfair incidence of the excess profits duty, and as long as good results are secured by the vast majority of plantations, the market is sure of a substantial amount of public support.

Arriving too late to be dealt with fully this week, the Board of Trade returns for January show that imports amounted to £99,059,000, an increase of £8,466,000, while exports were £5,195,000 lower at £41,666,000, and re-exports £5,240,000 lower at the meagre total of £3,190,000. Imports have only been exceeded twice—in August and November last year—while exports are much lower than the average, only three months in 1917 giving poorer results. Re-exports compare with £10,980,000 in May, 1916. As regards imports, food and drink show a decrease of £6,170,000, but raw materials advanced £4,375,000, and manufactured articles £9,066,000. Exports of manufactured articles fell £3,005,000.

## LONDON PRODUCE MARKETS.

SUGAR.—No change was made in quotations during the week. COFFEE.—A sustained inquiry was experienced, which resulted in a fair amount of business being concluded at a firm range of prices. Public sales were on a moderate scale, and included a few second-hand parcels of mild descriptions. East India bold Mysore, sold, 12s.; Neilgherry, 12s.; Coorg, 11s. Some Costa Rica peaberry, sold, 13s. Long berry Mocha, without reserve, sold, 11s. 6d.; and washed Dumont peaberry, ditto, 10s. to 10s. 6d. Santos, on quay terms, prime to fancy pale, sold, 7s. 6d. to 8s. 6d. The market for future delivery remained in a dull state.

COCOA.—Market quiet, with only limited transactions on former terms. There is a brisk inquiry for cocoa-butter.

TEA.—During the week 32,000 packages Indian and 7,100 packages Ceylon were put out for ballot. Lack of transport is still in a great measure responsible for the slowness with which parcels are passing into consumption.

RICE.—Beans and peas continue in good support at steady rates.

SPICE.—Pepper market quiet, but prices steady for white sorts. Singapore black, sold, 1s. 2d.; Tellicherry, 1s. 3d.; and Muntok white, 1s. 9d. Zanzibar cloves, spot, 1s. 9d. Tapioca firm. Fair flake, spot, 7d.; fair Penang seed pearl, 7s.; medium, 6s. 6d.; small fair sago, 6s. 6d.; and St. Vincent arrowroot, 8d.

HEMP.—East India slow, at about late rates.

SHELLAC.—Market opened easier, but subsequently ruled firmer, with small sales in fair free. T.N. spot at 43s. 6d. to 49s. 6d. Futures nominal.

**RUBBER.**—Market slightly irregular, though prices fairly steady, with moderate transactions. Plantation crepe, spot, sold, 2s. 4½d., 2s. 3½d., 2s. 4d.; April-June, 2s. 5½d., 2s. 4½d., 2s. 4½d.; July-December, 2s. 6d., 2s. 5½d., 2s. 6d. Ribbed smoked sheet, spot, sold, 2s. 3½d., 2s. 3d., 2s. 3½d. Hard fine Para, spot and February-March, done, 2s. 6½d.; soft fine quoted, 2s. 3½d.; and caucho ball, 2s. 6½d. per lb.

**CORN (Mark Lane).**—Nothing occurred to alter the all-round tone this week, steadiness remaining the prevailing characteristic, though dealings were kept down. Wheat.—Native grain, 75s. 6d. per quarter, 504 lbs. Of imported descriptions, No. 1 Northern Manitoba rules at 81s. 6d., and No. 2 ditto, 80s. Australian, 83s. 6d., Blue stem and La Plata, 81s. 6d., Hard winters, No. 2,

**CURRENT PRICES OF CHIEF ARTICLES.**  
WEEK ENDING FEBRUARY 15, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 14½, 98% polarisation	£ s. d.	£ s. d.	<b>Wool</b> —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign, granu- lated, first make	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	New Zealand	nom.	nom.
German Cubes f.o.b.	nom.	nom.	(scoured) Merino	nom.	nom.
French Cube	nom.	nom.	Greasy Crossbred	nom.	nom.
prompt	nom.	nom.	Cape snow white	nom.	nom.
Crystallised, West India ..	2 6 9	2 6 9	<b>Indiarubber</b> p. lb.		
Beet, 88% f.o.b.	nom.	nom.	Plantation, Spot		
<b>Tea</b> —per lb., duty	s. d. s. d.	s. d. s. d.	Crepe ..	0 2 3½	0 2 3½
1½ lb.			<b>Coal</b> —per ton		
Indian Pekoe ..	nom.	nom.	Durham, best ..	nom.	nom.
Broken ..	nom.	nom.	Seconds ..	nom.	nom.
Orange ..	nom.	nom.	East Hartlepool ..	nom.	nom.
Broken ..	nom.	nom.	Seconds ..	nom.	nom.
Pekoe Souchong	nom.	nom.	Steams, best ..	32 6	32 6
Ceylon Pekoe ..	nom.	nom.	Seconds ..	29 6	29 6
Broken ..	nom.	nom.	<b>Lead</b> —per ton.	£ s. d.	£ s. d.
Orange ..	nom.	nom.	English Pig ..	nom.	nom.
Broken ..	nom.	nom.	Foreign soft, net	£ 29½-£ 28½	£ 29½-£ 28½
Pekoe Souchong	nom.	nom.	<b>Quicksilver</b> —per bottle firsthand	nom.	nom.
<b>Cocoa</b> —per cwt., duty 6d. per lb.	s. d. s. d.	s. d. s. d.	<b>Tin</b> —per ton		
Trinidad—per cwt.	87 0-99 0	87 0-99 0	English Ingots ..	£ 310	£ 330
Grenada ..	85 0-98 0	85 0-98 0	Do. bars ..	£ 311	£ 331
West Africa ..	68 0-77 0	65 6-70 0	Standard cash ..	£ 305	£ 323
Ceylon Plantation	77 0-94 0	77 0-94 0	Tin Plates, per box	nom.	nom.
Guayaquil Arriba ..	110/-112/-	110/-112/-	<b>Copper</b> —per ton.		
<b>Coffee</b> —per cwt., duty 42/- per cwt.			English, Tough.	nom.	nom.
East India ..	100-0 121-6	100 0 121 6	per ton ..	nom.	nom.
Jamaica ..	77-0 151-0	77 0 151 0	Best Selected ..	£ 119-£ 123	£ 119-£ 123
Costa Rica ..	97-0 118-0	103 0 127 0	Sheets ..	£ 147	£ 147
<b>Provisions</b> —			Standard ..	£ 110-110½	£ 110-110½
Butter, per cwt.			<b>Jute</b> —per ton.		
Australian finest	252/-	252/-	Native firsts for shipment	nom.	nom.
Argentine ..	252/-	252/-	<b>Oil</b> —		
Irish Creameries	nom.	nom.	Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Dutch ditto ..	nom.	nom.	Rape, refined ..	£ 71	£ 71
Russian finest ..	nom.	nom.	" crude ..	£ 66	£ 66
Paris baskets ..	nom.	nom.	Cott'n Seed, crude	£ 60	£ 60
Danish finest ..	nom.	nom.	Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
Brittany rolls ..	nom.	nom.	Petroleum Oil, per 8 lbs.	1/7½	1/7½
doz. lb. ..	nom.	nom.	Water White ..	1/8½	1/8½
<b>Bacon</b> —per cwt.			Oil Seeds, Linseed	—	—
Irish ..	172/-	172/-	<b>Calcutta</b> —per ton		
Continental ..	171/-172/-	172/-	Spot	29 15 0	29 15 0
Canadian ..	171/-172/-	172/-	Rape ..	£ 29-10 £ 30	£ 29-10 £ 30
American ..	172/-180/-	172/-180/-	<b>Iron</b> —per ton		
<b>Hams</b> —per cwt.			Cleveland Cash ..	nom.	nom.
Irish ..	203/-	203/-	<b>Tobacco</b> —duty		
Canadian ..	162/-165/-	162/-165/-	unmanufactured		
American ..	125/-165/-	125/-165/-	7½ to 8½ per lb.		
<b>Cheese</b> —per cwt.			Maryland & Ohio ..	nom.	nom.
Dutch ..	129/6-160/-	129/6-160/-	per lb. brand ..	0 8-2 1	0 8-2 1
Canadian ..	nom.	nom.	Virginia leaf ..	0 7-0 11	0 7-0 11
English Cheddar	142/-	142/-	Kentucky leaf ..	2 0-5 0	2 0-5 0
Wilt's loaf ..	nom.	nom.	Latakia ..	1 6-6 6	1 6-6 6
New Zealand ..	nom.	nom.	Havana ..	nom.	nom.
<b>Rice</b> —per cwt.	s. d.	s. d.	Manilla ..	nom.	nom.
Japan ..	nom.	nom.	Cigars, duty 10/- per lb. ..	2/ upds.	2/ upds.
Rangoon 2 stars ..	26 3	26 3	<b>Timber</b> —Wood.		
<b>Eggs</b> —per 120.			Pitch Pine ..	300/-400	300/-400
English ..	44 0-45 0	44 0-45 0	Indian Teak ..	380/-700	380/-700
Irish ..	40 0-42 0	42 0-44 0	<b>Turpentine</b> —		
Danish ..	nom.	nom.	American Spot ..	124/6	124/6
<b>Spelter</b> —			<b>Copra</b> —per ton		
G.O.B. as to posi- tion ..	54 0 50 0	54 0 50 0	Malabar ..	46 0 0	46 0 0
<b>Flour</b> —per sack.			Ceylon ..	46 0 0	46 0 0
Country Straight			F.M.S. Singapore	45 15 0	45 15 0
Runs ex Mill ..	44/3	44/3	F.M. Straits ..	45 10 0	45 10 0

steady. A good deal of interest has been taken in the census of raw cotton stocks, and it is evident the situation is distinctly better than three months ago. The Government has decided to fix prices in yarns for war contracts, and as a result of the basis now established the profits of spinners will be reduced. The inquiry in piece goods for all outlets has been very discouraging. Our customers have sent very few offers, and the reports now being received from the other side are not of a nature to encourage local merchants to anticipate future wants. During the last day or two small lots have been put through in light fabrics for India, but grey shirtings remain decidedly dull. There has not been any move towards greater activity on the part of exporters to China. Mail advices refer to considerable apprehension with regard to the future owing to the internal troubles in the Far East. Buyers for Egypt and South America have adopted a waiting policy. A fair undercurrent of demand has been experienced in home trade fabrics. The irregularity in American yarn prices has tended to increase, and the offtake has been poor. Some special sales have been mentioned in the lower numbers, but in medium and fine counts very little has been done, with the result that the position of producers tends to be weakened. A limited turnover has transpired in Egyptian spinnings for home use, but rather more buying has been reported for India.

**COMPANY RESULTS IN BRIEF.**

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re- serves.	Carried For- ward.
Aberdeen Heritable .. (Dec.)	15,400	1,390	24,000	7½ 1,980
Do. .... Previous	16,230	1,800	24,000	7½ 1,860
Average Trust .. (Dec.)	4,030	2,960	13,750	40 790
Do. .... Previous	5,100	3,840	13,250	50 875
Bath Gas Light .. (Dec.)	153,680	27,370	40,670	5 32,000
Do. .... Previous	131,500	20,890	40,670	5 28,170
Baxter's Leather .. (Dec.)	48,080	12,640	35,000	15 3,120
Do. .... Previous	66,740	26,020	31,000	15 6,200
Bradbury, Greatorex (Dec.)	—	53,840	100,000	12 41,110
Do. .... Previous	—	50,260	100,000	10 34,910
British Land .. (Dec.)	—	6,700	6,000	2½ 8,900
Do. .... Previous	—	10,800	6,000	2½ 8,200
Cerebos .. (Nov.)	72,310	31,500	10,000	10 9,400
Do. .... Prev.	63,100	21,190	—	nil 17,930
Chadburn's Tgph. .. (Mar.)	56,500	10,060	3,190	9 3,590
Do. .... Prev.	39,460	9,820	6,000	8 2,520
City of B. Ayres Trms. (Dec.)	77,250	67,560	62,450	5 70
Do. .... Prev.	77,200	67,460	56,850	5 110
Cotton Machinery Trust (Dec.)	—	5,020	—	15 13,200
Do. .... Prev.	—	5,010	—	15 12,350
Griendtsveen Moss .. (June)	10,070	5,880	nil	10 4,080
Do. .... Prev.	10,810	6,330	nil	10 4,270
Hayes, Candy, and Co. (Dec.)	—	22,830	19,740	10 11,800
Do. .... Prev.	—	32,830	15,140	10 17,850
Holzapfels .. (Dec.)	131,790	72,480	47,500	10 26,330
Do. .... Prev.	109,090	52,990	47,500	7½ 5,850
J. and R. Allan .. (Jan.)	—	14,930	23,000	5 6,230
Do. .... Prev.	—	10,410	21,000	5 1,600
J. B. Brooks and Co. (Aug.)	—	18,400	155,000	10 4,300
Do. .... Prev.	—	23,140	150,000	10 2,140
John Gray and Co. .. (Dec.)	52,100	18,250	65,200	10 6,150
Do. .... Prev.	33,180	13,230	57,450	10 4,950
John Shannon & Son (Dec.)	39,650	20,890	35,000	10 11,040
Do. .... Prev.	32,260	22,160	30,000	8 11,650
London Necropolis .. (Dec.)	8,220	6,030	10,170	4 60
Do. .... Prev.	8,220	6,320	9,710	4 2,400
London Offices .. (Dec.)	31,160	19,830	62,500	6 4,910
Do. .... Prev.	29,170	19,190	50,000	6 5,450
Ludlow Bros. .... (Dec.)	—	11,640	14,000	10 8,450
Do. .... Prev.	—	11,680	10,000	10 7,240
M. Oldroyd and Sons (Dec.)	75,740	58,970	175,000	10 20,740
Do. .... Prev.	71,760	59,930	150,000	10 16,760
Pawsons and Leafs .. (Dec.)	—	34,980	nil	11/- 44,150
Do. .... Prev.	—	35,850	nil	19/- 37,940
Scot. Trust of Ceylon (Aug.)	31,220	12,260	8,000	20 7,990
Do. .... Prev.	19,800	16,090	6,000	13 1,730
Sheffield Dist. Rly. .. (Dec.)	18,550	12,270	—	2½ 770
Do. .... Prev.	16,530	10,840	—	2½ 340
South Staffs Water .. (Dec.)	185,470	29,320	—	4 10,040
Do. .... Prev.	184,600	44,820	—	6½ 9,330
Stepney Spare Wheel (Sept.)	—	15,540	20,000	10 9,800
Do. .... Prev.	—	14,160	15,000	10 8,000
Sutton District Water (Dec.)	18,330	8,340	22,000	11 3,490
Do. .... Prev.	18,000	7,370	21,850	11 3,220
Yorks Electric Power (Dec.)	41,780	33,260	32,000	5 4,390
Do. .... Prev.	35,820	29,110	20,000	2 26,800
York Gas .. (Dec.)	—	14,520	23,240	72/- 8,370
Do. .... Prev.	—	15,560	22,750	72/- 9,650

\* Including 4 per cent. in bonus shares. † Per £6 share.

The accounts of the Government of British Columbia for its past fiscal year show a revenue of £1,381,356 and an expenditure of £1,815,863. The deficit has therefore been brought down to £434,506. The year before it was £718,000.

The assets of enemy subjects in South Africa vested in the Custodian of Enemy Property are said to total £9,239,000, and of this £1,079,000 represents mining dividends. Enemy shareholders number 26,166 in various South African companies, and the assets of the German missions are valued at £750,000.

80s., all landed. Flour.—Canadian, export patents, 51s. 9d., landed. English, 44s. 3d. per sack, ex mill. Barley.—Californian, 93s.; English, 62s. 9d. Maize remains stationary at present. Maize meal.—White offers at 64s. 6d., and yellow, 63s. 6d. Oats.—American, white clipped (controlled), 60s. 6d.; English, 46s. 3d., per 336 lbs.

**COTTON (from our Manchester correspondent).**—The market during the past week has shown no signs of life, and a dragging state of affairs has existed in all departments. The output of the machinery—which, of course, is considerably restricted by the Control Board—has not been sold. Prices and engagements are getting more irregular from week to week, and here and there producers are now pressing for fresh business. Fluctuations in raw cotton rates have been unimportant, the tone being

## PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and February 9, 1918:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Feb. 9, 1918.	Total Receipts into the Exchequer from April 1, 1916, to Feb. 10, 1917.
Balances in Exchequer on April 1—Bank of England .. Bank of Ireland ..	£ —	£ 25,209,947 1,225,912	£ 25,111,065 463,941
REVENUE.		26,435,859	25,575,006
Customs .....	70,750,000	60,920,000	59,841,000
Excise .....	34,950,000	32,237,000	47,315,000
Estate, &c., Duties .....	29,000,000	26,928,000	26,826,000
Stamps .....	8,000,000	6,804,000	6,506,000
Land Tax .....	—	—	—
House Duty .....	2,600,000	1,540,000	1,510,000
Property and Income Tax and Super Tax .....	224,000,000	149,376,000	124,144,000
Excess Profits Duties, &c. ....	200,000,000	177,502,000	111,322,000
Land Value Duties .....	400,000	53,000	341,000
Post Office .....	33,700,000	28,650,000	28,150,000
Crown Lands .....	600,000	560,000	534,000
Receipts from Sundry Loans, &c. ....	7,500,000	1,925,975	5,154,238
Miscellaneous .....	27,100,000	47,428,713	12,217,914
Revenue .....	638,600,000	534,853,708	424,171,282
Total, including Balance .....		561,289,507	449,751,288
OTHER RECEIPTS.			
Repayment of Advances for Bullion .....		2,180,000	3,210,000
Repayment of Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		169,818	91,370
Under Telegraph (Money) Act, 1913 .....		100,000	210,000
Under Post Office (London) Railway Act, 1913 .....		68,000	170,000
Under Military Works Acts, 1897 to 1903 .....		—	8,844
Under Public Buildings Expenses Act, 1903 .....		—	8,000
Under Housing Act, 1914 .....		394,500	74,600
For Treasury Bills (for supply) .....		2,443,811,000	1,765,933,080
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....		1,300,000	—
For 4 per Cent. War Loan, 1925-1945 .....		—	424
For 5 per Cent. Exchequer Bonds, 1919 .....		—	34,222,000
For 5 per Cent. Exchequer Bonds, 1920 .....		—	84,140,469
For 5 per Cent. Exchequer Bonds, 1921 .....		—	62,468,806
For 5 per Cent. Exchequer Bonds, 1922 .....		82,270,400	—
For 6 per Cent. Exchequer Bonds, 1920 .....		48,000	160,831,000
For War Expenditure Certificates .....		—	29,878,500
For War Savings Certificates .....		43,300,000	50,050,000
For other Debt created under the War Loan Acts, 1914-1917 .....		623,818,775	244,904,292
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .....		168,082,610	—
For National War Bonds .....		344,861,000	—
East Africa Protectorate Loan: Repayments on account of Principal and Interest .....		5,940	5,940
Cunard Loan: Repayment on a/c. of Principal .....		130,000	130,000
Suez Canal Drawn Shares .....		12,797	10,795
China Indemnity .....		—	400,000
Temporary Advances—Ways & Means (including Treasury Bills £345,000,000 in 1916-1917) .....		867,103,500	865,703,000
Total .....		5,138,915,017	3,755,279,908

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

\*Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Feb. 9, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Feb. 10, 1917.
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	17,000,000	17,006,991	18,003,300
Interest, &c., on War Debt ..	194,500,000	155,147,500	102,063,425
Payments to Local Taxation Accounts, &c. ....	9,700,000	7,093,566	6,997,772
Other Consolidated Fund Services .....	1,695,000	1,508,098	1,699,833
Supply Services .....	2,543,830,000	2,119,555,687	1,697,130,722
Expenditure .....	2,761,725,000	2,300,311,842	1,825,885,057
OTHER ISSUES.			
For Advances for Bullion .....		2,420,000	3,430,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		169,818	91,870
Under Telegraph (Money) Act, 1913 .....		115,000	210,000
Under Post Office (London) Railway Act, 1913 .....		95,000	200,000
Under Military Works Acts, 1897 to 1903 .....		—	8,008
Under Public Buildings Expenses Act, 1903 .....		—	8,000
Under Housing Act, 1914 .....		394,500	98,000
For Treasury Bills for Supply .....		11,842,309,000	1,423,043,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....		1,300,000	—
For War Loan, Exchequer Bonds, &c., under Section 4 of Finance Act, 1917 .....		11,006,509	975,705
For other Debt under the War Loan Acts, 1914 to 1917 .....		80,929,570	9,651,937
For Depreciation Fund under the Finance Act, 1917 .....		30,139,220	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908 .....		10,000	94,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (t) (b) ..		20,000	53,160
Old Sinking Funds, 1911-12 and 1913-14, issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914 .....		949,000	230,000
East Africa Protectorate Loan Repayments—Issued to reduce Debt under the Finance Act, 1911 .....		5,940	5,940
Cunard Loan Repayments—Issued to reduce Debt under the Cunard Agreement (Money) Act, 1904 .....		130,000	130,000
Suez Canal Drawn Shares—Issued to reduce Debt under the Finance Act, 1898 .....		—	10,795
China Indemnity—Issued to reduce Debt under the Finance Act, 1905 .....		—	400,000
Temporary Advances repaid—Ways and Means (including Treasury Bills £344,817,000 in 1916-17) .....		852,849,000	464,617,000
		5,143,154,399	3,732,243,492
Balances in Exchequer—			
Bank of England .....	1918. Feb. 9. £ 13,376,946	1917. Feb. 10. £ 20,427,830	
Bank of Ireland .....	2,444,572	2,608,586	
Total .....		15,791,518	23,036,416
		5,138,945,917	3,755,279,908

MEMO.—Treasury Bills outstanding on Feb. 9, 1918 ..... \*£1,065,447,000.

\* Includes £248,000, the proceeds of which were not carried to the Exchequer within the period of the account, besides an amount (not yet ascertained and brought to account) for Bills tendered as subscription to National War Bonds.

† Including part payment of Bills tendered as subscriptions to National War Bonds.

## American Business Notes.

Food authorities in the United States are said to be aghast at the extent of our food demands. They probably have been misled by the shortsighted optimism of our inexperienced ministers and officials. Anxious, no doubt, to keep the minds of the public from taking alarm, they kept preaching that we had enough—until actual want stared the nation in the face. Readers will doubtless remember Mr. Prothero's benevolent brag about our home resources which he declared to be, in his belief, sufficient to carry us through until next harvest even should the German submarines prevent all foreign supplies from reaching the country. It was dangerous benevolence this, the kind-hearted but rash enthusiasm of the unworldly professor, and it is leading us towards domestic eruptions not dissimilar to those already cropping up in the two despotically ruled empires of Central Europe. And our demands for food have already reacted in the United States so powerfully as to impel the authorities there friendly, as they are, and anxious to stand by us, to intimate that more drastic food restrictions will have to be imposed upon and borne by their own people. There is even a hint that food tickets will have to be fallen back upon, all which tells us to be up and doing, not only to economise our food, but to take energetic measures to increase our home production as well as to draw in surplus supplies from whatever part of the world they exist. What is being done to bring home the Australian grain, for instance, the New Zealand beef and mutton, and the large stock of Argentine cattle and sheep? Of cereals it is to be feared the Argentine can send us little, but what there is ought to be made available, not only for

our own easement, but to help the United States. Have any ships been available to bring home the grain, rotting and rat-eaten, stored in Australia?

It would not be fair to accuse the meat-packers of Chicago of being unscrupulous profiteers. Probably they have only followed the usual lines of business, and made money, one might say, involuntarily, by being able to sell always at a profit in spite of the high prices paid for their raw material, just because the consumer was ever ready to increase the price he paid. We find an example in the report of Swift and Co., one of the great preserved meat, or "packer," companies of Chicago. In the year ended September 30 last, Vice-President Edward Swift told his shareholders at the annual meeting, the average price of live cattle rose to \$8.66 per cwt. In the previous year the average was \$7.21, and in 1915 \$7.10, but the highest price paid for live stock in Chicago was \$17.90 per cwt., on September 19 last, and for hogs was \$20 per cwt., the average price for hogs in 1915 having been only \$7.09. As for sheep, they rose to \$16 per cwt. on May 12 last year, and for lambs to \$20.60 per cwt., compared with an average of \$12.79 for the whole year 1917 and with \$7.85, the average for 1915.

The price of meat was high, said Mr. Swift, but did not advance so rapidly as the price of live stock. The business done seems to have been exceptionally heavy, and profitable, all the same, cattle deliveries having been the largest in the history of the country, and often it must have seemed as if the high price of the live stock must preclude the possibility of profit, at any rate for the packer, but it was not so. "Prices have advanced so rapidly and steadily that between the time of the slaughter of animals and the time of the sales of the resulting meats and by-products, the enhance-

ment of values has been much greater than we anticipated. The total distributive sales of the firm," Mr. Swift went on, "exceeded \$875,000,000 last year, as against \$575,000,000 in 1915-16." Higher prices have been paid for fuel, supplies, and labour. Wages have been voluntarily increased twice during the year and three times since February, 1916. In mere labour wages are now 57.1 per cent. higher than they were two years ago. Women, on the average, get \$12.20 per week, with a guaranteed minimum of \$9, or roughly £2 to £2 12s. per week. With all this, the profits were magnificent at \$42,318,000, which was more than twice the nett profits of 1915-16, and some four and a half times those of 1913-14, and the company paid only 10 per cent. in dividend, which took \$9,500,000, against 8 per cent. paid in 1915-16, 7½ per cent. in 1914-15, and 7 per cent. in 1913-14. The surplus was accordingly \$32,818,000. On November 25, 1916, however, the shareholders received a "bonus cash dividend" of 33 ½ per cent. in order to disperse \$25,000,000 of the then accumulated surplus earnings. Meat packing is a prosperous occupation.

### Insurance News.

A falling off was shown in the volume of new business transacted by the Scottish Life Assurance Co. in 1917, the assurances granted being £112,280 less than in 1916 at £435,717, the nett new business retained being £414,967—a reduction of £57,080. The nett life premium income at £244,568 showed an increase of £16,279. Notwithstanding the claims due to the war, the mortality experienced was low, claims by death, including war claims of £27,284, amounting, with bonus additions, to £86,099. The life funds at the close of the year amounted to £2,466,880; the addition during the year was £164,580, being a greater increase than has been made in any previous year. No portion of the company's funds is invested on the Continent of Europe with the exception of French War loans issued in this country. The usual dividend of 10 per cent., tax free, is to be paid.

During last month the cost of the principal fires in the United Kingdom is estimated at £412,500, and the month was the most costly since February of last year, when the total amounted to £547,500. A large number of fires contributed to the total for January, which showed an increase of £165,000 over the total for the previous month, and an increase of £31,000 over the figures for the corresponding month last year.

An association has been formed, to be known as the British Insurance Association, with a membership of 123 companies, representative of offices established in the United Kingdom and the British Empire. The chief objects of the new association are the protection, promotion, and advancement of all classes of insurance business, including the taking of such concerted measures as may be deemed expedient whenever the business transacted by members of the association may be affected by the action or proposed action of any Government or other authority at home or abroad. The chairman is Mr. Roger Owen, general manager of the Commercial Union, with Mr. A. C. Thompson, general manager of the Prudential, as deputy-chairman. Leading underwriters, actuaries, and general managers form the General Purposes Committee.

At the meeting of the Indemnity Mutual Marine Assurance Co. the chairman explained a profit-sharing scheme which has been prepared by the directors with the object of forming a fund to be distributed among members of the staff in recognition of long and efficient service. The working of the scheme, which is an experiment, the period of its duration having been fixed at five years, will be watched with interest.

The New South Wales Government estimates that the loss caused by last year's strike amounted to between £3,500,000 and £4,000,000. The total amount lost in wages is put at £1,700,000.

### The Course of Prices After the War.

Many times are we asked to predict what course prices of securities are likely to follow after the war, and always we shrink from the effort. It would indeed require a gift of prophecy exceeding that allotted to Highlanders endowed with "second sight" to form any reliable forecast. Many people look for a "boom" when peace is announced, and buy their favourite stocks on that assumption. Others are equally confident that peace will be followed by a general slump, and they have at least equally good grounds for backing that opinion. But how would it be if no formal peace at all should be declared? It is possible that the besotted Germans and their haughty taskmasters may imitate Trotsky and Lenin, and decline to negotiate at all, preferring to die rather than come down from their attitude of insolent contempt and defiance. That is a possibility which the speculator should take into account as well as the others. Its realisation might mean, for a season at least, "no prices" at all for any security.

Leaving such problems, let us summarily review what is practically to be expected as the result of the enormous upheaval and dislocation of industry and trade caused by the war? Undoubtedly all the industries that have been engaged in war material production, in ministering, no matter in what capacity, to the war necessities, must experience a sharp recoil when the fighting ends. Makers of guns, tools, explosives and war furniture of every description will find their occupations gone, or only kept alive by the resumption of other kinds of work designed to satisfy the demands of a world at peace.

Take the manufacturer of motor lorries, for example. At present his business is wholly concerned with the fulfilment of military orders, or almost wholly. When the war ends not only will the military demands cease, but for some considerable time there will be an indefinitely large stock of war lorries to be thrown on the market to meet the wants of farmers and traders. For a time, therefore, the manufacture of such machines may have to be suspended altogether, although in the long run it is sure to revive, and as the world recovers from the war devastation it may become more solid than ever. But the interregnum is sure to be trying for the holders of such a company's shares.

It will probably be much the same in time with the shipbuilding industry, with the spinners and weavers in the woollen and cotton industries, and with other branches of human activity now repleted by war wants, but ordinarily devoted to the supply of the requirements of civilisation and peace. When, therefore, a man of means desires to buy some share of which he thinks well and worth holding until after the war, he should look to those industries which are bound to be of permanent utility if civilisation is to survive at all, but should never buy rashly, because the years immediately following the return of peace are certain to be trying, sometimes almost unbearably so. All trades connected with the production of food, devoted to the supplies of clothing, and the gratification of the innumerable essential wants of civilised communities, are the ones to select for circumspect investment.

At the same time, there are sundry broad considerations which must not be left out of sight, such, for instance, as the effect of currency inflation. That will be signalised by high prices, and prices inflated by a depreciation of the currency cannot be brought back again to anything approaching the pre-war level until the redundant currency has itself been reduced to the solidity of a genuine gold basis. Another consideration has reference to the situation of our foreign trade. It cannot be so large after the war as it was before for a variety of reasons, chief among which are, first, the inability of every war-exhausted country to buy goods abroad to the pre-war extent; and, secondly, because that inability will be intensified by the absence of stimulants in the shape of loans raised abroad. Austrian bankers, it is said, having no dream of indemnities to be wrung from the "conquered" to console themselves with after the Prussian manner, think that the

only way to save the Habsburg Empire from bankruptcy and eclipse will be to raise a great foreign loan when peace comes back. They might as well try to pump all the water out of the Danube. No "foreign loan" will be possible for Austria or for any other "Power." Each of the Allies will have to live on home resources, we as much as any, and that will for many a year lessen the volume and value of exports in every country. Still further to intensify this restriction, our necessities will compel each of us to produce more at home, as we are now belatedly and in haste endeavouring to do in these islands of ours, and accordingly the enormous demand on the shipbuilder so usually assumed is likely to be absent for long after the war is past and gone.

This is but the merest introduction to, and outline of, a far-spreading mystery of national recuperation that cannot be fathomed, but we shall be glad of help in probing it further. The only advice we can give meanwhile is to walk warily, to avoid commitments beyond one's strength, and never to be tempted to speculate on the assumption that outbursts of great prosperity will ensue on the declaration of peace.

### DIVIDENDS ANNOUNCED.

Australian Agricultural Co.—Interim of 4s. 6d. per share, free of tax, payable March 8, same as a year ago.

Anglo-Sumatra Rubber Co.—Interim for year ending May 31, 1918, of 10 per cent., less tax, payable on February 28, the same.

Baxters Leather Co.—Final of 12 per cent., making 15 per cent. for 1917, the same; £4,000 to reserve, against £10,000; forward £3,117, against £6,196.

Bank of New South Wales.—Interim quarterly at the rate of 10 per cent. per annum, payable Feb. 26, the same as a year ago.

Bovril, Ltd.—For the past half-year on ordinary shares at rate of 9 per cent. per annum (making 7 per cent. for year), less tax, and 4 per cent. on deferred shares for 1917, free of tax, against 3¼ per cent. the same.

Brecon and Merthyr Railway.—4 per cent. per annum on first preference, and 2 per cent. per annum on second preference stock. To reserve, £10,000, against £5,000; forward, £1,940, against £2,327.

Bank of British North America.—40s. per share, payable April 5, less tax, making 8 per cent. for year, against 7 per cent.

Charter Trust and Agency.—At rate of 2 per cent. per annum for year to Nov. 30, less tax, the same; £6,502 forward, against £5,482.

Cambrian Railways Co.—4 per cent. on "D" debenture stock, £7,101 to general reserve fund, £12,170 forward.

City of Buenos Aires Tramways Co.—Final 1s. 3d. per share (making 5 per cent. per annum, less tax) for 1917, the same as for 1916.

Crossley Bros.—At rate of 7 per cent. per annum on ordinary shares for half-year to December 31, the same as a year ago.

Eastman Kodak Co. of New Jersey.—An extra 7½ per cent. has been declared upon the common stock, in addition to usual quarterly dividends.

Furness Railway.—For half-year ended December 31, at rate of 2¼ per cent. per annum on ordinary stock, carrying forward £11,091, making 2¼ per cent. for 1917, compared with 2¼ per cent., with £13,776 carried forward for 1916.

Great Boulder Proprietary Gold Mines.—9d. per share, less tax, payable March 23, the same as a year ago.

Great Western Railway.—For past half-year of 3¼ per cent., making 5½ per cent. for year, the same as for 1916; £400,000, against £200,000 to reserve; £248,000, against £218,000, forward.

Great Central Railway.—2½ per cent. for year on the 5 per cent. preference stock, 1894, against 2 per cent., carrying forward about £8,000, against £8,367.

General Hydraulic Power Co.—For half-year ended Dec. 31 of 2 per cent. on ordinary stock, making 4 per cent. for the year, carrying forward £4,015.

Isle of Wight Central Railway.—£3 10s. per cent. on the first preference stock for 1917, carrying forward £808.

James Dunlop and Co.—10 per cent. per annum up to Dec. 31 on ordinary shares, the same as a year ago.

John Anderson's Royal Polytechnic.—On ordinary shares at rate of 10 per cent. for year to Jan. 19, against 7½ per cent.

London and North-Western Railway.—Final of 3½ per cent., making 6 per cent. for year, the same as for 1916.

London, Chatham and Dover Railway Co.—£2 10s. per cent. on arbitration preference stock, making £4 10s. per cent. for 1917; forward £83,800, as compared with £83,497.

Manchester Ship Canal.—2s. 6d. per share on ordinary shares, or 1½ per cent., against 1 per cent. for 1916.

Mercantile Investment and General Trust Co.—At the rate of 7 per cent. per annum on ordinary stock for half-year ended Jan. 31, 1918, making 6 per cent. for the year, the same as last year; forward, £47,982.

Mather and Platt.—On the ordinary shares at rate of 17½ per

cent. per annum, less tax, and less interim of 5 per cent. already paid.

Newcastle-upon-Tyne Electric Supply Co.—Final 5½ per cent. on ordinary shares, making 8 per cent. for past year, against 7 per cent. for 1916.

North British Railway.—½ per cent. on deferred, against ¼ per cent. for 1916; £20,000 is again placed to reserve; forward £36,300, against £37,949.

North-Eastern Railway.—For past half-year of 3½ per cent., making 6½ per cent. for year, the same as for 1916; £296,583 forward, against £270,051.

Nottingham and Grantham Railway and Canal Co.—Half-yearly £2 os. 10d. per cent., payable Feb. 28.

Pabbojan Tea Company.—Second interim of 6½ per cent., less tax, for 1917, payable Feb. 28, same as a year ago.

Price's Patent Candle Company.—For the half-year ended Dec. 31 of £1 5s. per share and a bonus of 12s. 6d. per share, less tax. A year ago the bonus was 7s. 6d.

Pindeniya Rubber and Tea Estates.—Interim for 1917 of an actual 5 per cent., less tax payable March 1, the same as last year.

Railway Investment Company.—On deferred stock of 15s. 2d. per cent., less tax, for year ended Jan. 31, payable March 6. A year ago the dividend was 16s. 1d. per cent.

Sungei Buloh Rubber Company.—Second interim of 15 per cent., less tax, on account of 1917, payable on March 5, against 20 per cent.

South London Electric Supply Corporation.—At the rate of 5 per cent. per annum for 1917, the same as for 1916; £2,500 to reserve contingency fund, against nil; forward, £3,150, against £3,053.

Southern Punjab Railway Company.—Final 7 per cent. (less English income-tax at 3s. 10½d. in the £), making a total of 12 per cent. for year ended Sept. 30, the same as a year ago.

Stratford and Midland Junction Railway.—£1 7s. 6d. per cent. on ordinary stock for 1917, the same as for 1916, carrying forward £343, against £350.

Sheffield District Railway.—Final £1 15s. per cent., payable Feb. 21, on ordinary shares, making £3 5s. per cent. for the year, compared with £2 15s. per cent. for 1916.

South-Eastern Railway.—Final £3 5s. per cent. on undivided ordinary stock, making £3 15s. per cent. for 1917; £5 per cent. on preferred ordinary stock, which brings up the amount for the year to the full dividend of 6 per cent.; and £1 10s. per cent. on the deferred ordinary stock for the year.

Spratt's Patent.—Final 1s. 3d. per share, making 2s. 3d. per share for the year, less tax, the same as for 1916.

United States Debenture Corporation.—Final on the ordinary shares of 1s. per share, less tax, making 10 per cent. for the year, the same as for 1916.

Van den Berghs.—Interim of 10 per cent., actual, payable Feb. 20.

Walter Scott.—Interim of 1s. a share on ordinary shares, the same as a year ago.

Wolseley Sheep Shearing Machine Company.—Interim of 5 per cent., less tax, for year 1917, payable on Feb. 28.

### The Week in Mines.

Although business has not been very active during the past week, a number of striking movements have occurred in the Mining markets. The South African market received something like a shock early in the week, when it was learned that last month's heavy rains had flooded mines on the Central Rand and seriously affected both outputs and profits. For instance, the Ferreira Deep's profit for January dropped from £18,799 to £1,563, the Durban Deep's from £7,038 to £2,118, the Robinson's from £16,905 to £8,632, and the Village Deep's from £15,641 to £2,110. On Wednesday the Rhodesian department fell into a flabby condition on news that the new Gaika reef had petered out.

#### SOUTH AND WEST AFRICANS.

Movements on balance in the South African market were generally against holders, but the falls were slight. City Deeps have fallen 1½ to 3 7-32, Luipaard's Vlei 1s. to 3s. 6d., and South African Gold Trusts 9d. to 25s. 3d., despite the increase in dividend. News that water had been struck in No. 3 shaft caused Brakpans to decline ¼ to 5, and C.M.S. to 27s. 9d. Geduld, however, have risen to 2 3-32; at December 31 the ore reserves amounted to 2,200,000 tons, valued at 31s. 9d. per ton, an increase of 50,000 tons in quantity and of 5d. in value on the year. New Modders have relapsed ¼ to 23½, and New Kleinfonteins at 20s. 6d. and Rand Selections at 4½ are also lower. Diamond shares have met with support, De Beers deferreds rising ¼ to 13½. In the Rhodesian section, Gaikas relapsed rather heavily to ¾ on a cablegram reporting that the new pay shoot was only 205 feet long, and was unpayable beyond that point. Lonely Reefs reacted to 36s. 3d. in sympathy, and Falcons at 26s. 6d. and Chartereds at 15s. 3d. also weakened. West African shares have been active, notably the low-priced issues, but Ashanti Goldfields have also improved to 21s. 3d.

#### COPPER AND MISCELLANEOUS.

Copper shares have moved irregularly: Mount Lyells have spurted nearly 2s. to 28s. 9d., and Poderosas at 3¼ and Cape preferreds ¾ to 2¼. Mount Hampdens have relapsed 1s. 6d. to

30s. 6d., and Namaquas  $\frac{1}{4}$  to  $\frac{1}{2}$ . Broken Hill shares have been active and strong, especially Proprietary, which on the increased profits for the past year have risen 3s. 3d. to 60s. 3d. Block Tens have advanced 1s. 9d. to 30s., and British 1s. 3d. to 38s. 6d. Despite the rise in the price of the metal to the record level of £315 10s. per ton, Tin shares have not shown the same degree of buoyancy as in previous weeks, and the market looks tired. Siamese Syndicates, however, have risen 7-32 to 3 $\frac{1}{4}$ . The various Malayan tin mining companies have formed a Malayan Chamber of Mines to protect their interests. Its constitution is on much the same lines as similar bodies in other mining fields. South Croftys, the report of which is expected shortly, have relapsed 1s. 3d. to 30s. 9d. Kintas have improved to 2 $\frac{1}{8}$  on the report. Indian gold shares were supported on the award of a 27 $\frac{1}{2}$  per cent. datum line for excess profits duty purposes, which is 5 per cent. higher than for Rhodesian gold mines. Mysore, however, have been exceptionally dull, and are  $\frac{1}{8}$  lower at 3, on the decision to mill a lower grade of ore. Burmas have risen  $\frac{1}{4}$  to 4 $\frac{1}{2}$  on active buying, emanating partly from the north. Of the Americans, New Chuquitambos have risen  $\frac{1}{8}$  further to 23-32. Russians have weakened slightly.

## MINING NEWS.

**TRANSVAAL GOLD PRODUCTION.**—The production of gold in January amounted to £3,033,653, a decrease of £290,765 on the same month of last year. The following table shows the monthly production since January, 1913:—

Month.	1913.	1914.	1915.	1916.	1917.	1918.
January ..	£ 3,353,116	£ 2,708,470	£ 3,037,058	£ 3,44,948	£ 3,324,418	£ 3,033,653
February ..	3,118,325	2,660,186	2,872,406	3,201,063	3,063,976	—
March ....	3,358,056	2,917,346	3,202,514	3,384,121	3,343,363	—
April ....	3,334,358	2,904,924	3,160,551	3,205,643	3,155,121	—
May .....	3,373,998	3,059,340	3,243,347	3,303,377	3,310,618	—
June .....	3,173,382	3,049,558	3,208,224	3,235,767	3,227,101	—
July .....	2,783,917	3,111,398	3,272,258	3,232,891	3,219,094	—
August ....	3,092,754	3,024,037	3,307,975	3,318,116	3,214,079	—
September ..	2,999,686	2,982,630	3,249,423	3,277,408	3,135,837	—
October ....	3,051,701	3,116,754	3,388,122	3,365,642	3,191,279	—
November ..	2,560,788	3,040,677	3,317,534	3,326,253	3,070,426	—
December ..	2,857,938	2,952,755	3,317,949	3,289,705	3,068,639	—
Total ..	37,358,040	35,588,075	38,627,461	39,484,914	38,323,921	3,033,653

A decrease was inevitable owing to the shortage of labour and mining supplies, but it would not have been so marked had production not been still further restricted by serious floods on the Central Rand. This caused a heavy shrinkage in profits in some cases. The abnormal rains having ceased, operations this month have been more normal.

**NATIVE LABOUR RETURNS.**—A further appreciable improvement is shown in the labour supply. The total shows an increase of 3,580, the gold mines getting 3,684 more labourers.

Month.	Natives on Gold mines.	Natives on Coal mines.	Natives on Diamond Mines.	Total natives.
January, 1917.....	188,624	11,611	5,591	205,826
February .....	191,095	11,998	6,268	208,931
March .....	190,028	11,494	6,620	208,142
April .....	185,975	11,435	6,314	203,724
May .....	180,168	11,432	5,805	197,405
June .....	175,747	11,258	5,369	192,354
July .....	171,653	11,381	5,223	188,257
August .....	170,817	11,401	5,028	187,246
September .....	171,334	11,601	4,791	187,726
October .....	170,331	11,841	4,620	186,792
November .....	169,083	11,633	4,620	185,336
December .....	172,749	11,695	4,593	189,038
January, 1918.....	176,424	11,469	4,715	192,608

**WANKIE COLLIERY.**—The profits of this company for the year ended August 31 amounted to £71,203 as against £57,730. A final dividend of 5 per cent. is declared, making 15 per cent. for the year, as compared with 12 $\frac{1}{2}$  per cent. The debenture debt has been reduced by £14,000 to £72,000. Sales of coal and coke amounted to 310,826 tons and 70,827 tons respectively. Coal reserves are estimated to amount to 4,300,000 tons. In order to provide funds for capital expenditure, part of which has already been incurred, the directors propose to increase the capital to £600,000. An application will be made to the Treasury for permission to offer 324,190 shares of 10s. each, which will be issued to holders at 10s. 6d. each. The proceeds will be used to replace £104,000 of capital expenditure provided for out of profits and to meet an additional outlay of £50,000.

**SHAMVA.**—Owing to the increased cost of working due to war conditions, and in order to obviate the necessity of unduly drawing on the richer portions of the mine, the directors have decided, until further notice, to reduce the quarterly dividends from 6 $\frac{1}{4}$  per cent. to 5 per cent. If working conditions should improve it may be possible to pay a bonus at the end of the year. Developments on the eastern portion of the mine are opening up a large additional tonnage.

**MYSOORE.**—Owing to shortage of labour and mining supplies development work has been restricted, and the opening up of fresh ore has not kept pace with ore extraction. Consequently, to maintain the average milling grade of the year 1917, it would be necessary to encroach upon the richer sections of the mine to an extent which seems undesirable to the board. It is therefore proposed to maintain the tonnage crushed at the present figure, but to treat a larger proportion of low-grade ore. For January the output of gold was thus 1,000 ozs. below the monthly average last year. Notwithstanding the limited scale of operations, some very promising points are being actively prosecuted in the lower levels of Ribblesdale's Mine, and the improvements in this important and deepest section of the property are being well maintained. Further allusion to this will be made in the report to be issued next month. The lessened profit consequent upon the reduction of output will be in great measure offset by the reduction in capital expenditure which is now practicable.

**BROKEN HILL PROPRIETARY.**—Cabled advices from Melbourne show that the net profit for the half-year ended May £269,760, after deducting £16,897 for depreciation, £25,222 for debenture interest, and £26,500 for sinking fund. For the half-year ended November 30 the net profit was £290,881, after deducting £16,251 for depreciation, £26,582 for debenture interest, and £26,500 for sinking fund. These figures show an improvement on the corresponding periods, despite the strikes of last year.

**SOUTH AFRICAN GOLD TRUST.**—The report for the year 1917 shows that the realised net profit amounted to £76,334, as against £103,567 for 1916. Despite this reduction, the dividend is raised from 7 $\frac{1}{2}$  to 10 per cent., tax free, and the carry-forward is reduced from £72,222 to £68,012. The investments stand in the books at cost or under; a list of them is appended, but it is not stated whether there is any depreciation or not to provide for.

**KINTA TIN.**—During the year ended June 30 the output was 548 tons of black tin, which realised £60,879, or £111 per ton. These figures compare with 476 tons and 254 tons, £48,017 and £22,584, and £101 and £89 respectively for the two previous years. The profit for the year was £32,384, against £17,635, and the available sum is £22,653. A final dividend of 10 per cent. brings the year's distribution up to 20 per cent., tax free, against 17 $\frac{1}{2}$  per cent., and £1,275 is carried forward. Again £7,000 has been written off for construction, making the total written off £44,000 to date. In addition, £37,250 has been written off other items, and the balance-sheet has now a nice, clean appearance.

## Answers to Correspondents.

\*. A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.

Deposits against future queries may be lodged with the Publisher.

A. B. Z.—(1) Yes, we think you should hold. (2) We do not think you need hurry to sell since you missed the top price. The company seems bound to do well while the war lasts. Your inquiries did not arrive until last Saturday.

Fiscal.—You give us a poser. The 4 per cent. is not exempt from super-tax, but probably otherwise a less nervous security to hold than the 5 per cent., as well as slightly more remunerative. We see no chance of much rise in its price, however, no matter what happens.

R. O. N.—At present they are rubbish, and therefore they may rise one day. But it would be a pure gamble.

Iron.—If there is a profit on your holding you should take it.

Norman.—It is doubtful, and the shares seem quite high enough as things are.

Exor.—If the amounts are worth it, you might keep 3 and 5; the others do not seem worth keeping.

D. R. F.—The company has possibilities certainly, and has a fair amount of cash. A fair speculative purchase.

P. Q. R.—Since you wrote an announcement of a bonus has been published. You might wait a little longer.

L. M. G.—Purchases for the sinking fund keep the price up. Certainly sell. War Bonds will pay you equally well.

J. B. L.—It seems a pity to sell now, though we fear dividends cannot be resumed until after the war. The company has a fine business, which should pay again when conditions are more normal.

F. C.—Quite possible. You might wait for the report, due shortly.

Euan.—Yes, it is quite a reasonable suggestion. Prospects are good, but we do not think you will see any rise in dividend just yet.

P. S. B.—From each one pound annuity a small deduction is made for expenses and a specified amount for sinking fund. The latter accumulates, and when the annuity expires the value of the fund will represent a considerable increase on the present value of each annuity.

## MINING RETURNS FOR JANUARY.

Ashanti.—9,273 tons; value, £33,253 (Dec., profit, £14,092).
Aurora West.—14,000 tons; profit, £2,970 (Dec., £3,160).
Balaghat.—Output, 1,611 ozs. fine gold (Dec., 2,073 ozs.).
Bantjes.—24,465 tons; loss, £396 (Dec., profit, £19).
Brakpan.—53,300 tons; profit, £36,947 (Dec., £36,947).
Champion Reef.—27,534 tons; 8,012 ozs. fine gold (Dec., 7,863 ozs.).
City and Sub.—24,150 tons; profit, £8,034 (Dec., £6,879).
City Deep.—61,500 tons; profit, £51,453 (Dec., £54,378).
Cons. Langlaagte.—44,000 tons; profit, £15,118 (Dec., £15,013).
Cons. Main Reef.—53,110 tons; profit, £14,858 (Dec., £11,898).
Crown.—165,000 tons; profit, £38,128 (Dec., £44,005).
Durban Road Deep.—22,700 tons; profit, £2,118 (Dec., £7,038).
East Rand Prop.—128,800 tons; profit, £3,769 (Dec., £12,762).
Ferreira Deep.—31,300 tons; profit, £1,563 (Dec., £18,799).
Gaika.—4,093 tons; profit, £1,259 (Dec., £2,300).
Geduld.—39,800 tons; profit, £20,000 (Dec., £19,758).
Geldenhuis Deep.—52,400 tons; profit, £3,192 (Dec., £3,062).
Ginsberg.—13,500 tons, £13,221; profit, £548 (Dec., £537).
Glencairn.—20,300 tons; profit, £516 (Dec., £512).
Globe and Phoenix.—6,282 tons; profit, £19,207 (Dec., £17,699).
Glynn's Lydenburg.—4,128 tons; profit, £2,256 (Dec., £3,034).
Golden Horse Shoe.—14,124 tons; profit, £10,060.
Gov. Areas Mod.—108,500 tons; profit, £60,214 (Dec., £58,559).
Gt. Boulder Prop.—14,543 tons; profit, £43,504.
Ivanhoe G. Corp.—18,162 tons; profit, £9,006 (Dec., £9,004).
Jubtil.—2,000 tons; 511 ozs. fine gold.
Jupiter.—23,800 tons; profit, £1,216 (Dec., £4,505).
Knight Central.—26,000 tons; profit, £490 (Dec., £500).
Knight's Deep.—98,000 tons; profit, £2,052 (Dec., £5,004).
Langlaagte Estate.—42,000 tons; profit, £9,016 (Dec., £9,512).
Lonely Reef.—5,080 tons; profit, £10,904 (Dec., £11,471).
Luipaards Vlei.—19,450 tons; loss, £1,500 (Dec., £18).
Meyer & Charlton.—12,000 tons; profit, £29,584 (Dec., £29,424).
Modder "B."—42,500 tons; profit, £53,619 (Dec., £57,339).
Modder Deep.—44,000 tons; profit, £51,385 (Dec., £47,394).
Mysore.—77,488 tons, 15,425 ozs. fine gold (Dec., 17,868 ozs.).
New Goch.—17,524 tons; loss, £180 (Dec., profit, £1,440).
New Heriot.—13,400 tons; profit, £4,454 (Dec., £5,484).
New Kleinfontein.—62,210 tons; profit, £9,157 (Dec., £16,485).
New Modder.—54,000 tons; £65,076 (Dec., £65,656).
New Primrose.—18,300 tons; profit, £1,715 (Dec., £1,802).
New Unified.—13,250 tons; profit, £3,002 (Dec., £3,274).
N. Anantapur.—4,200 tons; 1,134 ozs. fine gold (Dec., 1,124 ozs.).
Nourse.—36,400 tons; £48,575; profit, £1,892 (Dec., £1,747).
Nundydroog.—20,660 tons, 6,328 ozs. fine gold (Dec., 6,962 ozs.).
Ooregum.—30,139 tons; 7,499 ozs. fine gold (Dec., 7,574 ozs.).
Princess Estate.—20,000 tons; loss, £538 (Dec., £316).
Randfontein Cent.—167,000 tons; profit, £36,065 (Dec., £33,884).
Robinson Deep.—48,600 tons; profit, £9,390 (Dec., £13,180).
Robinson.—44,300 tons; profit, £8,632 (Dec., £13,888).
Rooodepoort United.—28,065 tons; profit, £2,265 (Dec., £2,852).
Rose Deep.—54,100 tons; profit, £14,070 (Dec., £16,902).
Shamva.—51,365 tons; profit, £13,054 (Dec., £14,147).
Sheba.—5,981 tons; 1,419 ozs.; loss, £2,322 (Dec., loss, £588).
Simmer and Jack.—56,300 tons; profit, £17,229 (Dec., £21,286).
Simmer Deep.—44,100 tons; loss, £1,617 (Dec., profit, £4,039).
Springs.—31,260 tons; profit, £31,940 (Dec., £30,336).
Sub Nigel.—10,100 tons; £25,184; profit, £8,561 (Dec., £8,510).
Sudan.—1,900 tons crushed, £3,858 output (Dec., £4,783).
Transvaal Gold.—13,450 tons; profit, £3,680 (Dec., £10,119).
Van Ryn.—35,700 tons; profit, £9,027 (Dec., £9,186).
Van Ryn Deep.—44,300 tons; profit, £55,049 (Dec., £54,017).
Village Deep.—48,700 tons; profit, £2,110 (Dec., £15,641).
Village Main Reef.—23,400 tons; profit, £8,737 (Dec., £8,783).
Wanderer.—11,590 tons; profit, £110 (Dec., loss, £251).
West Rand.—35,850 tons; profit, £2,013 (Dec., £1,030).
Witwatersrand.—34,100 tons; profit, £9,384 (Dec., £12,727).
Wit. Deep.—33,450 tons; loss, £2,979 (Dec., loss, £1,054).
Wolhuter.—31,250 tons; profit, £7,704 (Dec., £10,089).

## Tea, Oil and Rubber.

Last month's imports of rubber amounted to 176,846 centals, a decrease of 1,780 centals compared with the corresponding period, but nearly 30,000 centals over January, 1916. Exports, on the other hand, reached only 31,490 centals, a decline of no less than 96,720 centals against last year, and of 54,500 centals as compared with 1916. Considering the large proportion of the plantation output which we know goes direct from the East to the United States these are remarkable figures. Certainly we have no wish to lay undue stress on a single month's returns, but it is certainly curious that they should coincide with the frantic (and what we believe will prove utterly futile) efforts to persuade rubber planters to reduce their output by 20 per cent. And the statistics are all the more significant when it is recalled that until quite recently the same interests which are now bawling for restricted production were constantly preaching a rubber famine either this year

or next at farthest. In advocating a reduction of tapping, they put in the forefront of their argument the patriotic motive of economising tonnage! Last month, presumably as the result of their efforts, actually some 80 tons of freight would appear to have been saved; but if it is true that a ship with a considerable cargo of rubber was torpedoed, and never reached these shores, with the result, of course, that the shipment does not figure in our returns, the saving looks like a farthing cake to the moon. We have already expressed our view that the artificial restriction of output will lead to disaster, and we have seen nothing in the reliable figures at our disposal to modify that opinion. The market seems to agree, for although an attempt was made to raise the price, it only succeeded this week in getting it up to 2s. 4½d., and there was a prompt reaction to near the 2s. 3d. level. Would it not be best for all interests concerned if it were frankly recognised (and the sooner the better) that the price must come down to—let us say—1s. 6d. or less?

## What Balance Sheets Tell.

## ENGLISH VELVET AND CORD DYERS' ASSOCIATION, LTD.

Last year proved a very profitable one for this company, the trading profits showing an increase of £27,000 at £117,640. Only £1,530, or £10,000 less, has to be written off investments, and after providing for depreciation and debenture interest the nett profit is £37,000 up at £95,570. Consequently the directors are able to raise the dividend from 8 per cent. to 10, and the bonus from 2 per cent. to 5, making 15 per cent. in all against 10 per cent., to double the appropriation to reserve at £40,000, and to carry forward £1,450 more at £15,980. The reserve fund will now amount to £170,000. Creditors are £62,000 up at £138,760, but stocks, debtors, cash and investments (all lumped together) have increased £142,000 to a round half-million, while properties, plant, &c., have been written down £27,000 to £570,000. Everything looks healthy, but the appearance of the balance-sheet would be improved by the segregation of several of the items.

## CEREBOS, LTD.

Very substantial progress was made in the year to November 30, the gross profits showing an increase of £9,200 at £72,310, while the nett were £10,300 higher at £31,500. A considerably larger amount was brought in, and the balance available is £21,500 up at £47,400. Consequently, the directors are able to recommend a cash dividend of 6 per cent., against nil, and they also propose the distribution of one bonus share for every 25 now held, being equivalent to a further 4 per cent. Moreover, £10,000 is set aside as the nucleus of a reserve fund, and there remains £9,400, or £8,500 less, to be carried forward. Last year £3,000 was used in wiping out the Bisto suspense account, which has now disappeared, and the position looks decidedly stronger, but £157,730 for goodwill and trade-marks is a heavy burden to carry. It is stated that in its tin department the company has made large quantities of munitions for the Government, and the turnover in its regular business has been the highest on record, but the margin of profit was much smaller than in the previous year.

## BRADBURY, GREATORREX AND CO., LTD.

Firms in the soft goods trade have had a curiously varied experience in the past year, but this company has been fortunate in securing increased profits, and, with a larger amount brought in, the balance available is £12,750 up at £86,750. This allows the directors to raise the dividend and bonus from 10 per cent. to 12 per cent., requiring an additional £5,300, while the employees' share of the profits takes £1,300 more at £8,960, and £6,200 more at £41,100 is carried forward. Nothing is set aside to reserves, but, as the funds amount to £124,000, there is no call to adopt an ultra conservative attitude. At present the ordinary shares are £10 each, with £8 paid, but last year resolutions were passed to cancel the uncalled liability and to subdivide the shares into £1 each. This is now awaiting the sanction of the courts, which, it is anticipated, will be received in due course.

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**PAWSONS AND LEAFS, LTD.**

Nett profits for the past year are brought out at £34,980, or £1,000 down, but as they are struck after providing for income-tax and excess duty on a higher scale, the actual results are doubtless better than they look. Anyhow, £6,700 more was brought in, and as the allocation of £5,000 to staff pension fund has not to be repeated, the directors are enabled to pay a bonus of 2s. per share, making 11s., against 9s., for the year, and to increase the carry-forward by £7,200 to £44,150. Creditors are up £136,000 at £256,000, but debtors have risen £123,000 to £395,000, and cash is £65,000 higher at £83,000. On the other hand, stocks are £34,000 down at £116,700. The position has considerably improved in recent years, but it would have been more prudent, instead of paying a bonus, to inaugurate a reserve fund. There is no sort of business in which ample provision for contingencies is more necessary.

**HOLZAPFELS, LTD.**

Last year was a very successful one for this company, the nett profits showing an increase of £18,000 at £82,280. Although the directors considered it desirable to pursue a conservative policy, they feel justified in raising the dividend from 7½ per cent. to 10 per cent., but they write £15,000, or £5,000 more, off goodwill, reducing that item to £30,000, and increase the carry-forward by £20,500 to £26,300. These are very satisfactory results, considering the difficulties with regard to supplies of raw materials, labour, and freights. It is announced that shareholders who reside abroad, and are naturalised British subjects of enemy origin, have agreed to sell their holdings, and about 150,000 shares are changing hands, and are being distributed among British-born shareholders resident in this country. All the naturalised directors of foreign extraction have retired from the board at their own request, and it is intended to change the name of the company as soon as the necessary formalities can be completed. It is a pity that steps in this direction were not taken sooner, but better late than never.

**COMPANY MEETINGS.****WARING AND GILLOW.**

The fourth annual general meeting of Waring and Gillow, Ltd., was held on Tuesday at the company's premises, 164-180, Oxford Street, W., Mr. W. J. Jennings presiding.

The Secretary (Mr. Joseph Ritson, F.C.I.S.) having read the notice calling the meeting,

The Chairman said: Ladies and Gentlemen,—This meeting has been postponed for long past the statutory period. The delay arises mainly from the Finance Acts, 1915-16, imposing the excess profits duty, and can be stated quite shortly.

We have spent very large sums of money in building and equipping factories, mainly of a purely temporary character. The questions are how much of this very large expenditure the taxing authorities allow to be written off out of profits before excess profits are calculated, and over how long a period is the writing off to be spread.

When these questions are answered there is nothing to delay the completion of our accounts, but it is obvious that till definite answers can be given we cannot present final figures. At the same time the directors are able to state that, as compared with the accounts for the year ended January 31, 1916—those last published—the business has shown encouraging and continuous progress. A reference to our report for that year will show that our profits, subject to excess profits duty—which we estimate for that year alone at £35,000—was £100,884. It is possible now to state that, notwithstanding the increase in the excess profits duty, the directors are satisfied that the profits for the year ended January 31, 1917, and for the year just concluded will, when the accounts can be finally adjusted, certainly not be less, and this is after making provision at what we believe to be an ample figure for excess profits duty. We, of course, know our trading figures, and can state definitely that they compare most favourably with those last published. It is true that our liabilities are higher; this is due to our greatly increased turnover—but we have no overdue accounts—and our assets are proportionately higher, our book debts being up as the result of money owing by the Government, which is as good as cash. While, as compared with a cash balance of £86,551 on January 31, 1916, our cash and investments in National War Bonds stood on January 31, 1918, at £227,446, and in addition we hold an investment £51,500 on War Loan. It is apparent that with our largely increased turnover more cash is required in the business, and our War Bonds, as you know, are available towards the liquidation of the excess profits duty when the amount has been ascertained.

Dealing with the effect of the excess profits duty upon the profits, the Chairman said: When the excess profits duty was first imposed it amounted to 50 per cent.; it was then raised to 60 per cent., and is now 80 per cent. We are entitled, before the excess profits duty comes into operation, to the standard rate of percentage only—i.e., 6 per cent.—upon the capital employed in the business. Now it is contended by the authorities that under the Act the capital employed in the business is not, for the purpose of excess profits duty, the nominal capital of the company, but is less by the whole of the ordinary shares. These 500,000 ordinary shares of 10s. each, issued as fully-paid, are treated by the taxing authorities as not representing any cash value, with the result that we are not allowed the standard rate of percentage upon this large sum.

Referring to the suggestions that the company ought to pay the year's preference dividend in arrear, the Chairman explained that the directors are of opinion that, under present circumstances, it is more to the advantage of shareholders to retain the profits beyond the current year's dividend in the business. He gave the following illustration of the incidence of war taxation, based upon the figures of the last published balance-sheet.

This contained provision for writing off £20,000 from the underwriting commission; there was also a figure of £2,491 for the amortisation of leases, which we are, of course, bound to provide, and the carry forward, less the amount brought in, was £5,885. These sums together amount to £28,376, and to enable us to make these absolutely essential provisions necessitates a payment in taxation alone, with excess profits duty at 80 per cent. and income-tax at 5s. in the £, of no less a sum than £160,000. Add to these sums the amount required for one year's preference dividend, and the interest and sinking fund upon the debentures, and it will be seen that we need to make a total profit of nearly £265,000. Out of this large sum not only would there be nothing for the ordinary shares, there would be nothing for the year's dividend on the preference shares in arrear. Put in another way, of every £100,000 we make, after providing for the preference dividend and interest and sinking fund on debentures, the Government take £85,000, leaving the company only £15,000.

After alluding to a private and subsidiary company, the Alliance Aeroplane Co., Ltd., which has been established by, and is entirely under the control of, Waring and Gillow for the manufacture of complete aeroplanes, the speaker continued: You will, I think, expect me to say a word or two about our general business. As to this, I am glad to say that—notwithstanding the difficulties consequent upon a depleted staff, in obtaining stock, and the reduced facilities for dispatch—every department of the company's business shows a gratifying increase, and the directors desire to take this opportunity of saying that the results reflect the greatest credit upon the staff, who have worked ungrudgingly and grappled successfully with the many difficulties and adverse conditions to which I have alluded.

Several shareholders expressed the opinion that, notwithstanding what the chairman had said as to the difficulties in presenting the accounts, it ought to be possible to give figures which would indicate the progress of the company.

After the re-election of directors and auditors, the meeting was adjourned.

**SOUTH METROPOLITAN GAS.**

The ordinary half-yearly general meeting of the South Metropolitan Gas Co. was held on Wednesday at Cannon Street Hotel, E.C., Dr. Charles Carpenter (chairman of the company) presiding.

The Secretary (Mr. F. McLeod) read the notice convening the meeting.

The Chairman, in moving the adoption of the report and accounts, said he had really little fresh to tell the shareholders. He might sum up the situation shortly by saying that in the interval since the last meeting the financial hardships suffered by the shareholders and the anxieties of the directors in regard to the conduct of the business had substantially increased. Six months ago he explained the reasons which had compelled the increase in the price of gas to 3s. 1d. per 1,000 cubic feet, and reminded the shareholders that one result would be to reduce the dividend for the current half-year to 4 per cent. on the ordinary stock. He then went on to say that he thought they had reached the peak in regard to costs, and would be able to maintain the 4 per cent. dividend. Unfortunately, their hopes and anticipations in regard to this had not been realised. There was a fairly general impression that some sections, at any rate, of organised labour were using the war as a lever for raising the general standard of wages. As a consequence of the recent decision by Sir George Askwith the war bonuses they had been paying, and which had reached 15s. 2d. per week, became war wages and ranked in respect of overtime and extras of all kinds. The result had been a considerable increase in the wages bill. Further, difficulties had arisen in respect of what he might be allowed to call the notorious 12½ per cent., with the result that that seriously affected wages. The consequence was that the wages paid for the past half-year were £502,629, as compared with £299,000 in the corresponding pre-war period, so that there was an increase in wages in one half-year over the pre-war period of over £200,000. Then there was the price of coal, with regard to which they certainly thought they had great cause for complaint. They endeavoured, but unsuccessfully, to induce the authorities to postpone the raising of the price of coal until January 1 in the current year. That would have given them an opportunity to recoup themselves in respect of the additional burden. They could have added something like an equivalent to the price of gas, but the increase was sprung upon them at short notice, and before the half-year was over they had lost £32,000 in respect of the contract for coal in that half-year alone. So, taking the increase in cost of coal at £32,000, and the increased cost of labour at £20,000, those items accounted for their inability to make both ends meet in the half-year, and having to trench upon the reserve to the extent that they had done. While having to pay so much extra, they had not received a penny more for residual products as compared with the corresponding period of the previous year; in fact, they

had received less. Then, in addition to the heavy cost of coal at the pit mouth, freightage was costing them more and more. They could only carry in their own bottoms something like one-third of their total requirements, and for the remainder they had mostly to charter. The cost of chartering had been fixed by the Controller at something like five or six times the pre-war figure. These conditions as to coal and freight were certainly never anticipated when their present sliding scale as to prices and dividends was settled. Despite what was said six months ago, the directors felt it was incumbent on them to approach Parliament to obtain some relief. The report stated that the demand for gas continued satisfactory. He did not know that "satisfactory" was the right word to use, because he felt that a good deal of gaseous and electric energy was being wastefully used, and that it was quite possible some of the gas included in the increase of  $7\frac{1}{2}$  per cent. reported was being wastefully used, having regard to the fact that we were at war and wanted to economise every possible ton they could of coal-carrying capacity. There was another side to the question, and that was that all the by-products were recovered instead of being wasted, and having regard to the need for these for the national service there was a gain in that respect. As long ago as 1915 he urged that there should be a restriction in the use of raw coal, and it seemed a curious commentary on their attitude that nothing should have been done in that way until the position became grave.

The Deputy-Chairman (Mr. Frank H. Jones) seconded the resolution, which was carried unanimously.

An extraordinary general meeting of the company was afterwards held to consider the following resolution:—"That the Bill now submitted to this meeting, intitled 'A Bill to authorise the South Metropolitan Gas Co. to raise additional capital; and for other purposes,' be and the same is hereby approved, subject to any amendments which may be made therein by Parliament and approved by the directors."

The Chairman, in moving the resolution, explained the position of the company with regard to capital and why it was necessary to promote the Bill. He said they had no capital with which to provide for the requirements of future business, and they were in debt to the bank. It was perfectly obvious that if they were going to correct that condition of affairs they must raise further capital. They were asking now for £1,500,000 of new capital, and for an adjustment in respect of £500,000 of the old capital. Under the Bill they also asked for a temporary adjustment of the sliding scale owing to the hardships suffered by the company consequent on the abnormal conditions due to the war. Stated briefly, the proposal was to leave the sliding scale and its relationship to dividend exactly the same, but to move upward the basic price from 3s. 1d. to 3s. 7d.—an increase of 6d.—and if conditions remained as to-day, that would give, with the present price of gas, a 4 per cent. dividend.

The Deputy-Chairman seconded the resolution, which, after a short discussion, was carried.

## HOME AND COLONIAL STORES.

The twenty-third ordinary general meeting of the shareholders of the Home and Colonial Stores, Limited, was held on Thursday at 2 and 4, Paul Street, Finsbury, E.C., Sir Charles E. G. Philipps, Bart. (the chairman) presiding.

The Assistant Secretary (Mr. G. J. Faro) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: Before commenting upon the business of the company I hope I may be allowed to refer to the paragraph in the report which reminds you of the great loss the company has sustained by the death of our late able and distinguished chairman, Sir William Capel Slaughter. His great ability was only equalled by his resource and perseverance. With him a difficulty was only something to be surmounted, and it was always met with a skill and resource which proved invaluable in dealing with the many complicated matters which the board had from time to time to encounter and decide. We greatly deplore his loss. The same paragraph to which I have referred tells you that we have elected Mr. William May, Sir William's trusted friend and partner, as director in his place, and, speaking for my colleagues and myself, I will only say that we recognise that we have secured a gentleman with whom it will be a real pleasure to share our work.

Taking into account the unprecedented conditions of the year under review, I am sure you will agree that the result of the year's trading is not unsatisfactory. The profit for the year amounted to £226,155 17s. 7d., making, with the balance of £48,130 17s. 2d. brought forward from the previous year, a total of £274,296 14s. 9d. After paying the usual dividends on the 6 per cent. cumulative preference shares and on the 15 per cent. cumulative preference and cumulative ordinary shares, together amounting to £123,600, there remains a sum of £150,686 14s. 9d. Of that we have placed £25,000 to reserve, leaving a balance of £125,686 14s. 9d. to be dealt with. This we propose to appropriate in the following way:—

(1) To the payment of a dividend of 6s. per share on the "A" ordinary shares, £30,000; (2) to the company's sick fund, £2,000; (3) to special bonus for branch staff, £30,000; (4) to provide for income-tax, £10,000; and (5) to carrying forward £53,686 14s. 9d., making a total of £125,686 14s. 9d. By placing £25,000 to reserve we have brought our reserve funds up to £425,000, all of which is separately invested outside the business, including no less than £299,409 in the 5 per cent.

War Loan. The branch staff bonus scheme which you authorised three years ago is governed, as you are aware, by the amount of the dividend on the "A" shares, and in proposing, as we now do, to maintain this dividend at 6s. per share, we have the added satisfaction of so recognising in a tangible way the loyal and efficient manner in which our staff have performed their duties throughout the year under the most trying and often difficult circumstances. From what I have said you will readily believe that the past year has been very strenuous, and one of considerable anxiety, the whole conditions of our trading and distribution being fundamentally altered. Before the war our buyers had the whole world as their market, and our requirements were the only limit of their expenditure. Now the Food Controller regulates the market, and in many important articles is the merchant from whom, or through whom, we have to buy, while the amount of our purchases is also strictly limited. The sales of the principal commodities, too, are absolutely under the surveillance of the Food Control Committees, both as to the quantity to be allowed to any individual purchaser and the price to be paid by him. In addition to all this we have to a large extent had to carry on our business with a new staff, 2,460 of our men having joined the colours. Their places have for the most part been filled by women, and it speaks very highly both for them and for our inspectors that the work has been carried on efficiently and with comparatively little friction. From the point of view of profit the directors are a little disappointed, but not surprised, that the figure compares somewhat unfavourably with that of the previous year. But these are times when other considerations have to be studied, and our one desire throughout the year has been, as hitherto, to uphold—and we believe we have with success upheld—the traditions of the company for fair and reasonable dealing. As regards the immediate outlook, it would be unwise to attempt to prophesy, or even to hazard a forecast. The Food Controller, as I have indicated, controls and regulates the buying, selling, and distribution of the principal commodities, with the view of ensuring, as far as possible, equitable distribution among the public of the diminished supplies available. The scope for initiative and enterprise is consequently curtailed, if not eliminated, for the time being. We do not wish to criticise. On the contrary, it remains our constant endeavour, as it has been ever since the war began, loyally to assist the Government and the various local authorities by every means in our power in the difficult task of dealing with such a vital and complex problem as the food supply of the people.

Mr. G. G. Fisher, J.P., seconded the resolution, which was carried unanimously.

## FINANCIAL ADVICE.

You can always obtain gratis the best advice regarding your stocks and shares through the medium of the *Answers to Correspondents* column of

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## INDIAN RAILWAYS.

NAME.		GROSS TRAFFIC FOR WEEK.			Wks.	GROSS TRAFFIC TO DATE.		
		Week ending	Amount	In. or dec. on last year.		Amount	In. or dec. on last year.	
Assam Bengal	Dec. 1		Rs. 1,30,307	—	1	Rs. 11,16,156	—	83,642
Barsi	.. 8		16,100	—	1	5,77,000	—	1,57,600
Bengal & N.W.	Nov. 24		3,65,620	—	1	2,66,81,578	—	5,27,633
Bengal Nagpur	Dec. 8		11,18,000	—	1	3,68,81,578	—	31,63,524
Bombay, Baroda	Feb. 2		15,28,000	—	1	2,50,90,000	—	10,15,000
Burma	Dec. 1		4,34,871	—	1	35,08,824	—	1,03,650
Delhi Umballa	Feb. 2		80,000	—	1	16,11,586	—	2,21,584
East Indian	Jan. 26		24,41,000	—	1	3,92,07,000	—	16,23,000
Gt. Indian Penin.	Feb. 2		23,85,600	—	1	3,97,53,011	—	29,04,429
Lucknow-Bareilly	Nov. 24		41,599	—	1	3,12,651	—	14,440
Madras and S.								
Mahratta	Dec. 8		10,90,000	—	1	92,20,000	—	4,46,210
Nizam's Gd. (Broad)	.. 8		1,25,301	—	1	11,93,681	—	47,924
North Indian	.. 8		1,08,008	—	1	7,22,830	—	21,688
Rohilkund and								
Kumaon	.. 1		49,020	—	1	3,55,047	—	15,899
South Indian	.. 8		6,73,248	—	1	62,99,585	—	3,62,399

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.		Feb. 9	£	£	£	£
Burnley Corp.	..	9	2,023	—	523	431,575
Dublin United	..	1	7,429	—	1,761	32,367
Hastings and Dist.	..	13	926	—	160	5,514
Isle of Thanet	..	Jan. 5	164	—	104	2,290
Lancashire United	..	Feb. 6	2,574	—	1,018	12,911
Provincial	..	Jan. 19	2,265	—	385	36,795
Yorks. (West. Rdng.)	..	Feb. 10	2,504	—	737	13,774

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.		Nov. 5	£	£	Ms.	£	£
Alabama Power	..	Nov. 5	114,696	—	24,747	1,277,830	359,725
Anglo-Argentine	..	Feb. 11	55,429	—	4,755	315,463	18,227
Auckland Electric	..	Oct. 26	22,308	—	880	42,118	7,832
Brazilian Traction	..	Dec. 1	M7,312,000	—	M757,000	M8468,000	M7315,000
Brisbane Elec. Inv.	..	Oct. 1	33,580	—	820	328,420	2,000
British Columbia	..	Dec. 5	167,333	—	30,967	599,797	860,091
B.A. Lacroze	..	Jan. 9	38,902	—	760	269,377	340
Burmah Electric	..	Dec. 5	Rs. 26,224	—	Rs. 6,327	109,108	Rs. 1,483
Calcutta	..	Feb. 9	Rs. 72,205	—	Rs. 4,150	Rs. 9,758	Rs. 11,640
Carthagen and	..	Jan. 5	4,011	—	29	4,011	29
Herrera	..	Nov. 5	13,339	—	503	108,715	2,137
Cordoba Light	..	Dec. 1	12,561	—	388	647,597	38,825
P. & T.	..	Jan. 5	4,711	—	396	48,962	1,873
Hongkong	..	Dec. 1	20,432	—	3,187	195,748	8,037
La Plata	..	Jan. 31	Rs. 40,542	—	Rs. 5,231	Rs. 78,298	Rs. 6,474
Lima	..	Dec. 1	65,467	—	4,667	547,492	70,625
Madras Electric	..	Nov. 5	225,256	—	108,669	3,193,106	197,227
Manila Electric	..	Jan. 5	5,361	—	728	5,361	728
Mexico	..	Dec. 15	12,548	—	749	643,405	11,654
Rangoon	..	Nov. 1	12,556	—	8,753	5,032,176	239,133
Singapore Electric	..	Nov. 1	136,016	—	2,675	101,101	7,992
Toronto	..	Nov. 5	46,300	—	10	567,000	—
United of Monte V.	..	Nov. 5	86,888	—	14,744	748,976	327,782
Vera Cruz	..	Nov. 5					
Winnipeg	..	Nov. 5					

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

NAME.		Feb. 9	Ps. £	—Ps. £	Ps. £	—Ps. £
Alooyand Gandia	..	Feb. 9	Ps. 9,500	—Ps. 1,500	Ps. 51,500	—Ps. 12,570
Antofagasta (Chili)	..	10	38,550	—	1,870	221,040
Arauco	..	Dec. 31	14,500	—	2,000	132,000
Argentine N.E.	..	Feb. 9	10,100	—	3,900	263,900
Bilbao R. and Canta	..	Jan. 1	5,103	—	1,009	45,226
Bolivar	..	Nov. 5	12,000	—	444	79,736
Brazil	..	Oct. 1	M4,746,000	—	M64,379	M4535,000
Brazil Gt. Southern	..	Oct. 1	M18,58,200	—	M14,900	M427,477
B. Ayres & Pacific	..	Feb. 9	119,000	—	7,000	2,551,000
Do. Central	..	Dec. 1	30,817	—	8,031	145,925
Do. Gt. South'n	..	Feb. 10	148,000	—	8,000	3,260,705
Do. Western	..	.. 10	66,000	—	16,000	1,070,000
Central Argentine	..	.. 2	101,000	—	4,600	3,002,200
C. Ur. g'ay of Mte V.	..	.. 2	19,083	—	5,122	559,151
Do. East'n Ex.	..	.. 9	5,697	—	861	153,113
Do. North'n Ex.	..	.. 9	4,015	—	1,436	99,162
Do. West'n Ex.	..	.. 9	2,905	—	1,126	68,517
Cordoba Central	..	Jan. 26	27,000	—	705	904,180
Costa Rica	..	Dec. 15	2,011	—	3,293	69,176
Cuban Central	..	Feb. 9	33,617	—	3,611	475,726
Dorada Extension	..	Jan. 1	8,300	—	900	106,900
Egyptian Delta	..	Dec. 31	11,867	—	4,490	207,975
Entre Rios	..	Feb. 9	20,200	—	7,100	447,600
French Santa Fe	..	Aug. 1	132,000	—	29,099	900,336
Gt. South. of Spain	..	Feb. 4	Ps. 30,647	—Ps. 73,877	Ps. 148,465	—Ps. 38,752
Gt. West. of Brazil	..	.. 9	18,900	—	3,900	113,100
Havana Central	..	.. 9	9,893	—	1,019	247,047
Inter. of C. Amer.	..	Dec. 1	20,754	—	3,470	260,589
La Guaira and Car.	..	Jan. 1	8,250	—	750	8,250
Leopoldina	..	Feb. 9	36,788	—	10,781	204,367
Midland Uruguay	..	.. 9	10,638	—	3,395	94,885
Mogiana	..	Nov. 5	M2,212,000	—	M222,440	M21669,000
N.W. of Uruguay	..	Dec. 1	33,000	—	8,388	159,682
Nitrate	..	Jan. 31	38,888	—	2,854	73,696
Paraguay Central	..	Feb. 9	3,080	—	990	90,940
Paulista	..	Nov. 5	M3,506,000	—	M589,750	M30654,000
Peruvian Corp'n	..	Jan. 1	S1,189,350	—	S254,420	S7,277,620
Salvador	..	Feb. 9	53,314	—	2,271	84,810
State of Bahia S.W.	..	Nov. 5	M85,000	—	M45,000	M1,021,000
S. Paulo (Brazilian)	..	Feb. 10	38,935	—	17,379	218,543
Sorocabana	..	Dec. 1	M2,107,000	—	M224,206	M16,988
Taita	..	.. 9	29,108	—	13,306	150,436
United of Havana	..	Feb. 9	83,337	—	22,553	1,477,510
West'n of Havana	..	.. 9	10,790	—	3,468	243,844
Zafra and Huelva	..	Nov. 5	10,538	—	403	135,491

\* Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

NAME.		Oct. 1	£	£	£	£
Beira	..	Oct. 1	67,631	—	9,860	753,845
Canadian Northern	..	Feb. 7	634,600	—	141,000	25,266,700
Can. Trk. Main Line	..	.. 7	2,096,000	—	206,000	12,666,000
Gr. Trk. Western	..	.. 7	106,873	—	43,345	771,858
Detroit G. H. & M.	..	.. 7	23,794	—	6,301	154,242
Gr. Trk. Pac. Prairie	..	.. 7	8,055	—	2,404	50,018
Mashonaland	..	.. 7	25,799	—	12,622	116,191
Mid. of West'n. Aus.	..	Nov. 1	47,670	—	9,630	47,670
New Cape Central	..	Dec. 29	8,206	—	190	33,562
Rhodesia	..	Oct. 1	99,687	—	11,023	100,157

\* Months. † July 1. † Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.	Month.	Amount.	In. or Dec. on last year.
		Dols.	Dols.		Dols.	Dols.
Atholston T. & S. Fe	Nov.	4,500,000	—1,062,000	11	44,685,000	—1,488,000
Atlantic Coast Line	Sep.	812,000	+ 183,000	11	9,930,000	+ 187,000
Baltimore & Ohio	Nov.	1,918,000	—1,050,000	11	28,797,000	—2,260,000
Canadian Northern	Dec.	65,300	—758,500	6	3,335,100	—2,961,000
Canadian Pacific	Jan.	3,911,000	—1,110,000	12	46,546,000	—3,930,000
Chesapeake & Ohio	Nov.	1,228,000	—182,000	11	12,861,000	—1,444,000
Chicago & N.W.	Nov.	2,074,000	—619,000	11	24,334,000	—3,844,000
Chicago Burl. & Q.	Oct.	2,943,000	—1,305,000	10	29,640,000	—1,925,000
Chicago G.W.	Nov.	294,000	—159,000	11	3,487,000	—995,000
Chicago Mil. & S.P.	Nov.	2,144,000	—1,686,000	11	27,050,000	—6,704,000
Chicago, Rock I. & P.	Nov.	1,835,000	+ 57,000	11	16,461,000	—2,534,000
Colorado & Southern	Oct.	654,000	—84,000	11	6,486,000	+ 847,000
Cuba	Nov.	102,281	+ 22,723	5	773,556	—157,399
Delaware & Hud.	Nov.	190,000	—405,000	11	5,681,000	—1,615,000
Denver & Rio Gran.	Nov.	572,000	—420,000	11	7,152,000	—1,539,000
Erie	Nov.	691,000	—856,000	11	10,037,000	—7,125,000
Gr. Tr. Main Line	Nov.	865,200	—128,600	11	1,907,700	—6,627,900
Grand Trunk West	Nov.	615,650	—1,195,000	11	6,351,450	—6,362,400
Detroit G. H. & Mil.	Nov.	661,700	—1,110,000	11	6,677,700	—6,990,900
Gt. Northern	Nov.	1,942,000	—1,591,000	11	21,822,000	—4,775,000
Illinois Central	Nov.	1,485,000	—409,000	11	17,538,000	+ 2,590,000
Kansas City South.	Nov.	425,000	—6,000	11	4,181,000	+ 589,000
Lehigh Valley	Nov.	789,000	—373,000	11	11,273,000	—2,029,000
Louisville & Nashv.	Nov.	1,296,000	—178,000	11	16,949,000	—839,000
Minn. S.P. (Soo)	Nov.	496,000	—276,000	11	4,918,000	—2,736,000
Miss. K. & Texas	Nov.	972,000	—271,000	11	7,393,000	+ 2,447,000
Missouri Pacific	Nov.	1,690,000	+ 321,000	5	9,435,000	+ 1,900,000
New York Cent. & H.	Oct.	5,662,000	—15,000	10	42,110,000	—11,593,000
N.Y. N. Haven & H.	Nov.	133,000	—705,000	11	2,521,000	—2,125,800
New York Ont. & W.	Nov.	2,730	—8,175	11	955,000	—147,000
Norfolk & Western	Nov.	1,692,000	—17,881	11	17,691,000	—2,363,000
Northern Pacific	Nov.	1,423,000	—2,132,000	11	26,099,000	—2,278,000
Pennsylvania East	Nov.	5,338,000	—3,181,000	11	86,440,000	—16,400,000
Phil. and West Lines.	Nov.	1,064,000	—1,199,202	11	14,876,700	—6,626,325
Phil. and Reading	Nov.	577,033	+ 5,826	11	9,806,000	+ 212,860
Reading	Nov.	1,304,000	+ 353,000	5	8,569,000	+ 1,093,000
St. Louis & San F.	Nov.	594,000	+ 261,000	11	6,693,000	+ 342,000
Seaboard Air Line.	Nov.	2,471,000	+ 109,000	5	11,795,000	+ 1,857,000
Southern	Nov.	4,465,000	—1,088,000	11	55,577,000	+ 7,255,000
Southern Pacific	Nov.	3,981,000	—668,000	11	39,694,000	—2,312,000
Union Pacific	Nov.	1,029,000	—255,000	11	11,298,000	—421,000
Wabash	Nov.					

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CANADA.

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Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital .. .. Yen 48,000,000

Capital Paid Up .. .. Yen 36,000,000

Reserve Fund .. .. Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Bombay. Honolulu. New York. Singapore.

Calcutta. Hong Kong. Osaka. Sydney.

Changchun. Kobe. Peking. Tientsin.

Dairen (Dalny). Los Angeles. Rangoon. Tokyo.

Fengtien (Mukden). Lyons. San Francisco. Tsinanfu.

Hankow. Nagasaki. Seattle. Tsingtau.

Harbin. Newchang. Shanghai.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837. LIMITED. INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £2,000,000; together £4,000,000

Reserve Liability of Proprietors .. 4,000,000

Total Capital and Reserves .. £8,000,000

HEAD OFFICE - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

## BANKS.

# THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	...	£1,500,000
Capital Issued	...	1,125,000
Capital Paid Up	...	562,500
Reserve Fund	...	600,000

## Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS  
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the Bank, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

# THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital	£4,000,000
Paid-up Capital	1,800,000
Reserve Fund	2,000,000

## BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Río Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, São Paulo, Santos, Pernambuco, Pará, Bahia, Victoria, Curitiba, Mankor (Agency). CHILE.—Valparaiso, Santiago. FRANCE.—Paris (6 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

# THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71 Old Broad Street, E.C.

Subscribed Capital	£1,278,747	10	0
Paid-up Capital	889,885	0	0
Reserve Fund and Undivided Profits	275,880	11	8
Reserve Liability of Proprietors	606,962	10	0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

# ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office—38, Lombard Street, E.C. 3.

Subscribed Capital	£1,076,875	0	0
Paid-up Capital	559,437	10	0
Reserve Liability of Proprietors	559,437	10	0
Reserve Fund	500,000	0	0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION, Manager.

# BANK OF NEW ZEALAND.

(Incorporated July 29th, 1901.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, Queen Victoria Street, London, E.C. 4.

AUTHORISED CAPITAL	£5,500,000
SUBSCRIBED CAPITAL	

Four per Cent. Guaranteed Stock	£529,588
"A" Preference Shares issued to New Zealand Government	500,000
"B" Preference Shares issued to New Zealand Government	250,000
Ordinary Shares	1,500,000
	£1,279,588

Reserve Fund and Undivided Profits ... £2,246,595

Negotiates and collects Bills of Exchange.  
Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager

## BANKS.

# BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital	£23,904,880
Reserve Fund	2,875,000
Reserve Liability of Proprietors	3,904,880
	£10,684,720

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.

H. L. M. TRITTON, Esq.

WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager.

J. S. CAMPBELL, Secretary.

HALKINSTONE MELDRUM,

DAVID GEDDIE,

Assistant Manager.

Accountant.

The Bank has 231 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea) and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

# THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1862.)

Authorised Capital	£1,000,000	Subscribed Capital	800,000
Paid-up Capital	£900,000		
Reserve Fund	500,000		
	£1,400,000		
Uncalled Capital	125,000		
Reserve Liability of Shareholders	625,000		
	£1,750,000		

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

UKAPTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD Manager.

## INSURANCE.

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# The Investors' Review.

Vol. XLI.—No. 1,051.  
New Series.

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Letters from correspondents must, in every case, be authenticated by the name and address of the writer.

The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and they cannot accept responsibility for statements made therein.

## ANSWERS TO QUERIES.

**One Reply to One Question — One Shilling.** Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

**Telegrams** advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

**Private Letters** in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

## Passing Events.

The M.P. who observed that if the last Ministry is worthy of being daubed the "Old Gang," then the present one ought to be called the "Press Gang," had a mordant wit. Mr. Lloyd George would have had no crisis to encounter this week but for the Press which supports him. As it was, the whole country was stirred to an unusual degree of doubt and suspicion. It was feared that some pact had been made at Versailles dishonourable to this country or derogatory to the position of its commanders in the field, and keen emotions of disgust were aroused by the infamous manner in which coming changes were heralded and the characters of important soldiers held up to obloquy by Mr. George's favoured Press supporters. Not a word too much was said by Mr. Chamberlain on Tuesday evening, when he declared that "the attacks made are not only deplorable in themselves, but also cowardly." "The men who make them," he went on, "are not only acting in a way in which patriotic citizens would not act in war-time, but they are acting in a way gentlemen do not act at any time." Unfortunately the Prime Minister appears to be immovably under the influence of the men who control these newspapers, and in other respects his unaccountable indifference to what is expected of him in his position is too well calculated to weaken his influence and hinder him in the progress of his oft-proclaimed task of winning the war, so that, although the threatened crisis has not come to a head and driven him from his position, the lack of confidence remains, and is beginning to be felt at least as much at the front as here. Otherwise the explanation given by him of the reasons why Sir William Robertson was no longer Chief of the Staff, and regarding the arrangements made for the conduct of the war at the last Versailles Conference, would have calmed down the country as it did the House of Commons. As it is the distrust continues. Is it too late to hope that Mr. Lloyd George has strength of character and knowledge of his countrymen sufficient to make him able to lift himself clear of these degrading surroundings? We hope it may be so, but until the doubt is removed our liability to periodic spasms of dread will continue. The nation feels that its public life is being debauched, not merely by the part these friends of the Prime Minister are allowed to play in shaping the conduct of its affairs,

but by the anti-democratic and indiscriminate profusion with which "honours" are scattered on the unworthy, like tares from the hand of the sower.

Sales of National War Bonds were smaller last week by £5,602,000 at £18,032,000, but that, we hope, is no indication of an exhaustion of the reservoir, for the collection of taxes goes on at a high pressure, and from the income and excess profits taxes, plus super-tax and munitions levy, the revenue was last week over £24,000,000; the total income of the week being £28,957,000. Not so long ago that would have been a good show for three months. We cannot in these circumstances expect increases in the War Bond sales until after the fiscal year has closed. In addition to the sales of the Bank of England issue, whose total product is now brought up to £369,924,000 all told, the Treasury also received in the week ended February 9, £992,000 from the sale of bonds of the Post Office issue. The number of applicants increased by 5,700 to 41,700, but the money paid in was £23,000 less. More encouraging results are to be noted with regard to the sale of War Savings certificates in the week ended the 9th inst. The sales numbered 2,907,891, raising the aggregate of the certificates outstanding to 151,896,848. The total sold in the week indicated was the largest yet attained, and it is possible that with some development in the method of attracting the money of the multitude, a considerable increase in the Treasury's war income might yet be obtained from this source. The Government certainly wants the money, for from all these sources of debt-provided revenue, the total received since the middle of October last has been only £505,328,000, and the whole of that is not "new money."

Last week's expenditure of all kinds was comparatively small at £104,221,506, a mere year's revenue in the days before the last South African war. The week before the total was £152,529,000. On supply services, however, the expenditure was fully £6,000,000 more at £42,250,000, or £6,036,000 per diem. The total of the actual disbursements of the week was, in fact, £46,018,000, compared with less than £42,000,000 the previous week, the aggregate having been raised to this figure by £3,741,000 absorbed by debt interest. What reduced the gross disbursements

of the week was the smaller mass of credit overturn. There were only £42,211,000 of supply Treasury bills issued against £52,621,000 paid off, but this decrease of over £10,000,000 in the floating debt represented by these bills, bringing down the total outstanding to £1,054,985,000, was partly due to the exchange by subscribers of Treasury bills held for National War Bonds. To what extent this surrender has gone on we are not told, but obviously the more of existing debt merely converted into the new forms of debt, the less cash does the Treasury receive. We must, therefore, bear a fact of this kind in mind when judging the financial position of the Treasury. Besides, however the credit renewed on supply Treasury bills, the Government received £2,600,000 from the sale of War Savings Certificates, £2,518,000 from other war debt, £19,103,000 from National War Bond sales, and £9,000,000 from temporary advances. There were £3,000,000 of temporary advances paid off, so that the floating debt in that form was increased by no more than £6,000,000 last week. War Loan and Exchequer Bonds to the value of £2,418,000 were also paid off, and it would be interesting to know if any, and how much, of this sum is represented by bonds surrendered for the Bank of England War Bond issue. The total week's outgoings were £268,000 less than the receipts, consequently the Exchequer balances were raised to £16,059,375 by this little remnant. A year ago the Exchequer balances were £24,748,000.

Up to the end of last week the total revenue en-cashed by the Treasury in the present fiscal year was £563,811,000, and of that revenue about £351,000,000 came from the property and income-tax and the excess profits duty, with the additions thereto. The land values duties have contributed only £550,000, but estate duties have yielded £27,481,000, as compared with £33,667,000 provided by the Excise, and £61,721,000 drawn from the Customs tariff. These relative sums suggest that changes of a fundamental as well as a far-reaching description will be necessary in our scheme of taxation, and curiosity about the coming Budget will increase from now to the day when Mr. Bonar Law opens his Pandora's box at the beginning of the new fiscal year. We do not envy him his job, but it is permissible to hope that he will have the courage, the perspicacity, and the independence of mind requisite to produce a system of imposts based on principles of equity, not only as between class and class, but, as far as possible also, between man and man. If he fails to do that we fear the times immediately ahead are bound to be stormy enough to gratify the subversive instincts of the wildest amongst our discontented masses.

And the worst of it is that nothing whatever worth speaking about is being done to restrain expenditure. Always when we look at this side of the world conflict now raging we are tempted to despair of the future. There does not seem to be the slightest conception in Government circles of what waste of money, even a small waste, may imply to the country and the Empire when peace returns. The dictatorship under which we are compelled to live creates new posts, new ministries, one might say, almost every week. Each Department, new or old, with a rapidity which looks purely magical, multiplies its staff. Such is the multitude of officials and clerks of all kinds now called into existence that they simply get in each other's way in the effort to perform, without training or knowledge, the duties to which they have been hastily summoned. No Parliamentary or other Committee is really able to check or reduce expenditure thus generated. Parliament has no control over or voice in the creation of any office. We see still going on in London the erection of whole villages of fresh offices, and the commandeering of buildings already in existence without regard to any rights of their occupiers whatsoever, totally heedless of the expense, makes one wonder whether astute speculators may not be taking advantage of ministerial omniscience. London is becoming

an ant-heap of scurrying functionaries, each ignorant of the other's occupation, each ignoring the mission of the other, until the marvel to us is that such order and efficiency as does exist should be maintained at the front and on the sea by our Army and Navy.

Mr. Macpherson is a rising young man in politics, and his speech introducing the Army estimates for the coming fiscal year—mere token estimates, of course—will enhance his reputation, except as an orator, and in the matter of oratory he should make haste to take lessons from some competent teacher of elocution. We have room only to give a few of the figures he reeled off, just to illustrate why we at home should be short of food. Last year nearly 7,000,000 of men, 500,000 animals, over 300,000 vehicles, and over 9,500,000 tons of stores were taken to the fronts. Over 1,000,000 men and a large quantity of stores were conveyed by water, the traffic totalling 230,000,000 tons, and the feeding of these immense hosts alone ran up to formidable figures in quantities as well as in cash:—270,000,000 rations of preserved meats, costing £12,000,000, were consumed, together with 84,000,000 lbs. of tea, 177,000,000 lbs. of sugar, and 145,000,000 tins of milk. The Army and Navy also consumed 8,500,000 lbs. of tobacco and 11,000,000 lbs. of cigarettes. Also 250,000,000 yards of wool and textiles were bought, if not all consumed. Wool alone cost £88,000,000, and, in addition, there was a huge consumption of medicines and medical appliances of all kinds. The total war purchases of manufactured goods was £270,000,000, of which £26,000,000 went to the Allies, and, in addition, £113,000,000 was paid for raw materials. It would be interesting to know how much of these huge sums was wasted. We guess, somewhere between a fourth and a third. For the current year the vote is asked for 5,000,000 men, and up to the present the war has involved the placing of about 10,000,000 of women and children on the Army Pay List as widows and dependents of the soldiers.

A letter of no small cogency has been sent to us from the Association of West African Merchants in Liverpool. It is signed by Messrs. Joseph Crewdson, chairman, and Edward B. Crooks, secretary, and we regret that we cannot in these days make room for it at length. It may, however, be said that it traverses the position taken up by the Empire Resources Development Committee as revealed in a reply made by it to a previous letter from the association. In essence the committee stands for freedom and room for individual enterprise in trade, and it criticises with some sharpness the tone taken up by the Empire Resources Development Committee, which seems to sneer at the apparent altruism of the association. "The issue," the letter concludes, "is simple. It is whether in the development of West Africa we should rely upon free enterprise or resort to the old, discredited policy of concessions—the "plantation" policy—and the writers refer with approval to the management of the French West African Dominions in "giving the freest possible play to individual enterprise on the part both of producer and merchant, keeping the Government in an independent position, which is its proper place."

Australian papers come so irregularly nowadays that the subjoined table setting forth in a summary fashion the position of Australasian banks at the end of the September quarter is belated. We, however, make room for the following table, extracted as usual from the *Australasian Insurance and Banking Record*, so that the Australians here and others interested in the finances of these countries may have the facts at hand for reference. The table appended combines the figures of the 21 joint-stock banks of Australia and New Zealand, plus those of the Commonwealth Bank of Australia, and as usual shows a marked increase in the liabilities and a less marked increase in the assets, comparing September last with the same date in 1916. It will help to an understanding of this table if we mention that the Australian banks alone show an increase

of £12,793,000 in their deposit liabilities compared with the same date in 1916, while their advances have shrunk £4,099,000. New Zealand banks, on the other hand, also show an increase of £5,375,000 in their deposit liabilities, of which £3,428,000 represents interest-bearing deposits, but their advances have gone up by £6,481,000, so that their nett banking resources are £1,106,000 down, whereas those of the Australian banks are £16,892,000 up. Out of the total liabilities of the banks to depositors, &c., shown at £236,423,000 in the table, the Commonwealth Bank accounts for £25,530,000, and at September, 1913, the deposit and current account liabilities of this State bank were barely £1,471,000. In Australia the banknote circulation continues to dwindle, being replaced by notes issued by the Commonwealth Bank. In New Zealand, where there is as yet no bank nominally in a position of a State institution, the note circulation tends steadily upwards, so that while the paper money of Australian banks has fallen to less than £241,000, the banks in the Dominion of New Zealand have increased their circulation from £4,330,000 at the end of September, 1916, to £5,651,000 at the end of September last. The increase is £1,321,000 on the year, and £760,000 on the quarter ended September last. Since the June quarter of 1911, Australasian banknotes to the value of £3,478,000 have been withdrawn from circulation. As recently as September, 1914, the total note circulation of the banks in New Zealand was £2,013,000, and the year before it was only £1,610,000.

The cash holdings of the various banks continue satisfactory, although reduced compared with the previous year. The coin and bullion and legal tender notes held by the joint-stock banks in the Commonwealth was at September 30 last £42,211,000. The year before it was £43,120,000, and two years before £55,626,000. The decrease in the cash assets of the Commonwealth Bank of Australia has been more marked, its cash having been £11,220,000 in September last and £17,266,000 at the end of September, 1916. Banks in New Zealand have increased their cash from £7,003,000 in September, 1915, to £9,847,000 in September, 1916. Putting all the banks together, including the Commonwealth Bank, the decline in the cash resources has been from £68,858,000 at the end of September, 1916, to £63,279,000 last September, but the decrease on two years ago is barely £1,000,000.

THE POSITION OF BANKS IN AUSTRALIA AND NEW ZEALAND.

LIABILITIES.	Sept., 1916.	Sept., 1917.	Movement.
	£	£	£
Deposits—			
Not bearing interest ....	111,909,265	122,170,378	+ 10,261,113
Bearing interest .....	107,740,497	114,252,158	+ 6,511,661
	219,649,762	236,422,546	+ 16,772,774
Savings Bank deposits (Commonwealth Bank) .....	9,486,832	12,447,034	+ 2,960,202
Perp. inscribed stock (E., S., and A. Bank) .....	1,969,310	1,952,591	— 16,719
Notes in circulation .....	4,583,555	5,891,704	+ 1,308,149
Bills in circulation .....	1,400,513	1,469,622	+ 69,109
Balances due other banks ..	3,816,093	3,838,837	+ 22,744
Total liabilities .....	240,906,065	262,022,324	+ 21,116,259
Coin, bullion, and legal tender notes .....	68,857,950	63,278,529	— 5,579,421
Notes & bills of other banks	2,107,616	2,283,682	+ 176,066
Blncs. due f'm other banks*	4,986,103	5,529,092	+ 542,989
Advances, &c.† .....	164,207,995	169,651,353	+ 5,443,358
Govt. and municipal sec. (Commonwealth Bank) ..	8,914,891	12,022,441	+ 3,107,550
Landed property, &c. ....	5,915,765	5,881,330	— 34,435
Total assets .....	254,990,320	258,646,427	+ 3,656,107

\* Including balances due from other banks to Commonwealth Bank, Sept., 1916, £2,911,379; Sept., 1917, £2,880,590.

† Including Government and municipal securities, except those held by the Commonwealth Bank, which are shown separately in the next line.

In spite of all its faults, we turn to the report of the London and North-Western Railway Co. with the confident assurance that on the main lines of railway policy it affords a very fair standard by which the others may be judged. Before the war, when full figures were available, it was, like the rest, rather a glutton on

capital expenditure, but it also dealt liberally with the provision for maintenance and repairs, so that the permanent way and rolling stock were always kept at a high state of efficiency. Consequently it is, perhaps, able to stand the strain of war conditions better than most of its neighbours, and yet we find that the directors deem it prudent to double the appropriation to reserve at £400,000, exactly the same policy as has raised the wrath of a section of the Great Western stockholders. It is true that the reserve and depreciation funds of the former are not so large as those of the latter, but possibly its necessities are not so great. On that point it is impossible to express a definite opinion, but we are perfectly certain that in neither case are the funds more than the commonest sort of prudence would suggest. Last year the North-Western's gross receipts amounted to £21,484,000, an increase of £2,050,000, while the expenses were £1,930,000 higher at £15,587,000. General interest brought in £58,000 more, and total nett revenue credits were, on balance, £43,000 higher, while £64,000 more was brought in, with the result that the total balance available is up £222,000 at £6,678,000. Fixed charges require £10,000 more at £1,608,000, and, after placing £400,000 to reserve, as already mentioned, and repeating the dividend of 6 per cent. (of which 2½ per cent. has already been paid), the carry forward is increased by £12,000 to £250,300. During the year depreciation and reserve funds have been increased by £1,120,000, and now stand at £5,670,000, but they might very well be a great deal more without being extravagant. Capital expenditure amounted to £289,000, against £520,000 in 1916 and £830,000 in 1915, and the account is now £5,530,000 overdrawn. But the company has loads of funds to draw on, and the position need not embarrass it for the time being.

We can sympathise with the laudable ambition of the Great Central Railway to pay the full dividend on all its preference stocks, and it is getting very near the goal. Only £77,500 more is wanted, but it is hard to come by in these times, and we are not sure that the directors are prudent in trying to rush the last lap too quickly. Gross receipts in 1917 amounted to £7,832,000, an increase of £765,000, and expenses were £748,000 higher at £5,728,000. Miscellaneous credits brought in £5,000 less at £135,000, and the total nett income was therefore £12,000 up at £2,239,000. Thanks to a reduction of interest on Lloyd's bonds fixed charges were reduced £3,000 to £1,357,000, and, including £1,000 more brought forward, the available balance of £890,450 shows an increase of £16,000. All but £500 of this gain is used to raise the dividend on the 1894 preference from 2 per cent. to 2½ per cent., and the balance forward is a trifle higher at £8,880. These figures do not reveal a particularly strong case for increasing the dividend, and when we find that only £260,000 has been added to depreciation funds (including arrears of maintenance), making the total for all purposes £1,606,000, we have a feeling that the small gain in nett revenue ought to have been added to the reserves; indeed, it is more than doubtful whether any dividend ought to have been paid on the junior preference issues in the past two or three years.

In 1916 the dividend of the London General Omnibus Co. was reduced from 12 per cent. to 8 per cent., and for the past year it has suffered a further diminution to 7 per cent., but this is mainly the result of the pooling arrangement with the City and South London, the Central London, the London Electric, and the Metropolitan District railways, which constitute the "Underground" system. The traffic receipts of the group amounted to £5,843,000, an increase of £565,000, and the total receipts were £623,000 higher at £6,662,000. Expenses, prior charges, and reserves absorbed £610,000 more at £6,142,000, leaving a nett balance of £520,000, or £13,000 more, for division between the five companies. The London General Omnibus takes 32 per cent. of this common fund, or

£166,500, an increase of £4,000, but as its gross receipts were £3,402,000, or £310,000 more than in the previous year, it is evidently the principal revenue-earner. Expenses, however, increased £300,000 to £3,186,000, but interest and dividends produced £20,000 more, and the nett profit would have been better except for the fact that £34,000 had to be written off for depreciation of investments. After providing for the dividend of 7 per cent., the carry forward is increased by £17,000 to £38,550. The London Electric Railway obtained gross receipts amounting to £1,139,500, an increase of £132,000. Its share of the common fund is 30 per cent., or £156,100, an increase of £4,000, and after repeating the dividend of  $1\frac{1}{2}$  per cent., £45,000, or £10,000 more, is placed to reserve, and £30,650 is carried forward. The Metropolitan District's gross receipts amounted to £1,122,000, an increase of £96,000, but the company receives only 12 per cent. of the common fund, or £62,440, an increase of £1,600. It again places £45,000 to reserve, and pays 3 per cent. for the year on the second preference stock, leaving £29,000 to be carried forward. Gross receipts of the Central London amounted to £351,300, an increase of £34,000. This company's share of the common fund is 20 per cent., or £104,000, an increase of £2,700, but £3,700 less was brought forward, and, after again placing £20,000 to reserve, and paying 3 per cent. on the deferred stock, £11,150, or £1,000 less, remains to be carried forward. The City and South London's gross receipts amounted to £258,230, an increase of £27,000, and its share of the common fund is 6 per cent., or £31,220, an increase of £800. In addition, £6,000 more was brought in, and it is therefore possible to place £25,000, against £20,000, to reserve, and to repeat the dividend of  $1\frac{1}{2}$  per cent. and to increase the carry forward by £4,000 to £21,300. Under the circumstances, the companies have all done better than might have been expected, but the form in which the accounts are presented does not permit a close analysis of the position of the individual members of the group.

There is no gainsaying the hold that Selfridge and Co., Ltd., has secured among the big London "stores," and the report for the year to January 31 informs us that in every one of the 214 departments there has been an increase in trade. Profits, after payment of all expenses, amounted to £258,760, an advance of £33,000 on the previous twelve months, which, in turn, showed a gain of £75,000 over the previous year. Munitioners and others have had a lot to spend, and Selfridge's secured a good share of the custom that drifted to many of the West-end shops. With about £50,000 more brought in, the amount available for distribution is £82,000 up at £386,000, but this handsome total is dealt with in a very conservative fashion, and some of the firms which make a practice of dividing profits up to the hilt may have to look to their laurels presently. Following last year's precedent, income-tax is paid on the preference shares, absorbing £10,500, and the directors are content to leave the ordinary dividend at 7 per cent., which takes £35,000—less than one-sixth of the nett balance. The amount written off cost of main site is doubled at £20,000, while £10,000 is again written off both buildings and fixtures, &c., while £10,000 against £6,000 is appropriated to reduce the investment in T. Lloyd and Co., Ltd. Excess profits duty requires a reserve of £75,000, against £35,000, and the balance forward is increased by £28,000 to £155,500. The balance-sheet looks clean and healthy, but the changes do not call for remark, except for an increase of £40,000 to £114,500 in the cash held. We are informed that the sale of National War Bonds organised in December resulted in a total subscription of over £3,370,000, and the expenses, amounting to £11,000 with prizes, have been charged against profits. There is evidently room, even yet, for go-ahead enterprise in this old, effete village of ours.

Despite the fact that the coal trade has been under the control of the Government throughout the past

year, the South Wales collieries enjoyed a good measure of prosperity. The Consolidated Cambrian, which derives the bulk of its income from its holdings in the Cambrian Collieries, the Glamorgan Coal, Naval Colliery, the Britannic, Merthyr, and D. Davis and Sons, has issued its report this week, showing a nett profit of £123,000, against £146,000 in 1916, and £147,600 in the first year of the Combine's existence—namely, 1913. The dividend is consequently reduced from 15 to 10 per cent., which, however, was the pre-war rate. No special allocations are made this year, but the carry forward is raised from £2,500 to £18,300. The accounts of D. Davis and Sons, which have also been published, show that the gross profit declined from £246,400 to £188,700, while the nett is £48,500 less at £148,800. A sum of £39,900 has been allowed for depreciation, whereas last year £49,100 was deducted for the same purpose and excess profits duty, while £12,600 was placed to reserve. The dividend is maintained at 20 per cent., but the carry forward is reduced by £14,800 to £67,100. The falling-off in profits from the high level reached in 1915 and 1916 was the inevitable outcome of Government control, which has restricted profits in the interest of the consumer. Besides having that salutary effect, the restriction of profits has put an end to those serious labour troubles of 1915 and 1916, which threatened to bring the industry to a standstill and cause disaster to the national interests.

The directors of Thomas Wallis and Co. report that the sales during the year ended January 31 were considerably larger than in any period since the formation of the company, and the improvement was continuous throughout the year. Consequently the profits showed an increase of no less than £18,049 at £54,690, and £9,024 against £3,868 was brought in. Of the increase of £23,200 in the available balance, £15,500 is set aside as provision for excess profits duty. A final distribution at the rate of 14 per cent. makes the distribution for the year 10 per cent., less tax, as compared with 8 per cent. for the previous year, and, after adding £1,000 against £500 to the benevolent fund, the balance forward is raised from £9,024 to £12,265. Reserves remain at £154,400, and the company has reduced its bank loan by £3,000 to £52,000. Not since January 7, 1908, has the company been in a position to pay a dividend of 10 per cent., but in those days dividends were paid free of tax.

It is understood that negotiations are in progress between the Anglo-Persian and Burmah oil interests for securing control of the British Borneo Petroleum Syndicate's extensive oil concessions in Borneo. The Royal Dutch Co. and the Shell Co. formerly had an option over the properties, but this was subsequently cancelled. The present scheme has for its object the systematic exploration of the Borneo Syndicate's properties.

Last year's trading profits of the Bradford Dyers' Association, Ltd., were £760,000, or £24,000 less than in the previous year, but as they are arrived at after providing for excess duty, the actual figure is doubtless considerably larger. Anyhow, as there was a gain of £230,000 in 1916 over 1915, the present results must be regarded as eminently satisfactory. With £100,000 more brought in and a larger income from investments, the total available shows an increase of £111,000 at £1,030,000. After again placing £90,000 to depreciation fund the dividend of 10 per cent. is repeated, but the bonus is increased from 5 per cent. to  $7\frac{1}{2}$  per cent., and £200,000, or £50,000 more, is put to reserve, raising it to a round million. Moreover, £100,000, against £60,000, is set aside for the benefit of employees serving with the Forces, and the balance forward is only reduced by £5,000 to £215,000. Changes in the balance-sheet are not important, except that investments and loans have increased £630,000 to £1,200,000. Cash amounts to

the large total of £457,000, an increase of £18,000, and the company is now in an exceptionally strong position. It is very wisely taking the opportunity of the present prosperity to remodel the regulations and details of the employees' benefit scheme. The principal alteration is that a bonus of £2 10s. will be paid in respect of each hundred bonus shares held by the employee when the ordinary dividend is not less than 5 per cent., with an additional 10s. for every 1 per cent. above 5 paid on the ordinary. In respect of the past year, therefore, the bonus would be £8 15s., and the terms of the scheme appear to be generous.

The accounts of the Exploration Co. for 1917 show a marked increase in realised profits, the total being £21,024, an increase of £17,773. The dividend, however, which is paid free of tax, is reduced from 1s. to 6d. per share, and the carry forward is raised from £60,209 to £62,484. The explanation of the smaller distribution is that in 1917 the amount brought into the accounts was very much smaller than in 1916, the decrease being about one-third. Apparently the position in Mexico, in which the company has large interests, is improving. The El Oro Mine has remained in operation throughout the year, and the company has recently been able to resume the payment of dividends. The Santa Rosa and Buena Tierra mines, situated in the north, have not been operated during the year. This part of Mexico is the most unsettled, but things there are expected to improve now that an agreement has been reached between the United States and Mexico restoring relations between the two countries.

### The Amalgamation of the London City and Midland and the London Joint Stock Banks.

This, the crowning, although by no means the last, effort in bank consolidations was quietly announced in the beginning of this week, and, notwithstanding Mr. Bonar Law's Committee, we can have no doubt that it will be carried into effect without hindrance. Certainly the shareholders of the Joint Stock Bank ought to be eager to accept the generous-looking terms offered by the City and Midland. Not only do these terms enable them to see their property considerably enhanced in value on the share market, but their uncalled liability will be halved and considerably more. The London City and Midland Bank shares are £12 nominal, with £2 10s. paid up. The London Joint Stock shares are £100 nominal, with £15 paid up, and the London Joint Stock shareholders are to receive four shares of the London City and Midland for one of their own. These four shares carry an aggregate liability of £38 only, whereas each one Joint Stock Bank share to be surrendered carries a liability of £85. At one stroke, therefore, the London Joint Stock Bank shareholders are quit of an uncalled liability of £47, which is a reduction of nearly 48.5 per cent. in their present risk. That ought to be enough to satisfy them and doubtless is. Whether it will also fully satisfy the creditors of the bank probably depends most on the way the huge business formed by the fusion continues to be conducted, and, more still, perhaps, on the manner in which the liabilities of the Treasury are dealt with and provided for.

We called the London City and Midland "the biggest bank in the world" when dealing with its report at the beginning of the present year, and the description was not an exaggeration. Other banks may have greater liabilities in the form of note circulations and the other types of Government make believe, and smaller assets, but in the matter of deposit and current account balances due in one form or another to its customers, the London City and Midland has topped all the banks known to us in any part of the world. It owed £220,552,000 to these clients at the end of last year, as shown in the table on page 111 of the current volume of THE INVESTORS' REVIEW. Add the £57,979,000 owed by the London Joint Stock

Bank at the same date, and we have the amalgamated bank under obligations to its customers to the formidable total of £278,531,000. As against this there will now be a paid-up capital of £8,159,000, plus a reserve of £5,718,000, or together £13,877,000, to constitute the basis on which the towering mass of credit is reared. The mere statement of these facts emphasises our oft-given warning to pile up reserves; and the only thing the Government, backed by its Committee, can really hope to do to safeguard the interests of the community, is to recommend a systematic accumulation of reserves far beyond their present total. Most banks should need no spur in this direction, for they have nearly all accumulated in the long years of receding prices hidden reserves under one formula or another, the aggregate of which must make them really much stronger than they seem.

But the time is coming when all our banks will require every resource they can lay hands on to aid them to sustain their credit and to conduct their business amid the turmoil, the chaos even, with which the affairs of the country will for a time probably be threatened. It is the prospect of this impending time of adversity and strain which doubtless moves the banks to draw together in order to form great corporations, whose strength will, they hope and we hope, prove unassailable. For on the after-war stability of our banks all our fortunes depend. The financial necessities of the Government, together also with the methods employed to provide for these necessities, have helped to drive the banks to take the step they have done, and because that is so, the Government dare not hinder this or any other impending amalgamation. Other amalgamations are in contemplation and must take place, whatever the grumbling may be, or the doubts entertained by the economic purist.

### The Leninites and the Russian Debt.

What is to come of the creditors of Russia? That is a question exercising many minds. In the present chaotic position of the country, it would be hopeless to expect that the debt obligations of the Empire now gone would be squarely met. The Russian people, even those not sympathetic with the Extremists and sworn enemies of all wealth not yet grabbed by themselves, like the Bolsheviks, might plausibly argue that they were never consulted in the contracting of these debts, and therefore have no moral obligation to pay. Had nothing been done with the money borrowed except to waste it in wars or in gratification of the extravagant tastes of the Imperial family and its surroundings, that might have been an unanswerable moral plea, and the creditors of Russia might have been left lamenting their loss without hope of remedy. Doubtless much of the money borrowed abroad has been put to base and selfish uses by the autocracy and the Imperial Court. By no means all of it, however. Foreign money has provided Russia with nearly 50,000 miles of railway, with ports, with machinery of all descriptions, and with the means to advance the economic development of the country in a variety of directions, and as long as these products of foreign borrowing are in use, their nett revenues are by right the property of Russia's creditors, to the extent requisite to meet their obligations. When order is restored in Russia, as it will be one of these days, that right will unquestionably be recognised.

As for the rest of the debt which has been wasted in profitless ways, in wars, in ministering to the extravagances of the autocracy and its upholders, even that cannot be disowned by a people desirous of standing well with other nations, or with itself, and the said people will possess in the vast assets in land and minerals owned by or assigned to the Romanoffs, and in the overgrown estates of many Russian landowners, a security which, when developed and honestly administered, ought to be sufficient to provide for the liquidation of all the debts of Imperial Russia. When the people come to their own in accordance with the dream of the revolutionary leaders, they will be enriched in-

stead of impoverished by assigning these securities to the service of the debt, for the surplus left after meeting all charges should be a growing one, and at its lowest probably far more than the serf peasants ever received under the old order. At Brest-Litovsk the Prussians have taken care to saddle Ukraine with responsibility for debts owed to Germans in their portion of the foundered Empire, thus providing a valuable precedent for us when our turn comes.

Our idea in regard to Russia is identical with that unfolded by us quite early in the war, when the question was how Germany could be made to pay, not an indemnity of the nature of a plunderer's "scoop," but an indemnity representing payment of the losses and costs of the war to harried Belgium, obliterated Serbia, ruined Northern France, and of the damages of all kinds done to the Allies of civilisation everywhere. Prussian militarism will not be destroyed beyond possibility of raising its head again, any more than Russian autocracy, unless the great land monopolists are reduced to a degree of poverty that will bring them near the level of their humbler fellow citizens. Militarism has its root in the selfish oppression of the irresponsible, in the tyranny of the owner of land who, as one of a privileged class, is a law unto himself. It would never have been able to raise its head, still less to control a nation's life, but for the irresponsible dominant position its territorial monopoly gave it.

We must not forget this side of the subject when discussing terms of peace with the enemy, and whatever just debts can be claimed for against the aggressor empires by the peoples of other nations must be safeguarded. We shall always, while supreme on the ocean, be in a position to isolate the defaulting recalcitrant adversary, let us never forget. Should the Allies of the *Entente* come to an agreement about their attitude in the peace towards the Hohenzollern Kaiser and his Allies, as doubtless they will, that agreement cannot fail to take into consideration the means of enforcing decisions come to by the league of nations which must grow out of the allied unity. We shall none of us have any money with which to maintain armies as punitive or disciplinary forces, let this also be remembered. To keep ourselves solvent and to develop all that is worthy of maintenance in our civilisation will take all our means and all our labour for many a year. That is why militarism has got to be destroyed, rooted out for good and all, as it is being destroyed and rooted out in Germany soon now by our resolute prosecution of the war, and if our economic arrangements are wisely made we shall always have in our hands the means of bringing to reason, not only the brutal Prussian and his sheepish German victim, but any country, no matter what, which squares up and talks of fighting, or which refuses to honour its just debts. Stop trade with such recalcitrants, peremptorily and completely, until they submit. There can be no resumption of commercial or other relations with Germany except upon this footing, and the liability of the Prussian military autocracy for the damages done must be never for a moment lost sight of when the representatives of the free people now united in war for its destruction come together to settle terms upon which the enemy shall be allowed to have peace. Should Prussian machinations aim at inducing default upon the debts of Imperial Russia with the object of injuring the Allies in the manner now illustrated by the Ukrainian peace treaty, then Prussia's Germany must be saddled with responsibility for the default until the wrong is redressed.

The above was written before particulars were received setting forth the method by which the Bolshevik Government of Petrograd seeks to accomplish the national dishonour. These particulars are only "semi-official," but characteristic enough. The first step is to cancel all loan contracts made by former Russian Governments, as set forth in a special list. They cease to be obligations of the State as from December 1 last, so that December coupons are all defaulted on. All guarantees given to secure these loans are cancelled, and all loans made abroad

are cancelled without exception and unconditionally, but the short-term series of State Treasury bonds retain their validity. The interest on them will not be payable, but they will circulate on a par with paper money, which is illuminative as to the straits of the so-called Government. Then, to show how anxious Lenin and Trotsky are to protect the poor, individuals who hold stock not exceeding 10,000 roubles in internal loans can exchange them for certificates in their own name of a new loan of the "Russian Socialist Federal Republic of Soviets," par for par. Deposits in the savings banks also are not to be touched, nor yet the interest on them, and all the holdings in the cancelled loans belonging to these banks will be replaced by debt entered to their credit in the Great Book of the Russian Socialist Republic. Co-operative and other institutions of democratic utility and possessing a holding in the cancelled loans will be indemnified in accordance with the special regulations laid down by the Supreme Council of Political Economy in agreement with their representatives, if it be proved that the holdings were acquired before the publication of this decree. Further, the State Bank is charged with the complete liquidation of loans and the immediate registration of all holders of bonds in the State loans and other funds, whether annulled or not, and the Soviet of the Workmen's, Soldiers' and Peasants' Deputies, in accord with the local economic councils, will form committees for the purpose of deciding whether a citizen is to be classed as "indigent." These committees will be competent to cancel entirely all savings acquired without working even in the case of sums below 5,000 roubles. Thus does the levelling down proceed and strive to accomplish Russia's obliteration as a civilised country.

### Our Foreign Trade in January.

The reactionary tendency in our foreign commerce, which became very pronounced towards the end of last year, did not appreciably improve in January, as will be seen from the following summary:—

	January, 1918.	Compared with 1917.	Compared with 1916.
	£	£	£
Imports .....	99,058,714	+ 8,465,747	+ 24,122,973
Exports .....	47,665,935	— 5,194,607	+ 4,908,768
Re-exports.....	3,190,660	— 5,240,655	— 5,639,512
Excess of imports	54,202,119	+ 18,901,009	+ 24,853,717

A considerable portion of the increase in imports is due to the inclusion of certain articles received on public account, which did not figure in the returns of the corresponding months, and these are probably mainly responsible for an advance of about 7½ millions in miscellaneous manufactured articles. In the meantime, too, there has been a big rise in prices, so that the increases do not by any means reflect a corresponding gain in quantities. Bearing this in mind, it is certainly disquieting to find a decline of £6,170,000, or about 16 per cent., in imports of foodstuffs, about which no details as to quantities are supplied. Grain and flour fell 15 per cent., meat 25 per cent., and other non-dutiable articles 33 per cent., but there was an increase of 13 per cent. in dutiable articles (principally tea and sugar) and of 9½ per cent. in tobacco. Raw materials advanced £4,375,000, or nearly 12 per cent., iron and steel fell 32 per cent. in amount, but the value was 14½ per cent. higher, and wood dropped 12 per cent. in quantity, but cost 28 per cent. more. In the case of raw cotton, the amount received was 36 per cent. less, but it cost 14½ per cent. more, while wool fell 53 per cent. in quantity and cost 46½ per cent. less. Oil seeds, nuts, &c., increased £2,320,000, or 38 per cent., and the quantity of petroleum was 160 per cent. larger, but the cost advanced only 86 per cent. Hemp showed a gain of 9 per cent. in amount, but the cost rose no less than 153 per cent. On the other hand, jute fell 40½ per cent. in quantity, and the cost was 39 per cent. smaller. Manufactured articles show an increase of £9,066,000, or 60 per cent., but most of this is due, as already mentioned, to miscellaneous goods not previously in-

cluded. Metals other than iron and steel rose £2,803,000, or not far short of 100 per cent., and chemicals, drugs, &c., advanced £1,086,000, or nearly 60 per cent., but leather fell 50 per cent. in amount and 58 per cent. in value, while hides increased 23 per cent. in amount and 31 per cent. in value. Most of the other items show decreases, but as a rule they are not of much importance.

Turning to exports, foodstuffs fell £637,000, or 33 per cent., but that need not greatly concern us under existing conditions. Raw materials were £584,000 lower, mainly accounted for by a decline of £457,000, or 10 per cent., in coal, while the amount fell 600,000 tons, or 17 per cent. Manufactured articles dropped £3,005,000, or 8 per cent., every item except cotton showing a decrease. Cotton yarns fell 36½ per cent. in quantity, but fetched 3 per cent. more, and although the amount of piece goods shows a shrinkage of 20 per cent., the value was 19 per cent. higher. Iron and steel fell 33 per cent. in amount and 30 per cent. in value, and machinery shows a decrease of £725,000, or 36 per cent. Chemicals, drugs, &c., declined £572,000, or 25 per cent., and leather manufactures £264,000, or 63 per cent. Woollen tissues fell 26 per cent. in quantity, but realised 2 per cent. more, while the value of apparel was 7 per cent. less. At nearly all points the record is rather depressing.

As regards stocks in bond, we have abundance of cocoa and coffee and the tea position has improved, as there were 63,473,000 lbs. in hand at the end of last month, as compared with 37,200,000 at the end of December. There is consequently no excuse for the tea queues which are still to be seen except the clumsy bungling of the control. Figures for sugar are again omitted—we wonder why? Tobacco begins to give rise to some anxiety, the total stocks being reduced to 130,987,000 lbs., as compared with 261,027,000 lbs. a year ago. The amount is sufficient for present requirements, but we hope the same mistake will not be repeated as was made in the case of tea by allowing

stocks to be reduced to a famine level. However, we may trust the powerful manufacturers to impress on the Shipping Controller the necessity for granting import facilities.

Appended to the monthly returns are tables showing the aggregate imports from and exports to the principal countries for the last quarter of the complete year, and in the accompanying statement we give the more important figures for the twelve months. Why the bullion returns could not be given at the same time is one of those minor annoyances that only bureaucracy is capable of, but at present they are not of great importance, and we need not worry about them, except to point out that officialdom appears to gloat over every opportunity of suppressing every kind of information, whether valuable or not, merely for the sake of keeping from the public knowledge which is in its possession. It is a stupid, ostrich-kind of futility, well illustrated by the omission of sugar stocks from the bonded returns; but it is no use quarrelling about little things of that kind just now, because this arrogance of power will have to be paid for dearly in the future. That merely by the way. There is nothing in the figures for the last quarter that calls for notice, and we take the complete year's returns as of more interest. In 1915 we got 21½ millions of goods from Russia, and the heavy decline since is significant, more especially when considered in connection with the enormous increase in exports. The latter were only 13½ millions in 1915, so that last year they were multiplied about three and a-half times, and we are afraid much of them have been put to a very bad use. We have received substantially more from Norway, but considerably less from Sweden, Denmark and Holland, so that a certain type of mind will doubtless find great satisfaction in the fact that the exports to these countries have fallen off heavily. On the other hand, they will find some scope for the exercise of their morbid imaginations in the decline of imports from Switzerland accompanied by a big increase in

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exports, which were three millions above those of 1915. France has not been able to send us much, and our imports last year were 8½ millions below those of 1915, but fortunately we were in the position to help her very materially with the goods we could supply, and last year we sent her 11½ millions against less than 70 millions in 1915. Italy also has little to complain of, as we were able to send twice as much as we did two years ago. But we have had to rely for our supplies mainly on the United States, and we imported thence 130 millions more than in 1915, but could only send back in return 33½ millions against 26 millions. It is a very lopsided business at present, but we shall be able to put things on a sounder basis presently. Cuba has done well, but the South American trade has been disappointing, especially as far as the Argentine is concerned, and we cannot help thinking that the Shipping Controller has failed lamentably with regard to this most important source of essential supplies. It is any odds on that if traders had been left to themselves there would not have been a drop from 64 millions in 1915 to 48½ millions last year in our purchases from the Republic, and we might also have had a very much larger return trade. As regards British Possessions, Egypt and Australia have done well in supplies to this country, and India has been a very good customer. Canada has more than doubled her exports, and it is perhaps a healthy sign that she only bought 16½ millions last year. But there are no reliable deductions to be made at any point, as the whole business of the country, inwards and outwards, is almost entirely on a war basis.

(000's omitted.)

	Imports From.		Exports To.	
	1916.	1917.	1916.	1917.
	£	£	£	£
Russia .....	18,252	17,937	24,978	46,733
Sweden .....	20,606	14,815	6,574	3,089
Norway .....	16,659	18,424	10,897	8,480
Denmark .....	21,942	17,752	11,443	6,908
Netherlands .....	22,139	20,032	24,057	20,822
Java .....	14,319	13,249	7,109	6,043
France .....	26,585	22,868	92,830	111,507
Switzerland .....	15,510	11,312	4,561	6,560
Portugal .....	5,250	3,882	4,098	3,129
Spain .....	25,034	22,151	8,523	4,792
Italy .....	11,243	10,397	20,453	27,664
China .....	8,335	8,500	10,707	10,621
Japan .....	12,494	15,310	7,487	5,523
United States .....	291,835	376,472	32,688	33,250
Cuba .....	13,052	17,827	2,058	2,012
Chile .....	12,409	13,291	4,034	4,634
Brazil .....	9,037	9,951	6,718	7,186
Uruguay .....	3,997	5,457	1,900	2,280
Argentina .....	51,594	48,514	13,949	12,881
Egypt .....	26,606	32,472	11,225	14,778
West Africa .....	11,965	14,849	7,091	7,378
South Africa .....	12,323	12,077	24,064	20,000
British India .....	72,366	66,847	52,788	59,962
Straits Settlements .....	16,015	16,059	5,234	4,888
Malay States .....	6,284	6,984	798	738
Ceylon .....	10,730	10,200	2,746	2,097
Australia .....	36,178	64,410	35,947	22,119
New Zealand .....	31,627	29,256	12,073	7,039
Canada .....	58,529	84,330	18,018	16,210
West Indies .....	5,018	6,250	2,130	2,060
Foreign countries total .....	948,506	1,065,256	506,780	525,309
British Possessions total .....	302,673	359,870	186,176	172,620

## Electric Lighting Companies.

Our electric light and power undertakings have, since the outbreak of war, been called upon in increasing measure for effort of the most vital kind. But while almost all branches of war-stimulated activity have been making large and increasing profits, most electric power companies have experienced a curtailment of profits and dividends. This is chiefly because expenses, particularly the cost of coal, which bulks so largely in operating costs, have risen to such unheard of heights, and because, until recently, no corresponding set-off had been generally obtained in the form of an adequate increase in supply charges. In the following statement we show outputs and increases and decreases in working costs and revenue of

the 13 London undertakings for 1916 and the pre-war year 1913:—

Company.	Output in Units (000's Omitted).		+ or - Per Unit in Price Obtained.		+ or - Per Unit in Working Costs.		+ or - Per Unit in Gross Profit.	
	1916.	1913.	d.	d.	d.	d.	d.	d.
Brompton .....	3,051	3,108	+	.12	+	.55	—	.53
Central .....	30,660	28,636	+	.14	+	.12	+	.02
Charing Cross .....	28,046	27,832	+	.08	+	.22	—	.14
Chelsea .....	4,271	4,451	+	.28	+	.54	—	.26
City of London .....	28,982	29,112	+	.16	+	.38	—	.22
County London .....	35,030	25,743	—	.11	+	.15	—	.16
Kensington .....	4,697	5,755	+	.03	+	.28	—	.25
London .....	49,810	35,336	—	.22	+	.18	—	.20
Metropolitan .....	24,595	18,109	—	.14	+	.08	—	.12
South London .....	6,698	5,741	—	.03	+	.10	—	.13
South Metropolitan .....	13,005	6,602	—	.60	—	.03	—	.57
St. James's .....	11,272	11,605	—	.11	+	.09	—	.09
Westminster .....	23,409	21,916	—	.15	—	.08	—	.07

As will be seen, eight undertakings out of the thirteen appreciably increased their output. In the case of the Central, County London, Metropolitan, South London, and South Metropolitan undertakings, this was accompanied by an improvement in gross profit. The gross profit of the Westminster company was almost up to the pre-war level, while that of the Charing Cross Company exhibits a far smaller shrinkage than would otherwise have been the case. The most disappointing gross result was that of the London Electric Company, which supplies power to the Brighton Railway Company. Here, although the output went ahead by 40 per cent., gross profits for 1916 came out at £55,000, as against £71,000 for 1913. This was because the fall of .20d. in gross profit per unit represented so large a proportion of the relatively narrow profit margin as to much more than offset the revenue derived from the larger number of units sold. It is, however, after deducting interest and special expenditure, depreciation and reserves that the disappointing nature of the majority of the results become evident. For, with the exception of the South Metropolitan Company, where the nett profit rose from £13,000 to £21,000, and the South London Company, where the profit was maintained, all the concerns show decreases in nett. This is clearly seen from the following statement:—

Company.	Gross Profit (000's omitted).		Interest and Spec. Expen. and Reserve (000's omitted).		Nett Profit (000's omitted).		Dividends.	
	1916.	1913.	1916.	1913.	1916.	1913.	1916.	1913.
Brompton .....	23	30	—	5	7	6	16	18
Central .....	46	42	26	18	19	18	—	5
Charing Cross .....	139	153	46	46	39	47	53	60
Chelsea .....	33	37	8	9	15	14	9	14
City of London .....	142	170	41	35	40	50	61	85
County London .....	161	138	47	46	45	20	69	71
Kensington .....	25	36	6	8	7	12	11	15
London .....	55	71	22	19	16	15	15	37
Metropolitan .....	119	106	28	23	44	22	46	60
South London .....	29	28	7	8	7	6	14	14
S. Metropolitan .....	50	41	11	13	17	15	21	13
St. James's .....	65	70	29	20	13	16	22	34
Westminster .....	126	127	24	15	36	38	64	73

During the past year costs have continued to rule at a very high level, but the various undertakings have, almost without exception, considerably increased their charges. The average increase for the country is, we believe, something like 30 per cent. above the pre-war tariff, and as in many districts the consumption of current has increased, quite a number of the reports to be published during the next few weeks can, we think, be calculated to display improved results. Of a batch of seven local authorities' exhibits we have been examining, covering yearly periods up to May, June, and July last, with one exception, all disclose increased profits. The Yorkshire Electric Power Company, whose accounts end December last, reports an increase in nett profit of £4,150 to £33,260, and recommends a dividend of 5, as against 3 per cent. The St. James's and Westminster Companies have recently announced dividends of 9 per cent., as against 8 and 7 per cent. respectively a year ago. Of equal good augury for the future was the Kensington company's increased interim dividend in August last. It is to be hoped, however, that the passing of the London company's preference dividend in September last does not portend a further reduction in the profits of that undertaking.

As regards the future of the industry, interest is, of course, now centred upon the proposal of the Coal Conservation Sub-Committee, who recommend the

concentration of the 600 odd distributing undertakings into 16 districts with 16 authorities dealing with "all the generating and main distribution." If this project is to assume concrete form, it is to be hoped that the authorities will get something done with the least possible delay. For the present state of uncertainty tends to produce a chaotic state of affairs, and, if perpetuated for any length of time, is likely to seriously impair our industrial efficiency. Even if a super scheme on some such lines as that of the Reconstruction Committee be put in hand at once, it is difficult to see how it can come into operation for a number of years. And the five years following the war is likely to be the precise period in which we shall be making our industrial history. The need for cheap current will be of vital necessity, and many undertakings had in contemplation the expenditure of large sums on extensions and improvements of plant. But the report of the Reconstruction Committee is resulting, in many districts, in the pursuit of a hand-to-mouth policy, a dispensation which threatens to spread itself over the crucial period. The need for the immediate co-ordination of effort is certainly one of the most pressing requirements of the moment.

### By-the-Way War Notes.

What are our pacifists going to say about the renewal of war in Russia? Some academicals among them excused Lenin and his band for taking German money on the ground that in their eagerness to remake Russian society they accepted money from anybody—from Germans as readily as from Poles or Russians—without considering themselves bound in any way to serve the donor. But could these ruffians and warped idealists have served the Prussian military gang more completely than they have done throughout the enactment of that peace farce at Brest-Litovsk? We think not. But, anyway, Russia is about to suffer the extremity of degradation at the hands of the Austro-German troops, and in her suffering may lie her redemption. "No annexations, no indemnities," were adopted as catch words by the Hohenzollern diplomats, and perhaps the only "annexation" immediately sought in the present advance of Austrian and German troops into Russia is the seizure of the stores of grain believed to exist, and to be within their reach. If they do find corn, they will take it, and leave the people to die of hunger. How wonderful is the humanitarianism of the Teuton!

On other theatres of war all goes well for the purpose of the Allies. On the Western front we are treated every day to fresh theories about the German "plan of campaign." One extreme view is that no general assault will be made by the besieged enemy, and the other is that an immediate attack on a tremendously large scale is just about to be launched; but whether it will be directed against us and our Allies near the coast, or south-west, in the neighbourhood of Cambrai, or elsewhere, nobody is sure. The fact is we know nothing about it, and the two apparently contradictory assertions, viz., that no great attack is intended and that the onslaught will be immediate, and no effort spared to make it overwhelming and decisive, are probably less antagonistic than they seem. Appearances point to an attack upon an immense scale. But the confession of a consciousness that it may fail, as previous assaults have done, appears in the immense preparations made by the Prussian commanders behind their front. An endless network of trenches, forts, gun-emplacements, &c., have been constructed in the rear with the usual German perseverance and ingenuity. What other purpose can these defences have than to minimise the effects of a disastrous end to the contemplated onslaught?

We have but to possess our souls in equanimity and hold fast to our purpose, meanwhile continuing the systematic and most skilful wasting of the enemy's resources, strength, and morale now in operation. The development of warfare in the air on the part of the

French, the Italians, and ourselves is more and more becoming a determining element in the struggle, and is rapidly demoralising the enemy. In four days this week 105 German machines have been sent to the ground, every one of them probably useless for further service. And, whenever the condition of the atmosphere offers the slightest encouragement, the Allied aviators are up and at work, firing on the enemy's trenches and shelters, destroying their ammunition dumps, their stores of all kinds, attacking railway stations and junctions, wrecking munition factories, aerodromes, submarine depots, and whatever can be found to be destroyed. At present this is the true way to win the war.

But this looks a slow and exhausting method in all senses, and the grumblers multiply. But how could it be otherwise? People, pacifists especially, are for ever droning about "putting an end to militarism," and that is an ideal which must be striven for and attained if civilisation is to be saved. For we shall all, barbarians and civilised, be ruined unless militarism—not merely of Prussian, but of all types—is put down for ever. And how, pray, is it possible to accomplish a change so radical in humanity's ideas and habits unless by fighting, on until the exhausted foe is compelled to surrender at discretion? Anything short of that, anything that permits standing armies to be again created and maintained by the soul-wasting oppressions of the Habsburg and Hohenzollern tyrannies, would force all civilised nations to follow the example set, even as they have done for the past 50 years. Therefore to advocate a peace "by agreement," negotiated between diplomats, whether Austrian or Prussian, of the wily, unscrupulous stamp, is to commit a crime against mankind.

The only durable peace that can follow the conclusion to the fighting must be modelled on the peace attained by the Federals in the Civil War of the United States, the peace of surrender. Had President Lincoln failed

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to continue the fight until the Confederates had to lay down their arms and surrender at discretion, had he made any sort of "peace by agreement" with them, the North American Republic would not have been able to put off its own armour so completely as it did when the victory had been won. So thoroughly were the Confederate armies destroyed, and all hope of renewing the struggle with them, that the great hosts of the Federalists could be disbanded from general to private, the men returning to their former occupations without a shade of apprehension or trace of the swagger and assumption of the professional fighter. And the peace ensuing was the noblest, most durable, civilised man had ever concluded.

"That is the peace which we must fight for to the last gasp or perish; and from this point of view, cruel and costly though it be, the prolongation of the war on its present scale offers the best hope that the Allies will reach their goal. Cease, therefore, to parley with the enemy, copy Abraham Lincoln, be silent, and sternly fight on.

Admiral Jellicoe cheered us up by his speech at an Aldwich Club luncheon—by the way, this club of advertising agents seems to be becoming a favourite medium for the confidences of politicians and members of the Services; is there something extra subtle and inspiring in its wines?—in which he told us that the ratio of destruction of German submarines has risen to about 50 per cent. That means that half the boats built and sent out by the German Admiralty are sent to the bottom. We hope this is true, and that it will be proved true by after events—not falsified like Lord Derby's effusive profession of loyalty to the death to Sir William Robertson. But at present the rate of destruction of British merchant vessels remains much the same. Last week, for instance, the return was 12 vessels of over 1,600 tons gross sunk, and three smaller vessels, as well as one fishing vessel. Also the unsuccessful attacks numbered eight. These figures, however, require the usual adjustment, and deducting the two large vessels sunk and the one vessel then unsuccessfully attacked in the previous week but not reported until the past week, we get the totals reduced to 10 and 7. The losses of the week were really six smaller than any previous monthly average. Adding the vessels attacked without success to those sunk we get 20 as the entire product so far as is yet known of the efforts of the submarine assassins last week, and that is the smallest number since the week ended January 19. On the whole, therefore, the First Lord of the Admiralty's assertion that we are "holding" the enemy in this field of war appears to be true, and as the days get longer our success should become more and more emphatic. Last week 2,322 vessels of all nationalities entered and 2,393 left our ports, or 4,715 ships in all. This was 40 more than in the previous week.

General Allenby seems to be getting to Jericho all right, but we do not like the news from Armenia. The Turks are said to be within 10 miles of Erzeroum, and unless enough true-hearted Russian troops are available for the city's defence, it may soon be back again in the grip of the Germans, and but little help, direct or indirect, can be given by either our army in Palestine or the one in Mesopotamia. There, also, dogged resolution and perseverance are demanded of us. Also the loyal Russians must be sustained even as the Serbs have been.

The committee appointed to safeguard British interests in the Cuban Ports Co. announce that the agreement with the Cuban Government has now been duly executed, and holders of the 5 per cent. first mortgage bonds are invited to deposit them with Messrs. Kleinwort, Sons and Co., 20, Fenchurch Street, E.C., in order to facilitate the exchange for Government 5 per cent. internal bonds, on which interest accrues as from November 1 last.

The directors of James Dunlop and Co. announce that, owing to the intricate accounting with the various Government Departments, they are unable meantime to present the accounts for 1916, but they are satisfied that the profits justify the repetition of the dividend of 10 per cent. The whole of the works and collieries are now under Government control.

## JANUARY RUBBER OUTPUTS.

Company.	Current Estimate.	Last All-in Cost.	Jan. lbs.	(+) or (-) lbs.	Months	Aggregate lbs.	(+) or (-) lbs.
Aboyne Clyde	444,374d	1/0.50	44,287	+ 11,330	7	320,591	+ 61,196
Alhagar	338,100d	1/1.62	24,500	- 7,800	1	24,500	- 7,800
Alliance	208,394d	—	14,926	+ 4,480	1	14,926	+ 4,480
Alor Pongsu	276,412d	1/0.75	26,585	+ 1,370	1	26,585	+ 1,370
Ampat	180,000	1/1.35	19,500	+ 2,390	4	75,550	+ 4,380
Anglo-Java	2,525,395d	—	209,068	+ 20,868	1	209,068	+ 20,868
Anglo-Johore	300,000	1/3.20	19,833	- 3,167	10	251,429	+ 32,822
Anglo-Malay	1,720,000	1/11.23	148,201	+ 933	1	148,201	+ 933
Anglo-Sum...	940,000	1/10d	69,527	- 13,011	8	580,423	- 62,548
Asahan	550,000	1/3.26	41,646	- 121	6	238,475	+ 9,675
As. T. Ceylon	255,000	—	31,713	+ 7,028	7	177,390	+ 23,726
Ayer Kuning	821,071d	1/0.34	75,000	+ 3,359	1	75,000	+ 3,359
Bagan Serai...	413,182d	1/1.82	32,500	- 5,218	1	32,500	- 5,218
Bah Lias	—	1/9.46	64,257	+ 46,965	3	168,023	+ 121,078
Bajoe Kidoel	250,986d	1/8.85	62,000	+ 31,594	10	340,000	+ 147,765
Bakap	285,000	—	20,000	+ 5,600	7	126,600	- 61,500
Bambrakelly	235,000	1/4.96	20,225	- 20,225	10	201,424	- 918
Bandar Sum.	440,000	—	44,077	+ 6,252	6	240,750	+ 37,531
Bandjarsarie	243,019d	1/2.48	20,960	- 840	1	20,960	- 840
Bandarapola	285,600d	—	21,000	+ 3,500	1	21,000	+ 3,500
Bantardawa	340,000	—	30,014	+ 7,889	7	192,514	+ 32,123
Bantam	915,000	1/1.65	80,276	+ 10,601	7	544,867	+ 80,524
Barteng	434,000	1/1.37	41,600	+ 3,250	9	320,240	+ 39,050
Batak Rabit	440,000	1/1.64	25,000	- 8,631	7	227,248	+ 15,787
Batang Mal.	318,122d	1/3	26,807	- 1,342	1	26,807	- 1,342
Batu Gaves	777,995d	1/9.43	45,745	- 29,481	1	45,745	- 29,481
" Matang	185,000	—	19,431	+ 2,331	7	117,674	+ 17,617
" Rata	495,030d	1/1.50	52,420	+ 2,530	7	329,630	+ 24,310
" Tiga	—	1/0.25	70,500	- 2,000	1	70,500	- 2,000
Beaufort Brn'o	236,000d	1/5.75	18,000	- 3,500	9	153,000	- 28,000
Bekoh	540,000	—	30,882	- 4,996	7	281,967	+ 15,789
Beranang	325,000	1/2.65	31,687	+ 6,927	7	201,217	+ 24,468
Bernam-Perk	300,000	—	22,70	+ 5,900	7	156,150	+ 13,950
Bidor	419,500d	1/1.83	38,400	+ 50	10	401,600	+ 56,600
Bikam	378,032	1/3.62	31,700	- 3,300	1	31,700	- 3,300
Bode	264,930d	1/5.22	13,688	+ 3,312	1	13,688	+ 3,312
Bradwall	442,142d	1/2.58	55,383	+ 25,026	1	55,383	+ 25,026
Braunston	560,000	1/11.80	48,735	+ 6,935	4	185,106	+ 25,106
Brit Born Para	220,000	1/1	18,000	- 6,540	9	159,832	- 42,530
British Malay	718,388d	—	90,500	+ 51,226	1	90,500	+ 51,226
Brooklands	620,000	1/2.5	69,361	+ 9,289	7	403,501	+ 49,741
Broome	450,000	1/4.42	40,058	+ 5,007	7	230,582	+ 2,893
Bruas-Perak	103,166	1/6.47	12,636	+ 5,508	11	103,166	+ 56,452
Bukit Cloh	229,000d	1/0.38	36,000	+ 12,500	1	36,000	+ 12,500
" Ilok	304,500d	1/4.57	33,000	+ 8,500	1	33,000	+ 8,500
" Kajang	940,000	—	93,080	+ 22,680	7	602,948	+ 31,698
" Lintang	450,000	1/2.73	25,000	+ 4,000	7	155,120	+ 12,980
" Mert'jm	932,000	1/10.74	89,560	+ 18,827	10	728,208	+ 74,829
" Pan'ng	536,900d	1/0.45	53,800	+ 10,800	1	53,800	+ 10,800
" Rajah	1,071,000	1/11.20	99,973	- 8,748	10	822,760	+ 54,768
" Sembau	751,860d	1/3.17	63,200	- 13,931	12	—	+ 18,078
Carey United	322,275d	—	45,149	+ 18,521	4	165,548	+ 50,831
Castlefield	680,000	—	44,725	- 7,994	9	355,335	+ 16,504
Cent. Tray...	230,275d	1/2.34	18,077	- 1,643	1	18,077	- 1,643
Ceylon Para	1,055,584d	—	95,949	+ 10,186	1	95,949	+ 10,186
Ceylon T. & R.	235,031d	1/4.31	25,636	+ 1,659	1	25,636	+ 1,659
Changkat-Sal.	1,013,000d	1/0.47	100,000	+ 25,000	1	100,000	+ 25,000
Chemu Malay	457,102d	1/1.37	41,058	+ 4,183	1	41,058	+ 4,183
Cheras	284,300d	1/5.39	32,000	+ 11,500	1	32,000	+ 11,500
Chersonese	689,659d	1/0.58	60,884	- 2,390	1	60,884	- 2,390
Cherviot	591,440d	1/3.24	60,060	+ 25,440	1	60,060	+ 25,440
Chimpul	250,000	1/6.9	22,469	+ 1,269	7	162,136	+ 22,940
Chota	228,515d	—	16,981	- 2,105	1	16,981	- 2,105
Cicely	400,000	1/11.44	37,312	+ 1,762	10	345,775	+ 42,161
Cluny	244,892d	1/2.54	20,523	- 977	1	20,523	- 977
Cons. Malay	917,590d	—	108,130	+ 59,458	1	108,130	+ 59,458
Dalkeith	475,000	1/4.78	45,500	+ 17,000	1	45,500	+ 17,000
Damansara	847,205d	1/11.05	71,810	- 3,343	1	71,810	- 3,343
Dangan	225,000	—	22,554	+ 7,653	7	182,000	+ 48,586
Dennistown	58,671d	—	52,000	- 4,735	1	52,000	- 4,735
Deviturai	345,670d	1/1.90	42,200	+ 7,650	1	42,200	+ 7,650
Dimbula	282,858d	1/0.36	21,000	+ 2,010	1	21,000	+ 2,010
Djasinga	433,554d	1/7.39	60,000	+ 26,328	7	334,000	+ 133,445
Djember	266,700d	—	31,000	+ 11,300	1	31,000	+ 11,300
Doranakande	205,597d	1/4.47	19,200	+ 1,700	1	19,200	+ 1,700
Duff Develop.	804,170d	1/0.40	65,550	+ 8,050	1	65,550	+ 8,050
Dusun Durian	790,371d	1/0.71	79,809	+ 3,630	1	79,809	+ 3,630
E. Ind. & Cey.	210,000	1/1.15	20,265	+ 6,220	1	20,265	+ 6,220
Edinburgh	447,550d	1/9.14	38,000	- 1	1	38,000	- 1
Elphib	252,000	1/5.88	22,760	+ 2,460	1	22,760	+ 2,460
Emerald	377,700d	1/2	63,500	+ 21,000	12	565,700	+ 188,000
Eow Seng	172,430d	—	15,650	- 275	1	15,650	- 275
Escof	244,520d	1/2.32	17,850	+ 3,650	4	70,800	+ 4,720
Fed. Malay S.	1,845,000d	1/9.50	190,000	+ 33,000	8	1,355,000	+ 71,000
Fed. Selangor	370,000	1/11.68	38,128	+ 1,463	10	343,617	+ 40,029
Galaha	125,583d	—	7,825	+ 3,016	1	7,825	+ 3,016
Galang Besar	450,000	—	35,920	+ 920	7	290,030	+ 30,780
Gan Kee	200,000	—	13,395	- 2,522	7	105,675	+ 1,221
Garing	197,683d	1/11.99	23,000	+ 8,300	4	87,226	+ 26,126
Gedong	277,508d	1/1.75	28,129	+ 6,734	3	78,503	+ 18,262
Gen. Ceylon	1,085,000d	1/11.27	93,910	+ 28,239	1	93,910	+ 28,239
Glen Bervie	275,460d	—	26,547	+ 7,240	4	110,474	+ 27,112
Glendon	243,000d	—	24,710	+ 6,614	4	92,913	+ 1,701
Glenshiel	488,940d	1/2.18	46,480	+ 8,180	1	46,480	+ 8,180
Goconda	596,104d	1/1.36	50,180	- 9,883	1	50,180	- 9,883
Golden Hope	352,025d	1/1.41	36,772	+ 9,710	1	36,772	+ 9,710
Grand Cent.	4,759,405d	1/0.72	471,903	- 75,417	1	471,903	- 75,417
Gula Kal'p'g.	1,333,328d	1/1.2	120,000	- 11,792	1	120,000	- 11,792
Harpenden	511,107d	1/11.49	32,850	- 20,730	1	32,850	- 20,730
Hayoep	512,405d	—	42,376	+ 1,979	1	42,376	+ 1,979
Heawood	275,000	1/1.5	28,896	+ 2,617	1	28,896	+ 2,617
Hewagani	646,200d	1/2.80	63,000	+ 18,700	1	63,000	+ 18,700
Hid. Streams	242,739d	—	19,500	+ 1,900	1	19,500	+ 1,900
Highlands	1,426,518d	1/0.01	123,696	+ 7,269	1	123,696	+ 7,269
Inch-Kenneth	440,000	1/3.71	46,310	+ 3,410	8	331,540	+ 29,500
Insulinde	330,000	1/0.39	24,300	+ 2,800	5	116,900	+ 17,540
Java Amal.	315,000d	—	67,000	+ 5,000	1	67,000	+ 5,000
Java R & Prod	620,000	—	33,600	+ 4,800	1	33,600	+ 4,800
Java Para	265,692d	1/11.20	47,642	+ 7,102	1	47,642	+ 7,102
Jeram	300,000	—	32,000	+ 8,051	10	212,139	+ 13,021
Johore Para.	190,362d	1/2.14	18,700	+ 3,500	7	123,100	+ 13,268
" Rub. Lds	1,147,348d	1/3	118,932	+ 53,983	1	118,932	+ 53,983
Jong Lander	680,000	—	59,050	+ 3,050	7	384,558	+ 15,218
Jugra Estate	378,613	1/0.60	44,343	+ 8,483	10	348,754	+ 35,748
Jugra Land	1,398,000	1/0.02	140,104	+ 17,466	9	972,070	+ 79,310
Juru Estates	200,000	1/1.88	16,000	+ 1,160	10	150,200	+ 15,034
Kajang	391,000d	1/1.95	39,310	+ 6,610	1	39,310	+ 6,610
Kali Glagah	250,000	—	23,350	+ 4,750	10	182,507	+ 25,407
Kamp Kua'tin	362,500d	1/2.07	32,000	+ 2,000	1	32,000	+ 2,000
Kamuning	810,000	1/1.49	87,650	- 2,230	7	542,700	+ 29,740
Kapar Para	1,073,138d	1/0.91	118,560	+ 22,193	1	118,560	+ 22,193
Karak	841,019d	—	20,417	+ 2,322	1	20,417	+ 2,322
Kasintoe	582,675d	1/8.56	43,000	+ 3,925	1	43,000	+ 3,925

Kawie Java ..	500,000	—	46,682	—	20,918	10	436,771	—	39,071	Taiiping.. ..	700,000	1/10.29	68,611	+	8,657	4	235,947	—	24,912
Keptigalla ..	640,000	—	50,181	—	2,630	10	512,543	—	18,145	Tali Ayer ..	1,080,000	1/10.25	87,500	—	13,823	9	755,251	—	35,609
Kepong .. ..	334,500a	—	33,000	—	6,000	1	33,000	—	6,000	Tamang .. ..	777,213a	—	59,096	+	5,274	4	286,043	+	64,427
Kerala .. ..	250,000	—	23,682	+	1,682	1	23,682	+	1,682	Tangkah Batu	172,569a	1/3.59	17,829	+	2,166	1	17,829	+	2,166
Khota Tamp'n	202,000a	1/3.30	26,000	+	6,500	12	237,000	—	34,010	Tangkah .. ..	530,000	1/6.41	46,772	+	17,091	4	186,063	+	43,444
Killinghall ..	344,000	—	23,895	—	5,041	7	186,739	—	4,368	Tanj. Malim ..	1,400,000	1/5.50	139,590	+	35,640	7	893,970	+	231,660
Kimanis .. ..	390,000a	1/9.22	38,000	+	6,000	1	38,000	+	6,000	Tandjong .. ..	1,595,000	1/3.18	108,492	—	14,143	7	766,423	—	73,720
Kinta Kellas ..	610,000	—	50,760	+	4,046	10	472,314	—	52,230	Tangoel .. ..	308,000	1/12	36,710	+	10,220	7	184,485	+	31,875
Klabang .. ..	301,412a	1/4.30	28,363	—	297	1	28,363	—	297	Tebrau .. ..	1,046,480	1/10.70	59,835	+	949	7	442,737	—	166,147
Klanang .. ..	502,010a	1/1.02	48,558	+	7,929	1	48,558	+	7,929	Teekoy .. ..	250,000	1/5.12	18,950	+	6,619	6	174,566	—	7,497
Kombok .. ..	504,000	1/11.88	46,500	+	4,270	1	46,500	+	4,270	Telogoredjo ..	854,020a	—	81,000	+	16,400	1	81,000	+	16,400
Kuala Klang ..	200,000	1/10.80	16,520	—	750	4	64,700	—	6,304	TenomB'rneo ..	599,800a	1/11.98	47,800	—	8,300	1	47,800	—	8,300
" Kubu .. ..	158,950a	—	12,891	—	862	7	86,495	—	8,244	Third Mile ..	198,835a	—	34,500	+	20,181	1	34,500	+	20,181
" Lumpur ..	1,700,000	1/2.34	170,280	+	16,830	7	1,100,880	+	118,800	Tremelbye ..	750,000	1/10.54	70,000	+	7,000	7	398,200	—	34,800
" Nal .. ..	187,800a	1/2.36	22,000	+	5,000	1	22,000	—	5,000	Trolak .. ..	332,040a	1/24	30,000	—	1,533	4	116,320	+	552
" Pahi .. ..	200,000	—	21,883	+	8,883	1	21,883	+	8,883	Ulu Rantau ..	285,066a	1/1.16	27,591	+	7,071	1	27,591	+	7,071
" Selangor ..	630,994a	1/9.3	57,490	+	1,574	1	57,450	+	1,574	U. SuaBetong ..	930,724a	1/1.15	87,746	+	18,275	1	87,746	+	18,275
Kurau .. ..	283,300a	1/11.75	28,200	—	653	1	28,200	—	653	U. Serdang ..	3,395,000	1/3.06	278,910	—	22,800	5	1,319,889	—	131,385
Labu .. ..	762,000	1/11.80	100,000	+	53,320	1	100,000	+	53,320	U. Sumatra ..	991,700a	1/10.73	93,140	+	12,218	1	93,140	+	12,218
Landron .. ..	1,401,373a	1/4.05	112,069	+	5,884	1	112,069	+	5,884	U. Temiang ..	800,000	1/5.80	72,520	+	26,670	6	420,600	+	190,280
Langat River ..	—	—	36,512	+	12,529	1	36,512	+	12,529	Uva .. ..	185,692a	—	18,047	+	3,834	1	18,047	+	3,834
Langkoo, Java	773,710a	1/2.93	72,000	+	8,000	5	372,000	—	50,290	Val d'Or .. ..	314,100a	—	27,250	—	4,750	3	74,650	—	19,400
Langkat Sum ..	520,000	1/4.23	49,800	+	14,640	1	49,800	+	14,640	Victoria .. ..	250,000	1/4.49	39,000	+	14,200	7	175,400	+	76,600
L'ngk'n N.Br.	290,000	1/3	10,000	—	—	9	138,000	—	—	Windsor .. ..	404,200a	1/4.10	37,900	+	3,218	1	37,900	+	3,218
Ledbury .. ..	691,496a	1/11.74	52,604	—	12,247	1	52,604	—	12,247	Woodend .. ..	256,772a	—	22,494	+	4,726	1	22,494	+	4,726
Lendu .. ..	225,000	—	19,000	—	1,500	10	177,139	—	8,861	Yam Seng .. ..	403,363a	—	42,247	+	4,077	3	110,684	+	746
Linggi .. ..	2,525,020a	1/10.50	238,700	+	28,469	1	238,700	+	28,469	Yatiantota ..	520,823a	—	48,681	+	11,261	1	48,681	+	11,261
Loehagar .. ..	160,000	—	12,234	—	351	1	12,234	—	351										
Lon. Asiatic ..	1,560,192a	1/2.24	137,178	+	3,660	1	137,178	+	3,660										
Lumut .. ..	—	1/11.54	92,000	—	1,500	4	390,100	—	24,100										
Madingley ..	198,000	1/2.52	20,232	+	390	11	183,154	—	26,345										
Majedie .. ..	170,843	1/11.62	11,100	—	171	7	69,719	—	6,011										
Mahawale ..	320,000	—	29,661	—	5,615	1	29,661	—	5,615										
Malacca .. ..	4,043,800a	1/2.12	376,900	+	70,500	1	376,900	+	70,500										
Malayalam ..	1,854,179a	1/4.67	128,110	+	24,689	1	128,110	+	24,689										
Malaysia .. ..	400,000	1/3.48	43,261	—	5,070	1	43,261	—	5,070										
Malay P't'n's ..	337,366a	1/3.03	34,000	—	800	4	122,268	—	1,276										
Manch' n N.B.	616,000	—	50,401	+	13,047	10	450,201	—	148,737										
Membakut ..	488,000a	1/3	33,000	—	—	5	99,000	—	—										
Mergui Crown ..	545,000	—	73,000	+	19,000	10	473,504	—	—										
Merlimau .. ..	1,470,236a	—	162,700	+	36,150	1	162,700	+	36,150										
Monerakelle ..	155,000	1/6.32	14,800	—	413	7	130,337	—	14,855										
Mount Austin ..	2,200,000	1/4.3	175,400	+	62,400	10	1,833,607	—	713,472										
Nagolle .. ..	573,750a	1/1.43	49,668	+	11,868	1	49,668	+	11,868										
Narborough ..	278,100a	1/5.8	23,000	—	—	7	181,000	—	34,400										
Neboda Cey ..	460,000	—	49,250	—	1,535	1	49,250	—	1,535										
N'w Croc. Riv ..	625,030a	—	61,075	—	4,025	1	61,075	—	4,025										
Nordanal .. ..	624,364	1/1.79	53,094	—	1,966	1	53,094	—	1,966										
N. Borneo St. ..	213,500a	—	13,500	—	8,500	1	13,500	—	8,500										
N. Hummock ..	750,000	1/1.41	65,866	+	1,943	7	431,514	+	40,906										
N. Labis .. ..	350,000	1/7.05	28,056	+	12,440	7	280,294	+	97,765										
Oriental .. ..	716,450a	1/3.30	58,000	—	131	1	58,000	—	131										
Padang Jawa ..	219,024a	—	20,578	—	1,025	10	224,194	—	39,435										
Panawatte .. ..	617,209a	—	55,705	+	14,223	1	55,705	+	14,223										
Panagula .. ..	331,146a	1/5.807	28,256	+	3,108	1	28,256	+	3,108										
Pagilya .. ..	206,100a	—	19,000	—	1,832	1	19,000	—	1,832										
Patambe .. ..	253,842a	—	26,727	—	6,538	1	26,727	—	6,538										
Pataling .. ..	729,623a	1/10.13	49,395	—	10,285	1	49,395	—	10,285										
Pegoh .. ..	706,492a	—	70,183	—	6,256	4	70,183	—	6,256										
Pelmadulla ..	813,197a	—	51,481	—	4,046	10	469,531	—	29,875										
Perak .. ..	530,000	1/11.38	16,599	—	3,101	7	147,719	—	11,400										
Permas .. ..	—	1/5.3	40,952	+	7,684	7	235,384	—	24,404										
Pilmoor .. ..	353,500a	1/1.41	28,582	—	12,420	10	596,580	—	182,110										
Port Dickson ..	700,000	1/4.85	78,510	+	3,990	8	34,582	—	12,420										
P. P. K. .. ..	348,228a	1/11.89	28,274	—	3,990	8	147,676	—	286										
Preanger .. ..	329,242a	—	28,500	—	5,370	10	220,720	—	12,070										
Prye .. ..	310,000	—	93,200	+	14,856	1	93,200	+	14,856										
Rani Travau ..	929,931a	—	20,710	—	7,690	4	98,797	—	7,749										
Ratanui .. ..	264,000a	—	43,800	—	5,800	4	38,700	—	5,800										
Rangoon Para ..	360,860a	1/5.24	42,234	+	7,925	4	152,037	—	12,545										
Rembia .. ..	455,000	—	31,455	—	9,140	1	31,455	—	9,140										
Ribu .. ..	296,373a	48.690	39,500	+	16,000	10	347,600	—	126,600										
Rim .. ..	400,000	1/3.20	35,600	—	1,300	1	35,600	—	1,300										
Riverside .. ..	372,000a	1/11.57	84,000	+	17,582	9	627,204	—	100,325										
Rubana .. ..	850,000a	1/10.64	34,009	—	3,014	1	34,009	—	3,014										
R. Es. Ceylon ..	472,034a	—	51,400	—	1,802	1	51,400	—	1,802										
R. Es. Johore ..	677,211a	1/10.90	32,200	—	5,800	1	32,200	—	5,800										
R. Es. Krian ..	465,500a	1/6.27	71,085	+	38,336	1	71,085	+	38,336										
Rubber Trust ..	520,413a	1/16.10	48,000	—	8,000	6	279,000	—	14,000										
Sagga .. ..	502,500a	1/2.82	20,279	—	5,199	1	20,279	—	5,199										
Sampong Java ..	136,300a	1/6	33,000	—	—	1</													

# UNION BANK OF CANADA.

HEAD OFFICE . . . WINNIPEG.

## 53rd ANNUAL STATEMENT.

### PROFIT AND LOSS ACCOUNT, 30th November, 1917.

Balance at credit of account, 30th November, 1916	\$ 93,160.42
Net profits for the year, after deducting expenses of management, interest due depositors, reserving for interest and exchange, and making provision for bad and doubtful debts and for rebate on bills under discount, have amounted to	763,463.92

\$856,624.34

Which has been applied as follows:—

Dividend No. 120, 2 per cent. paid 1st March, 1917	\$100,000.00
Dividend No. 121, 2 per cent. paid 1st June, 1917	100,000.00
Dividend No. 122, 2 per cent. paid 1st September, 1917	100,000.00
Dividend No. 123, 2 per cent. payable 1st December, 1917	100,000.00
Bonus of 1 per cent., payable 1st December, 1917	50,000.00
Transferred to Contingent Account	150,000.00
Written off Bank Premises Account, Real Estate other than Bank Premises, and Alterations	75,000.00
Contribution to Officers' Pension Fund	10,000.00
Contribution to French Red Cross Society	5,000.00
Contribution to French Wounded Emergency Fund	5,000.00
Contribution to British Red Cross Society	5,000.00
War Tax on Bank Note Circulation to 30th November, 1917	50,000.00
Balance of Profits carried forward	106,624.34

\$856,624.34

### LIABILITIES, 30th November, 1917.

Capital Stock	\$5,000,000.00
Reserve Account	\$3,400,000.00
Balance of Profit and Loss Account carried forward	106,624.34
	3,506,624.34
Unclaimed Dividends	5,492.68
Dividend No. 123, payable 1st December, 1917	100,000.00
Bonus of 1 per cent. payable 1st December, 1917	50,000.00
	3,662,117.02
	8,662,117.02
Notes of the Bank in circulation	12,779,662.00
Deposits not bearing interest	44,368,804.40
Deposits bearing interest	73,508,157.75
Balances due to other Banks in Canada	372,938.57
Balances due to Banks and Banking Correspondents elsewhere than in Canada	1,132,882.08
	132,162,444.80
Acceptances under Letters of Credit	2,586,609.63
Liabilities not included in the foregoing	755.75

\$143,411,927.20

### ASSETS, 30th November, 1917.

Gold and Silver Coin	\$ 954,667.68
Dominion Government Notes	19,514,069.00
	\$20,468,736.68
Deposit with the Minister of Finance for the purposes of the Circulation Fund	260,000.00
Deposit in the Central Gold Reserves	8,200,000.00
Notes of other Banks	770,549.00
Cheques on other Banks	3,912,030.75
Balances due by other Banks in Canada	82,984.17
Balances due by Banks and Banking Correspondents elsewhere than in Canada	5,193,687.14
Dominion and Provincial Government Securities not exceeding market value	9,361,729.52
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian	16,244,470.99
Railway and other Bonds, Debentures and Stocks not exceeding market value	2,933,212.60
Call and Short (not exceeding 30 days) Loans in Canada, on Bonds, Debentures and Stocks	6,634,990.26
Call and Short (not exceeding 30 days) Loans elsewhere than in Canada	2,938,000.00
	77,000,391.11
Other Current Loans and Discounts in Canada (less rebate of interest)	58,791,493.28
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest)	3,154,431.66
Liabilities of customers under Letters of Credit, as per contra	2,586,609.63
Real Estate other than Bank Premises	370,603.77
Mortgages on Real Estate sold by the Bank	99,974.93
Overdue Debts, estimated loss provided for	250,204.91
Bank Premises, at not more than cost, less amounts written off	1,106,299.25
Other Assets not included in the foregoing	51,918.66

\$143,411,927.20

The Bank has over 300 Branches in CANADA, and AGENTS IN THE PRINCIPAL CITIES IN AMERICA.

### GENERAL BANKING BUSINESS TRANSACTED.

Letters of Credit and Travellers' Cheques Issued, available in all parts of the World.

MONEYS TRANSFERRED to and from Canada and the United States by CABLE, LETTERS OF CREDIT, BANK DRAFTS, &c.

DEPOSITS RECEIVED at favourable rates, which may be ascertained on application to:

**LONDON OFFICES :** 6, PRINCES STREET, E.C. 2.  
26, HAYMARKET, S.W. 1.

NEW YORK AGENCY : : : 49, WALL STREET.

# UNION BANK OF CANADA.

## SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

**ASSETS exceed £11,000,000.**

FIRE (INCLUDING LOSS OF PROFITS), LIFE, ACCIDENT, ILLNESS, ANNUITIES, PENSIONS, LEASEHOLD, BURGLARY, CLASS BREAKAGE, TRANSIT OF SECURITIES, FIDELITY, PROPERTY OWNERS' LIABILITIES, HORSE DRIVING ACCIDENTS, MOTOR CAR RISKS, THIRD PARTY, EMPLOYERS' LIABILITY AND MARINE INSURANCES EFFECTED ON THE MOST FAVOURABLE TERMS.

Edinburgh: 35, St. Andrew Square.

London: 5, Walbrook, E.C. 4, and 4, St. James' St., S.W. 1.

## PHENIX ASSURANCE COMPANY LIMITED.

ESTABLISHED 1782.

Head Office: PHENIX HOUSE, KING WILLIAM STREET, LONDON, E.C. 4.

Total Assets Exceed £17,000,000.

Claims Paid Exceed £98,000,000.

Chairman—Rt. Hon. LORD GEORGE HAMILTON, P.C., G.C.S.I.

**FIRE. LIFE. ACCIDENT. MARINE.**

Loss of Profits following Fire, Workmen's Compensation, Fidelity Guarantee, Burglary, Trustee and Executor, &c.

Prospectuses and Proposal Forms may be obtained on application to any of the Branch Offices or Agencies, or to the Head Offices.  
General Manager SIR GERALD H. RYAN.

## The Investors' Review.

### Money and Credit Notes.

**BANK RATE 5 PER CENT.** (Reduced from  $5\frac{1}{2}$  per cent. on Thursday, April 5, 1917.)

*Norfolk House, Friday Evening.*

A week ago the short loan market showed traces of revenue absorption. It would have been according to the old order of things if these symptoms of scarcity had increased, all the more so because of the unprecedented magnitude of the Treasury receipts. Nothing of the kind has happened. Money has been cheap all the week, and instead of paying  $3\frac{1}{2}$  per cent. for day to day advances, as many did last week, they could borrow yesterday all they wanted at from  $2\frac{1}{2}$  to 3 per cent. So easy was the market that it did no business in bills of shorter currency than three months. It was cheaper for the owners to hold than to discount them. Discount accordingly has been weak, and quotations for three months' bank paper were by no means rigid at the figures given in our table. Seven-day money could not always find takers at  $3\frac{1}{4}$  per cent.

The Bank return aggregates were only conspicuous in two items. Other deposits have risen £5,614,000, and a corresponding rise of £5,774,000 has taken place in other securities, the advances creating the deposits. Coin and bullion is down £472,000, and the note circulation has expanded £146,000, so the reserve is down £618,000, and its proportion to the liabilities has receded 1 per cent. to 18 per cent.

The principal feature in the foreign exchange market this week has been the depreciation in the value of the lira, the quotation being 45 centimes higher at 41.55 lr. to the pound sterling. The Scandinavian exchanges have again moved in favour of this country, Christiania being 10 points higher at 14.99½ kr., and Stockholm 9 points higher at 14.39 kr. Of course, practically no dealings have taken place in roubles for some time, apart from purchases by neutral speculators, which have sent the price up to 25 roubles to the pound. The danger of these purchases may be judged by the speed with which the Bolsheviks are using the printing machine, the issue of notes, mostly in small denominations, having, it is stated, now reached 6,000

millions sterling! The Swiss exchange has moved against this country, and is 21 points lower at 21.17½ fr. to the pound, while the resumption of the Dutch cable service has resulted in a fall of 17 points to 10.65½ florins in the rate on Holland.

Acting under instructions from the Treasury, the Bank of England has this week announced an important concession to holders of the  $3\frac{1}{4}$  per cent. War Loan, which actually exceeds their own expectations. The Bank will, until March 1, 1920, be prepared to make advances to approved borrowers who were original subscribers to the  $3\frac{1}{4}$  per cent. War Loan, 1925-28, against their original holding, or such part of it as they have continuously held, at the issue price of 95 per cent. without margin. Interest on these advances will be 1 per cent. below Bank Rate current from time to time. This special borrowing privilege was one of the principal attractions of the issue to the Money Market. It was to expire on March 1 next, and its extension for a further period of two years on the original terms is a valuable concession to Lombard Street, for the market value of the stock is only 86½. The Treasury, in behaving so handsomely in the matter, has created a goodwill the benefit of which it will feel in the future.

Holders of Treasury certificates issued in respect of securities lent to the Treasury under Scheme A are wondering what is going to happen next month, when the term of loan of the first batch of securities expires. The securities were lent for a period of two years, and will mature between March and September this year. It seems scarcely probable that the Treasury will desire to release these securities at this particular juncture, and there is no reason why the holders of the certificates should want to receive their securities back again and lose the additional  $\frac{1}{2}$  per cent. interest which the Treasury pays them, especially as the holders might find themselves also subject to the penal income-tax. Probably it would suit the Treasury, and it would certainly suit most holders, if the latter were given the option to renew the loan of their securities for a further period of three years, which would bring the period of loan up to five years, the full term of deposits made under Scheme B.

The Trafford Park Estates, Ltd., offer for sale £50,000 in 5 per cent. first mortgage debentures at 99½ and 50,000 £1 ordinary shares at par in the Trafford Park Cold Storage, Ltd. The debentures will be free of income-tax to the extent of 5s. in the £, and they are unconditionally guaranteed by the Estates Co. both as to principal and interest, so that the security may be regarded as a perfectly sound industrial investment, while the tax-free arrangement is certain to prove attractive. The prospectus states that cold storage with a capacity of approximately one million cubic feet is being erected and equipped in Trafford Park in accordance with an agreement made with the Ministry of Food, and when completed it will be capable of storing 10,000 tons of foodstuffs. The premises will be connected directly by railway with the Manchester Docks and with the railway system of the country, and the site chosen seems admirably adapted for the purpose. We believe that the total cold storage at the ports of the country does not exceed 22,000,000 cubic feet, and the new scheme will provide a most welcome addition, besides being extremely convenient for the supply of Lancashire and the Midland Counties. It is estimated that the cost of the buildings, plant, &c., will be approximately £110,000 in addition to £10,650 for the land, and the Storage Co. will acquire them at cost price plus 10 per cent. payable to the Estates Co. in debentures and shares. The scheme seems a sound one, and it ought to prove both useful and successful.

### SILVER.

A week ago the price of silver was ½d. above yesterday's price of 42½d. The change emphasises the attitude of the market and business has been moderate enough. Mocatta's circular says that supplies continue

fairly plentiful from New York, the per contra to this being a Continental order whose execution has prevented the market from becoming weaker than it is. From Samuel Montagu and Co.'s circular we learn that the United States is said to have agreed to furnish £1,000,000 in gold to Mexico before next April on condition that Mexico will remove the restrictions now imposed upon the export of silver. Should this prove correct, silver will presently become more abundant in the market. As to the Indian currency, the same circular states that the notes in circulation were shown by the last return of the Indian Treasury to be 10,391 lacs of rupees. The silver reserve is down to 1,345 lacs, as compared with 1,510 lacs at January 31, and the gold coin and bullion in India, at 2,831 lacs, is the largest shown this year, but the gold held out of India is down to 67 lacs. The stock of silver in Shanghai on February 16 was about 28,900,000 ozs. in sycee and \$13,000,000 unchanged.

## BANK OF ENGLAND

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, February 20, 1918.

## ISSUE DEPARTMENT.

	£		£
Notes Issued .. ..	75,880,480	Government Debt .. ..	11,015,100
		Other Securities .. ..	7,434,900
		Gold Coin and Bullion .. ..	57,430,480
		Silver Bullion .. ..	—
	£75,880,480		£75,880,480

## BANKING DEPARTMENT.

	£		£
Proprietors' Capital ..	14,553,000	Government Securities ..	56,350,582
Reserve .. ..	3,501,354	Other Securities .. ..	101,441,055
Public Deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts) ..	38,561,994	Notes .. ..	29,673,140
Other Deposits .. ..	134,879,319	Gold and Silver Coin ..	1,010,987
Seven Day and other Bills ..	10,097		
	£188,505,764		£188,505,764

Dated February 21, 1918.

J. G. NAIRNE, Chief Cashier.

## BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. Feb. 21.		Feb. 13, 1918.	Feb. 20, 1918.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,503,508	Rest .. ..	3,507,225	3,501,354	—	5,871
48,836,080	Pub. Deposits ..	39,312,611	38,561,994	—	450,917
146,828,413	Other do. ..	126,265,157	134,879,319	5,614,162	—
27,924	7 Day Bills ..	10,639	10,097	—	542
84,931,646	Assets.			Decrease.	Increase.
93,215,121	Gov. Securities ..	56,349,951	56,350,582	—	631
35,604,158	Other do. ..	95,666,673	101,441,055	—	5,774,382
	Total Reserve ..	34,332,308	30,714,127	6,618,181	—
				6,232,343	6,232,343
£		£	£	Increase	Decrease.
38,575,485	Note Circulation ..	46,060,800	46,207,340	146,540	—
55,727,843	Coin and Bullion ..	58,943,108	58,471,467	—	471,641
182 p.c.	Proportion .. ..	10 p.c.	18 p.c.	—	1 p.c.
5 1/2	Bank Rate .. ..	5	5	—	—

## LONDON BANKERS' CLEARING.

Date.			Increase.	Decrease.
January	1918.	1917.	£	£
February 6	2,073,224,000	1,805,125,000	208,099,000	—
" 13	44,563,000	430,225,000	10,338,000	—
" 20	383,794,000	440,039,000	—	56,245,000
	395,545,000	474,857,000	—	79,312,000
Total ..	3,293,126,000	3,210,246,000	218,437,000	135,557,000

## CURRENCY NOTES.

Return of Currency Notes for the week ended February 20, 1918.

	Issued.	Cancelled.	Outstanding.
£1 notes .. ..	£ 3,827,391	£ 3,099,480	£ 157,671,718
10s. notes .. ..	1,141,731	1,188,604	36,803,175
Note certificates .. ..	290,000	—	21,660,000
Previous total .. ..	930,230,708	615,066,853	215,163,855
	835,489,830	619,354,937	216,134,893

Ratio of gold held against notes, this week, 14.66 p.c.; last week 14.71 p.c.

PUBLIC INCOME AND EXPENDITURE.  
(For 7 days ended Feb. 16.)

REVENUE.	EXPENDITURE.
	£
Customs .. ..	809,000
Excise .. ..	1,430,000
Estate, &c., Duties .. ..	553,000
Stamps .. ..	145,000
Land Tax and House Duty ..	240,000
Property and Income Tax ..	17,620,000
Excess Profits Tax .. ..	6,390,000
Land Values .. ..	20,000
Post Office .. ..	1,700,000
Crown Lands .. ..	—
Sundry Loans .. ..	—
Miscellaneous .. ..	50,000
Bullion advances repaid ..	100,000
For Treasury Bills for Supply ..	42,211,000
5% Exchequer Bonds, 1922 ..	—
6% Exchequer Bonds, 1920 ..	—
National War Bonds .. ..	19,103,000
War Savings Certificates ..	2,600,000
4% War Loan, 1929-1942 ..	—
5% War Loan, 1929-1947 ..	—
Other Debts created under ..	—
War Loan Act, 1915, and ..	—
Finance Act, 1916 .. ..	2,518,363
Telegraph Money Act, 1913 ..	—
Under Post Office Rly. Act, ..	—
1913 .. ..	—
Under Military Works Act, ..	—
1897-1903 .. ..	—
Under Public Buildings ..	—
Under Housing Act .. ..	—
Repayment of Advance for ..	—
Interest on Exchequer ..	—
Bonds .. ..	—
China Indemnity .. ..	—
East Africa Loan repay- ..	—
ments .. ..	—
Suez Canal Drawn Shares ..	—
Ways and Means Advances ..	9,000,000
Decrease in Exchequer ..	—
balances .. ..	—
	£104,489,373

National Debt Service ..	£
Interest, &c., on War Debt ..	3,741,210
Development & Road Impvt ..	—
Payments to Local Taxation ..	27,000
Other Consolidated Fund ..	—
Charges .. ..	—
Supply Services .. ..	42,250,000
Bullion Advances .. ..	100,000
For Advance for Interest ..	—
on Exchequer Bonds under ..	—
Capital Expenditure ..	—
(Money) Act, 1904 .. ..	—
For Treasury Bills .. ..	52,621,000
War Loan and Exchequer ..	—
Bonds .. ..	2,418,099
Other Debt under War Loan ..	—
Acts, 1914-16 .. ..	36,553,326
For Exchequer Bonds under ..	—
Section 61 of Finance Act, ..	—
1916, and Section 34, 1917 ..	—
Under Telegraph (Money) ..	—
Act, 1913 .. ..	—
Under Post Office (Lon- ..	—
don) Railway Act, 1913 ..	—
Under Military Works Acts ..	—
Under Housing Act, 1914 ..	—
Public Buildings Expendi- ..	—
ture Act, 1903 .. ..	—
Old Sinking Fund, 1907-8 ..	—
Sinking Fund, 1914 .. ..	—
China Indemnity .. ..	—
East African Loan .. ..	—
Cunard Agreement Act ..	—
Expenditure Certificates ..	151,400
Depreciation Fund .. ..	—
Suez Canal Drawn Shares ..	12,797
Temporary Advances Repaid ..	3,000,000
Increase in Exchequer ..	—
balances .. ..	267,857
	£104,489,373

\*Excluding sales through banks which have not yet been brought to account  
FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Jan. 25, 1918.	Jan. 18, 1918.	Jan. 26, 1917.
Gold coin and certificates ..	£ 91,402,400	£ 95,460,200	£ 60,468,200
Gold Settlement Fund ..	77,642,000	76,646,400	42,754,200
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks ..	182,544,400	182,606,600	103,222,400
Gold with Federal Res. Agent ..	158,765,800	159,345,400	54,664,000
Gold Redemption Fund ..	3,991,200	3,942,000	362,600
Total gold reserves ..	345,301,400	345,894,000	158,249,000
Legal tender notes, silver, &c. ..	12,250,400	10,067,400	3,515,800
Total reserves .. ..	356,551,800	356,861,400	161,764,800
Bills discounted—Members' ..	125,532,400	120,697,600	3,142,200
Bills bought in open market ..	54,782,400	51,560,800	19,539,400
Total bills on hand .. ..	180,314,800	172,258,400	22,681,600
U.S. Gov. long-term sec. ..	10,105,000	9,182,200	7,224,400
U.S. Gov. short term sec. ..	14,533,300	24,462,000	3,929,400
Municipal warrants .. ..	980,400	844,800	2,449,800
Loans on gold coin and bullion ..	—	—	—
Total earning assets .. ..	205,934,000	206,747,400	36,285,200
Due from other Fed. Res. bks—n. ..	6,501,000	7,163,600	824,600
Uncollected items .. ..	64,740,600	76,311,600	25,287,400
Total deducts. fm gross dep. ..	71,241,600	83,505,200	26,112,000
5% Fed. Fund ag Fed. Res. bks ..	107,400	107,400	80,000
All other resources .. ..	40,200	75,800	2,721,800
Total resources .. ..	633,875,000	647,297,200	225,314,000
Capital paid in .. ..	14,487,800	14,387,600	11,138,800
Surplus .. ..	226,800	226,800	—
Government deposits .. ..	27,138,200	47,965,500	5,121,400
Due to members—Res. account ..	296,148,600	284,312,600	137,568,200
Due to non-mbrs—clearing ac. ..	—	—	—
Members' bank deposits—nett ..	38,991,000	44,345,600	19,474,800
Collection items .. ..	7,539,400	6,145,800	—
Total gross deposits .. ..	369,817,200	382,779,800	162,164,400
F.R. notes in actual circulat'n ..	246,986,800	247,759,400	51,953,600
F.R. bk nts in circn—nett liab. ..	1,600,000	1,600,000	—
All other liab. in for Gov crdts ..	756,400	543,600	57,800
Total liabilities .. ..	633,875,000	647,297,200	225,314,600
Gold res. ag nett deposit liab. ..	61.5%	61.0%	75.9%
Gold res. ag F.R. nts in act circ ..	65.9%	65.9%	105.9%
Ratio of gold res to nett dep. ..	—	—	—
and F.R. nts liabilities combin. ..	63.3%	63.2%	84.2%
Ratio of total res. to nett ..	—	—	—
deposit and F.R. note lia- ..	65.4%	65.2%	86.0%
bilities comb ned .. ..	—	—	—

## NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Feb. 16, 1918.	Feb. 9, 1918.	Feb. 2, 1918.	Feb. 17, 1917.
Loans .. ..	£ 839,664,000	£ 839,054,000	£ 834,280,000	£ 689,646,000
Reserve held in own Vaults ..	3,362,000	3,570,000	3,620,000	103,216,000
Reserve held in Fed. Res. Bk. ..	103,290,000	111,920,000	103,664,000	37,996,000
Cash in own Vaults .. ..	19,918,000	19,634,000	20,556,000	—
Reserve held in Other Depos. ..	1,590,000	1,812,000	1,714,000	11,204,000
Nett Demand Deposits .. ..	730,158,000	735,830,000	730,876,000	701,894,000
Nett Time Deposits .. ..	40,226,000	40,388,000	40,616,000	33,036,000
Circulation .. ..	6,834,000	6,836,000	6,820,000	5,730,000
Excess Lawful Reserve .. ..	10,906,000	19,182,000	16,518,000	31,362,000
Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.				
NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).				
	Feb. 16, 1918.	Feb. 9, 1918.	Feb. 2, 1918.	Feb. 17, 1917.
Loans .. ..	£ 170,334,000	£ 168,620,000	£ 166,928,000	£ 150,592,000
Specie .. ..	3,634,000	3,654,000	3,554,000	13,320,000
Deposits .. ..	170,082,000	167,734,000	166,426,000	160,452,000
Legal Tenders .. ..	16,594,000	14,878,000	15,038,000	2,208,000

## BANK OF FRANCE (25 francs to the £).

	Feb. 21, 1918	Feb. 14, 1918	Feb. 7, 1918	Feb. 22, 1917
Gold in hand ..	133,181,720	133,129,880	133,069,560	127,876,760
Silver in hand ..	10,136,600	10,086,720	10,022,760	10,912,280
Bills discounted ..	50,114,920	53,394,160	53,880,640	20,505,960
Advances ..	48,503,080	48,684,160	49,455,040	49,478,960
Note circulation ..	959,451,480	952,847,040	949,604,760	715,541,800
Public deposits ..	771,760	1,676,720	10,823,063	2,231,120
Private deposits ..	104,323,880	105,377,040	103,256,160	98,063,880
Foreign Bills ..	815,400	708,080	656,640	87,760

Proportion between bullion and circulation 23.43 per cent., against 23.58 per cent. last week. Advances to the State £506,000,000, increase £6,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £19,730,880, decrease £182,120, and at the branches £25,019,080, decrease £28,760.

## BANK OF SPAIN (25 pesetas to the £).

	Feb. 9, 1918	Feb. 2, 1918	Jan. 26, 1918	Feb. 10, 1917
Gold ..	79,138,368	79,024,705	79,018,335	52,363,542
Silver ..	28,265,027	28,492,588	28,517,939	29,663,252
Foreign Bills ..	3,486,003	3,536,575	3,534,523	3,463,317
Discounts and Short Bills ..	28,270,097	28,077,028	28,337,011	26,324,118
Treasury Account, &c. ..	26,091,740	26,312,300	26,702,163	26,196,845
Notes in Circulation ..	114,037,296	113,105,750	112,435,686	96,120,650
Current Accounts, Deposits ..	38,767,462	38,446,675	38,728,904	30,036,053
Dividends, Interests, &c. ..	1,751,065	2,301,420	2,021,125	1,666,696
Government Securities ..	1,051,886	1,176,247	1,436,668	904,462

## NETHERLANDS BANK (12 Florins to the £).

	Feb. 16, 1918	Feb. 9, 1918	Jan. 26, 1918	Feb. 17, 1917
Gold and Silver ..	60,301,250	60,309,250	59,514,666	49,753,000
Bills and Advances ..	14,321,666	15,349,999	15,802,333	13,895,166
Note circulation ..	71,394,666	72,458,749	72,809,916	61,690,416
Deposits ..	7,345,250	7,712,500	6,249,916	5,759,583

## BANK OF NORWAY.

	Jan. 31, 1918	Jan. 22, 1918	Jan. 15, 1918	Jan. 31, 1917
Gold ..	6,414,000	6,413,000	6,413,000	6,677,000
Balance abroad and Foreign Bills ..	3,839,000	4,506,000	4,540,000	4,234,000
Gov't Securities ..	720,000	690,200	749,000	767,000
Discounts & Loans ..	20,545,000	20,703,000	21,154,000	8,741,000
Notes in Circulation ..	16,972,000	16,820,000	17,093,000	12,893,000
Deposits at notice ..	11,025,000	11,523,000	11,920,000	4,619,000

## SWISS NATIONAL BANK (25 francs to the £).

	Feb. 7, 1918	Jan. 31, 1918	Jan. 23, 1918	Feb. 7, 1917
Gold and silver ..	16,723,632	16,693,852	16,651,336	15,861,480
Bills ..	10,185,452	10,587,276	9,782,264	6,276,056
Note circulation ..	24,511,716	25,324,100	24,355,716	20,002,972
Current and deposit accounts ..	5,469,752	5,525,920	4,854,348	3,918,652

## BANK OF SWEDEN.

	Jan. 26, 1918	Jan. 19, 1918	Jan. 12, 1918	Jan. 27, 1917
Gold ..	13,125,000	13,130,000	13,711,000	10,364,000
Balance abroad and Foreign Bills ..	7,196,000	7,407,000	7,239,000	8,400,000
Swedish and Foreign Gov't Securities ..	3,436,000	3,436,000	2,880,000	3,549,000
Discounts and Loans ..	11,989,000	12,686,000	13,516,000	5,282,000
Notes in circulation ..	27,868,000	28,595,000	28,902,000	19,453,000
Deposits at notice ..	8,143,000	8,005,000	8,661,000	6,692,000

## BANK OF ITALY (25 lire to the £).

	Dec. 31, 1917	Dec. 20, 1917	Dec. 10, 1917	Dec. 31, 1916
Total cash ..	45,379,080	42,884,760	43,776,080	45,624,240
Inland Bills ..	30,285,400	28,521,920	32,171,020	21,593,120
Foreign Bills ..	885,000	907,800	929,120	832,400
Advances ..	17,453,200	17,829,040	20,894,080	12,280,520
Government securities ..	8,922,840	8,810,950	8,689,960	8,790,400
Circulation ..	261,567,800	257,735,560	256,695,760	155,069,980
Deposits at notice ..	35,458,280	35,333,480	33,454,720	80,400,880
Current accounts ..	20,663,840	22,121,680	21,923,760	13,365,440

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	Feb. 19, 1918.		Feb. 21, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	10.67	10.72	10.67	10.72
"	Three months' bills ..	10.80	10.85	10.82	10.87
Paris ..	Cable transfers ..	27.15	27.20	27.15	27.20
"	Three months' bills ..	27.55	27.60	27.55	27.60
Switzerland ..	Cable transfers ..	21.25	21.35	21.23	21.33
"	Three months' bills ..	21.60	21.70	21.58	21.68
Petrograd ..	Cable transfers ..	nom.	nom.	nom.	nom.
Genoa, &c. ..	Cable transfers ..	41.30	41.40	41.58	41.68
Spain ..	Cable transfers ..	19.62	19.72	19.57	19.67
"	Three months' bills ..	57	58	57	58
Lisbon and Oporto ..	Cable transfers ..	29	30	29	30
Copenhagen ..	Cable transfers ..	15.45	15.55	15.48	15.58
Christiania ..	Cable transfers ..	14.95	15.05	15.05	15.15
Stockholm ..	Cable transfers ..	14.33	14.43	14.48	14.58

## OPEN MARKET DISCOUNT. Last week. This week

	Per cent.	Per cent.
Thirty and sixty day remitted ..	3 3/4	3 3/4
Three months ..	3 3/4	3 3/4
Four months ..	3 3/4	3 3/4
Six months ..	3 3/4	3 3/4
Three months fine inland bills ..	4 1/4	4 1/4
Four months ..	4 1/4	4 1/4
Six months ..	4 1/4	4 1/4

## BANK AND DEPOSIT RATES. Last week This week

	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
Bankers' rate on deposits ..	3	3
Bill brokers' deposit rate (call) ..	3	3
" 7 and 14 days' notice ..	3 1/2	3 1/2
Current rates for 7 day loans ..	3 1/2	3 1/2
" for call loans ..	3 1/2	2 1/2-3

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22 1/2	27.16	27.18
Amsterdam, cheques ..	Florins to £1 ..	12.107	10.70	10.70
Italy, sight ..	Lire to £1 ..	25.22 1/2	41.15	41.45
Madrid, sight ..	Pesetas to £1 ..	25.22 1/2	19.67	19.62 1/2
Lisbon, sight ..	Pence to milreis ..	531d.	29 1/2d.	29 1/2d.
Switzerland, sight ..	Francs to £1 ..	25.22 1/2	21.25 1/2	21.27 1/2
Christiania, sight ..	Kroner to £1 ..	18.159	14.90	15.45
Stockholm, sight ..	Kroner to £1 ..	18.159	14.27 1/2	14.85
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.42 1/2	15.70
Petrograd, sight ..	Roubles to £1 ..	94.57	—	nom.
Alexandria, sight ..	Piastres to £1 ..	97 1/2	97 1/2	97 1/2
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
New Kong, T.T. ..	Sterling to dollar ..	—	2/1 1/2	2/1 1/2
Shanghai, T.T. ..	Sterling to tael ..	—	4/3 1/2	4/2 1/2
Singapore, T.T. ..	Sterling to dollar ..	—	2/3 1/2	2/3 1/2
Yokohama, T.T. ..	Sterling to yen ..	21.58d.	2/1 1/2	2/1 1/2
New York, cable ..	Dollars to £1 ..	4.86 1/2	4.76 1/2	4.76 1/2
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	50d.	50 1/2d.
Valparaiso, 90 days ..	Pence to peso ..	—	14d.	14d.
Montevideo, T.T. ..	Pence to dollar ..	51d.	59 1/2d.	59 1/2d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13 1/2d.	13 1/2d.

## POSITION OF CANADIAN BANKS.

In the following we compare the condition of the Canadian banks, under the last two monthly statements, with the return for June 30, 1914:—

	Dec. 31, 1917.	Nov. 30, 1917.	June 30, 1914.
<b>ASSETS.</b>			
Gold and subsidiary coin—	\$	\$	\$
In Canada ..	55,348,784	54,531,971	28,948,841
Elsewhere ..	26,684,073	28,647,758	17,160,111
Total ..	82,032,857	83,179,729	46,108,952
Dominion notes ..	167,509,121	165,515,137	92,114,482
Deposit with Minister of Finance for security of note circulation ..	5,769,631	5,764,060	6,667,568
Deposit in central gold reserves ..	97,270,000	91,120,000	3,050,000
Due from banks ..	191,400,677	195,452,813	123,608,936
Loans and discounts ..	1,016,241,854	1,010,028,235	925,681,966
Bonds, securities, &c. ....	468,406,273	470,128,272	102,344,120
Call and short loans in Canada ..	71,779,020	72,178,345	67,401,484
Call and short loans elsewhere than in Canada ..	134,483,482	139,832,552	137,120,167
*Other assets ..	88,270,706	87,071,480	71,209,738
Total ..	2,323,163,621	2,320,270,623	1,575,307,413
<b>LIABILITIES.</b>			
Capital authorised ..	189,866,666	189,866,666	192,866,666
Capital subscribed ..	112,091,466	112,088,966	115,434,666
Capital paid up ..	111,673,776	111,669,770	114,811,775
Reserve fund ..	114,100,693	114,046,753	113,368,398
Circulation ..	192,923,824	196,135,810	99,138,029
Government deposits ..	82,780,074	90,470,59	44,453,738
Demand deposits ..	744,220,975	714,514,37	495,067,832
Time deposits ..	995,978,013	1,008,657,87	663,650,230
Due to banks ..	33,508,646	34,502,346	32,426,404
Bills payable ..	3,479,765	3,387,855	20,096,365
Other liabilities ..	28,842,025	30,432,301	12,656,085
Total, not including capital or reserve fund ..	2,081,733,322	2,078,101,159	1,330,488,683

NOTE.—Owing to the omission of the cents in the official reports, the footings in the above do not exactly agree with the total given

## The Week's Stock Markets.

A good many reasons could be found to explain why conditions on the Stock Exchange cannot be very cheerful. There was a sharp crisis in the domestic political situation which kept the atmosphere well charged with electricity for a few days, and that kind of thing has always an adverse effect on investment business. Then the Russian position appears to go from bad to worse, and no one can forecast what the immediate future may have in store for the unhappy country. But apart from these extraneous influences, it is probably a fact that whatever weakness has been displayed is mainly the result of over-speculation during the past few months. Shipping shares, breweries, and several groups of industrials—particularly armament and explosive shares—were taken in hand and run up to prices which no prudent investor would follow. A

	Last Week	This Week		Last Week	This Week
Consols.....	54 1/2	54 1/2	N.S.W. 4 1/2 % 5 yr. bds.....	99	99 1/2
War Loan 3 1/2 %.....	100 1/2	100 1/2	" 4 1/2 %, 1922-7.....	91	91
" 4 1/2 %.....	100 1/2	100 1/2	" 5 %, 1921-3.....	97 1/2	97 1/2
" 5 %, 1920-47.....	93 1/2	93 1/2	" 5 1/2 %, 1920-2.....	93	98
" 4 %, 1919-42.....	102	102	New Zealand 4 %, 1920.....	8 1/2	8 1/2
India 3 1/2 %.....	55 1/2	55 1/2	Queensland 4 %.....	80 1/2	80 1/2
" 3 1/2 %.....	64 1/2	64 1/2	" 4 1/2 %, 1920-5.....	94	94
Australian 5 1/2 %, 1920-22.....	98	98 1/2	Union of S. Africa 4 1/2 %.....	92 1/2	92 1/2
Canada 4 %, 1910-60.....	81 1/2	81 1/2	1920-5.....	92 1/2	92 1/2
" 4 1/2 %, 1920-5.....	93 1/2	93 1/2	Victoria 4 1/2 %, 1920-5.....	91	94
N.S.W. 4 %, 1933.....	82 1/2	82 1/2	Westn. Ans. 4 %.....	79 1/2	79 1/2
Argentine 4 %, 1900.....	67 1/2	67 1/2	French War Loan, 5 %.....	80 1/2	78 1/2
Belgian 3 %.....	62 1/2	62 1/2	Japan 4 1/2 % (1st), 1905.....	99 1/2	98
Brazil, 1913.....	70	70	" 5 %, 1907.....	91	93
" 5 %, 1914.....	79 1/2	80	Mexican 5 %, 1899.....	58	58
Chinese 1896.....	94	94	Russia 4 %.....	38 1/2	36 1/2
" 1912.....	82 1/2	82 1/2	" 4 1/2 %, 1909.....	49	38 1/2
Egypt Unified 4 %.....	86	86	" 5 %, 1906.....	49	42 1/2
Caledonian defd.....	9 1/2	9 1/2	London and N.-W.....	92	92
Gt. Central pro.....	13 1/2	13 1/2	London and S.-W. defd.....	23 1/2	23 1/2
" defd.....	6 1/2	6 1/2	Do red. pf. 1914.....	94	94
Gt. Eastern.....	34	34 1/2	Metropolitan.....	22 1/2	22 1/2
Gt. Northern defd.....	35 1/2	35 1/2	Do. 5 % pf.....	77	77
Gt. Western.....	86	86	Met. District.....	15 1/2	15 1/2
Lancs. and Yorks.....	64 1/2	64 1/2	Midland defd.....	59	58
London Brighton defd.....	60 1/2	59	Nth. British defd.....	14 1/2	14 1/2
London Chatham ord.....	8 1/2	8 1/2	Nth.-Eastern.....	90 1/2	90 1/2
			Sth.-Eastern defd.....	29	25 1/2
Canadian Pacific.....	161 1/2	161 1/2	Chesapeake.....	56	56
E. Indian Guar. 4 1/2 % debs.....	84	84	Erie.....	20 1/2	20
Grand Trunk ord.....	9 1/2	9 1/2	Southern.....	26 1/2	26
Do. 1st pf.....	55	55			
Do. 3rd pf.....	22 1/2	22 1/2	Cent. Argentine ord.....	57 1/2	57 1/2
Antofagasta defd.....	132	133	Leopoldina.....	38	38
Brazil Common.....	5	5	Mexican ord.....	19	19
B. A. & Pacific.....	38 1/2	38 1/2	San Paulo (Brazilian).....	182	182
B. A. Gt. Southern.....	72 1/2	72	United of Havana.....	74 1/2	74 1/2
B. A. Western.....	70	70	London City & Midland.....	8	8
Anglo-South American.....	7 1/2	7 1/2	London County & West.....	15 1/2	15 1/2
Bank of Australasia.....	121	121	London Joint Stock.....	21 1/2	20 1/2
Bank of N.S. Wales.....	36 1/2	36 1/2	Nat. Prov. of Eng. (£10 pd).....	26 1/2	26 1/2
Barclay & Co. "A".....	7 1/2	7 1/2	Do. (£12 pd).....	30 1/2	30 1/2
Do. "B".....	12 1/2	12 1/2	Parr's.....	33 1/2	33 1/2
Capital & Counties.....	24 1/2	27	Standard of S.A.....	11 1/2	11 1/2
Chartered of India.....	72 1/2	72 1/2	Union Discount.....	10 1/2	10 1/2
Hongkong & Shanghai.....	78 1/2	86	Union & Smiths.....	26	26
Lloyds.....	24 1/2	24 1/2			
London & Brazilian.....	25	25	Kynochs.....	38 1/2	38 1/2
Armstrong, Whitworth.....	42 1/2	43	Mond Nickel ord.....	3 1/2	3 1/2
Birmingham Small Arms.....	59 1/2	58 1/2	South Durham Steel.....	43 1/2	42 1/2
Cammell-Laird.....	7	7	Thornycroft.....	40 1/2	40 1/2
Cargo Fleet.....	27 1/2	27 1/2	Vickers.....	41 1/2	41 1/2
Dorman, Long.....	40 1/2	39 1/2	Fine Cotton Spinners.....	35 1/2	34 1/2
Associated Cement.....	3 1/2	3 1/2	Forestral Land.....	47 1/2	47 1/2
Borax defd.....	41 1/2	41 1/2	Furness, Withy.....	64 1/2	66 1/2
Bovril.....	21 1/2	21 1/2	Harrods Stores.....	2 1/2	2 1/2
Brazil Tracoin.....	44 1/2	43 1/2	Hudson's Bay.....	7 1/2	7 1/2
British Amer. Tobacco pf.....	18 1/2	18 1/2	Imperial Tobacco 'C' pf.....	32 1/2	32 1/2
British Aluminium.....	33 1/2	33 1/2	Lever Bros. 'C' pf.....	20 1/2	20 1/2
British Oil & Cake.....	34 1/2	34 1/2	Lyons, J.....	3 1/2	3 1/2
Brunner, Mond.....	4 1/2	4 1/2	Marconi.....	3 1/2	3 1/2
Castner-Kellner.....	3 1/2	3 1/2	Maypole Dairy defd.....	20 1/2	20 1/2
Coats.....	6 1/2	6 1/2	National Steam Car.....	16 1/2	17 1/2
Courtaulds.....	6 1/2	6 1/2	Pears, A. & F.....	18 1/2	18 1/2
Cunard.....	4 1/2	4 1/2	P. & O. defd.....	344 1/2	344 1/2
Dennis Bros.....	35 1/2	35 1/2	Royal Mail.....	126	125
Eastern Telegraph.....	152 1/2	152 1/2	Underground Inc. Bds.....	80 1/2	80 1/2
Eastmans.....	11 1/2	10 1/2			
English Sewing Cotton.....	55 1/2	54 1/2	North Caucasian.....	1 1/2	1 1/2
Anglo-Egyptian "B".....	32 1/2	33 1/2	Roumanian Cons.....	9 1/2	8 1/2
Baku (ros).....	1 1/2	1 1/2	Shell.....	5 1/2	5 1/2
Burmah.....	7 1/2	7 1/2	Spies (10/-).....	6 1/2	6 1/2
Lobitos.....	2 1/2	1 1/2	Ural Caspian.....	1 1/2	1 1/2
Makop Pipeline.....	2 1/2	2 1/2			
Mexican Eagle pf.....	63 1/2	63 1/2	Perak 2/-.....	7 1/2	7 1/2
Allagar 2/-.....	3 1/2	3 1/2	Port Dickson 2/-.....	4 1/2	4 1/2
Anglo-Java Rub. 2/-.....	6 1/2	6 1/2	Rub. Estates Johore £1.....	43 1/2	42 1/2
Anglo-Malay 2/-.....	13 1/2	14 1/2	Rub. Estates Krian 2/-.....	4 1/2	4 1/2
Ayer Kuning £1.....	48 1/2	48 1/2	Rubber Trust £1.....	29 1/2	29 1/2
Batang Malaka 2/-.....	4 1/2	4 1/2	Sampang (Java) 2/-.....	2 1/2	2 1/2
Bekoh 2/-.....	4 1/2	4 1/2	Sapumalkande £1.....	26 1/2	26 1/2
Brit. N. Borneo Trust £1.....	17 1/2	17 1/2	Seaport £1.....	26 1/2	26 1/2
Bukit Cloh 2/-.....	5 1/2	5 1/2	Selangor.....	34 1/2	34 1/2
Bukit Kajang £1.....	72 1/2	73 1/2	Sengat 2/-.....	3 1/2	3 1/2
Bukit Mertajam 2/-.....	4 1/2	4 1/2	Seremban £1.....	41 1/2	42 1/2
Bukit Sembawang 2/-.....	3 1/2	3 1/2	Shelford £1.....	37 1/2	37 1/2
Carey United £1.....	44 1/2	42 1/2	Sialang £1.....	67 1/2	68 1/2
Ceylon Para 2/-.....	9 1/2	9 1/2	Singapore Para 2/-.....	4 1/2	4 1/2
Chersonese.....	34 1/2	34 1/2	Singapore United 2/-.....	3 1/2	3 1/2
Cheviot 2/-.....	6 1/2	6 1/2	Soember Ajoe 2/-.....	29 1/2	29 1/2
Dalkeith 2/-.....	2 1/2	2 1/2	Stagbrook £1.....	33 1/2	33 1/2
Eastern Invest. Trust £1.....	5 1/2	25 1/2	Straits Bertam 2/-.....	6 1/2	6 1/2
Grand Central £1.....	27 1/2	27 1/2	Sumatra Para 2/-.....	8 1/2	8 1/2
Gula Kalumpung £1.....	34 1/2	35 1/2	Sungei Bahru £1.....	37 1/2	37 1/2
Highlands £1.....	59 1/2	59 1/2	Sungei Kayar 2/-.....	11 1/2	11 1/2
Java Investment £1.....	28 1/2	28 1/2	Sungei Krut £1.....	49 1/2	49 1/2
Java Para £1.....	30 1/2	31 1/2	Taipang 2/-.....	4 1/2	4 1/2
Johore Rubber Lands £1.....	33 1/2	33 1/2	Tali Ayer £1.....	35 1/2	35 1/2
Kamunin 2/-.....	4 1/2	4 1/2	Tandjong £1.....	89 1/2	87 1/2
Kinta Kellas 2/-.....	4 1/2	4 1/2	Tandjong Malim £1.....	31 1/2	31 1/2
Kuala Kubu 2/-.....	2 1/2	2 1/2	Tebrau £1.....	63 1/2	63 1/2
Labu 2/-.....	10 1/2	10 1/2	Telorejo £1.....	43 1/2	43 1/2
Langen Java £1.....	45 1/2	45 1/2	Tempeh 2/-.....	2 1/2	2 1/2
Linggi 2/-.....	27 1/2	27 1/2	United Serdang 2/-.....	10 1/2	11 1/2
London Asiatic 2/-.....	8 1/2	8 1/2	United Sumatra 2/-.....	8 1/2	8 1/2
Malacca £1.....	5 1/2	5 1/2	Val d'Or 2/-.....	41 1/2	41 1/2
Malayalam £1.....	39 1/2	39 1/2	Vallambrosa 2/-.....	22 1/2	22 1/2
Merlimau 2/-.....	5 1/2	5 1/2	Way Halim 1/8 pd.....	—	—
Padang Jawa 2/-.....	3 1/2	3 1/2			
Pataing 2/-.....	42 1/2	42 1/2	Gt. Boulder (2/-).....	13 1/2	13 1/2
Abbottiakoon (10/-).....	4 1/2	4 1/2	Kyshtun.....	1 1/2	1 1/2
Beechuanaland Exp.....	7 1/2	7 1/2	Mashonaland Agency.....	6 1/2	6 1/2
Brakpan.....	5 1/2	5 1/2	Meyer & Charlton.....	5 1/2	5 1/2
Broken Hill Prop. (8/-).....	59 1/2	62 1/2	Modder "B".....	8 1/2	8 1/2
Cam & Motor.....	12 1/2	12 1/2	Do. Deep.....	7 1/2	7 1/2
Central Mining (£1a).....	6 1/2	6 1/2	Mysore.....	2 1/2	2 1/2
Chartered.....	15 1/2	15 1/2	Rand Mines (5/-).....	21 1/2	21 1/2
City Deep.....	34 1/2	34 1/2	Rio Tinto (£5).....	64 1/2	64 1/2
Cons. Gold Fields.....	32 1/2	32 1/2	Russ-Astic.....	2 1/2	2 1/2
Cons. Langlaagte.....	19 1/2	19 1/2	Spring Mines.....	3 1/2	3 1/2
Crown Mines (10/-).....	2 1/2	2 1/2	Tanganyika.....	3 1/2	3 1/2
De Beers d/d. (£2 10/-).....	13 1/2	13 1/2	Tanayik.....	3 1/2	3 1/2
East Rand.....	5 1/2	5 1/2	Van Ryn Deep.....	3 1/2	3 1/2
Geduld.....	2 1/2	2 1/2			
Gov. Areas Mod.....	3 1/2	3 1/2			

good deal of stock was released, while the movement was in full swing, but recent buyers are now showing some anxiety to secure their profits, and no one seems at all anxious to relieve them of their holdings, so that the offering of even a small amount of stock creates a quite disproportionate depression. That always happens in restricted markets where business is largely a matter of negotiation, and in some respects it is surprising that it has not had more effect on prices, which seemed to have soared to a dangerous level. Argentine labour troubles have again been settled for the time being, and we hope the country will quickly surmount the unnecessary difficulties which have been created, as it is wasting splendid opportunities of doing such a profitable business as would set it on its feet for a generation to come.

Brokers with a fairly large miscellaneous connection in specialties say that quite a considerable amount of business is passing through the "House"; but those whose interests are mainly confined to investments find that their order-books are not well filled. As a matter of fact, the dealings marked both in the official and unofficial lists have barely averaged 3,000 per day, and there can scarcely be enough profit out of that to do much more than pay office expenses. At the opening the Funds were dull, but subsequently War Loans came into some prominence, and the 3 1/2 per cent. particularly were well supported, on the extension of the borrowing facilities attaching to this Cinderella of the group, about which details are given in our Money Notes. Colonial loans were scarcely mentioned until towards the end of the week, when a demand sprung up, and a large number of the stocks registered gains of 1/2 to 1. Foreign stocks as a rule were dull, owing to the disappointing situation in Russia, but Russian securities are almost unsaleable, and prices have reached what we may hope is a bed-rock level. French War Loans were dull, but Spanish improved, and Japanese, Argentines, Brazilians and Chileans were all harder on balance. Cuban Ports also advanced smartly on the definite settlement with the Government, but Chinese issues gave way to some extent.

Home Railways began with a dull tendency, and subsequently lapsed into almost complete neglect. The changes have been mostly unimportant, and without any significance whatever. The American market was dull, but International Mercantile Marine shares advanced several points on the belief that the company must be making enormous profits. Canadian Pacifics were firm, but very much neglected, and when Grand Trunks were mentioned it was only to mark prices lower. Argentines were very weak, but hardened a little on slightly improved traffics, and one more temporary settlement of the labour difficulties. Nothing happened in the Mexican division, and San Paulos and a few other stocks in this class were weak.

Among Bank shares, the outstanding incident of the week was a sharp advance in Joint Stocks, on the announcement of the amalgamation with the London City and Midland. Capital and Counties shares also were in good demand, and advanced 2 to 3 points, while Canadian Bank of Commerce also improved, but Hongkong and Shanghai lost a point. Breweries have lost the elasticity which they displayed so markedly until recently, and all the leading favourites, such as Allsopps, City of London, Watney, Combe, and several others have given way more or less sharply. Egyptian securities have received a fair amount of attention, and several of the active shares have gained to a small extent, but the movements are not of much significance. Iron and Steel shares were at one time weak, but the tendency became firmer towards the close, although here also a good deal of the speculative interest has evaporated. Land shares were neglected most of the week, but Hudson's Bays gained a small fraction, while Nigers lost ground. Nitrates were without any feature. Shipping shares have become decidedly flat on profit-taking, as it appears to be recognised that prices were going ahead too fast. Indo-China, however, put on a couple of points, while P. and O. fell to a similar extent, and the other movements were erratic. Among Textiles, Courtaulds and Bradford Dyers were very firm, but Sewing Cotton lost ground. Industrials generally were irregular, with a dull tendency, but Welsbachs were rather conspicuous, and Bell's Asbestos and Salt Union showed strength. Marconi issues displayed a sagging tendency throughout the week.

Oil shares have not attracted much attention, and apart from small gains in Anglo-Egyptians and "Shells," prices have been inclined to ease off, with Lobitos, North Caucasian, and Ural Caspians particularly weak. Rubber shares have become almost stagnant, but prices are fairly well maintained, in anticipation of the reports which will be coming out soon, and which are expected to show excellent results. The price of that commodity hovers around 2s. 3 1/2d., and so far, at any rate, the schemes for reconstruction of output have not benefited the market appreciably.

It was stated in Parliament the other day that the cost of the Food Control Department up to the end of the year was £153,000. In December alone it was £42,000, "and likely to increase," so that on this basis we may expect a bill of £600,000 a year before long. We hope it is worth the money.

## LONDON PRODUCE MARKETS.

There was a moderate amount of business in force during the week, and prices for the chief part ruled steady.

**SUGAR.**—Market remained at recent level of prices. Cuban receipts for past week totalled 132,192 tons; centrals, 193.

**COFFEE.**—The market continued in a very firm state, and a good demand was experienced for all descriptions. At public sale, superior to extra prime Santos sold, 74s. to 77s.; fancy pale, 87s. 6d. to 88s.; washed Santos, 94s. to 95s. 6d.; long-berry Mocha, 114s. to 115s. 6d. The market for future delivery ruled quiet, but firm.

**COCOA.**—Of 16,247 bags offered by auction only a small part sold, at irregular and occasionally easier prices. Grenada, fair

CURRENT PRICES OF CHIEF ARTICLES.  
WEEK ENDING FEBRUARY 22, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt. duty 14, 98% polarisation	£ s. d.	£ s. d.	<b>Wool</b> —per lb. Australian	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Cr'ssbr'd	nom.	nom.
Granulated ..	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Crossbred	nom.	nom.
Foreign granulated	nom.	nom.	New Zealand (scoured) Merino	nom.	nom.
l.f.o.b., spot	nom.	nom.	Greasy Crossbred	nom.	nom.
German Cubes, l.f.o.b.	nom.	nom.	Cape snow white	nom.	nom.
French Cubes	nom.	nom.	<b>Indiarubber</b> p. lb.		
prompt	nom.	nom.	Plantation, Spot		
Crystallised, West	nom.	nom.	Crepe .. ..	0 2 3½	0 2 3½
India ..	2 6 9	2 6 9	<b>Coal</b> —per ton		
Beet, 88% l.f.o.b.	nom.	nom.	Durham, best ..	nom.	nom.
<b>Tea</b> —per lb., duty 17 lb.	s. d. s. d.	s. d. s. d.	Seconds ..	nom.	nom.
Indian Pekoe ..	nom.	nom.	East Hartlepool ..	nom.	nom.
Broken ..	nom.	nom.	Seconds ..	nom.	nom.
Orange ..	nom.	nom.	Steamers, best ..	32 6	32 6
Broken ..	nom.	nom.	Seconds ..	29 6	29 6
Pekoe Souchong	nom.	nom.	<b>Lead</b> —per ton.	£ s. d.	£ s. d.
Ceylon Pekoe ..	nom.	nom.	English Pig ..	£ 29½-£ 28½	£ 29½-£ 28½
Broken ..	nom.	nom.	Foreign soft, net	nom.	nom.
Orange ..	nom.	nom.	<b>Quicksilver</b> —per bottle firsthand	nom.	nom.
Broken ..	nom.	nom.	<b>Tin</b> —per ton		
Pekoe Souchong	nom.	nom.	English Ingots	£ 330	£ 319
<b>Cocoa</b> —per cwt. duty 6d. per lb.	s. d. s. d.	s. d. s. d.	No. bars ..	£ 331	£ 320
Trinidad—per cwt.	87 0-99 0	87 0-99 0	Standard cash ..	£ 323	£ 314
Grenada ..	55 0-98 0	55 0-98 0	Tin Plates, per box	nom.	nom.
West Africa ..	65 6-70 0	65 6-70 0	<b>Copper</b> —per ton.		
Ceylon Plantation	77 0-94 0	77 0-94 0	English, Tough, per ton ..	nom.	nom.
Ceylon Aribaba ..	110/-112/-	110/-112/-	Best Selected ..	£ 119-£ 123	£ 119-£ 123
<b>Coffee</b> —per cwt. duty 42/- per cwt.	s. d. s. d.	s. d. s. d.	Sheets .. ..	£ 147	£ 149
East India ..	100 0 121 6	105 0 125 0	Standard ..	£ 110-110½	£ 110-110½
Jamaica ..	77 0 151 0	77 0 151 0	<b>Jute</b> —per ton.		
Costa Rica ..	103 0 127 0	110 0 134 0	Native firsts for shipment	nom.	nom.
<b>Provisions</b> —			<b>Oil</b> —		
Butter, per cwt.			Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Argentine finest	252/-	252/-	Rape, refined ..	£ 71	£ 71
Irish Creameries	nom.	nom.	crude ..	£ 66	£ 66
Dutch ditto ..	nom.	nom.	Cott'n Seed, crude	£ 60	£ 60
Russian finest ..	nom.	nom.	Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
Paris baskets ..	nom.	nom.	Petroleum Oil, per 8 lbs.	1/7½	1/7½
Janish finest ..	nom.	nom.	Water White ..	1/8½	1/8½
Buttany ..	nom.	nom.	Oil Seeds, Linseed	—	—
doz. lb. ..	nom.	nom.	Alcanta—per ton		
<b>Bacon</b> —per cwt.			Spot .. ..	29 15 0	29 15 0
Irish ..	172/-	172/-	Rape .. ..	£ 29-10-£ 30	£ 29-10-£ 30
Continental ..	17 1	172/-	<b>Iron</b> —per ton		
Canadian ..	172/-	171/-172/-	Cleveland Cash ..	nom.	nom.
American ..	172/-180/-	171/-180/-	<b>Tobacco</b> —duty, unmanufactured		
<b>Hams</b> —per cwt.			7½ to 8½ per lb.		
Irish ..	203/-	203/-	Maryland & Ohio		
Canadian ..	162/-165/-	162/-165/-	per lb. bend ..	nom.	nom.
American ..	125/-165/-	125/-165/-	Virginia leaf ..	0 8-2 1	0 8-2 1
<b>Cheese</b> —per cwt.			Kentucky leaf ..	0 7-0 11	0 7-0 11
Dutch ..	129/6-160/-	129/6-160/-	Latvika ..	2 0-5 0	2 0-5 0
Canadian ..	nom.	nom.	Ilavana ..	1 6 6 0	1 6 6 0
English Cheddar	142/-	142/-	Sanita ..	nom.	nom.
Wilt's loaf ..	nom.	nom.	Cigars, duty 10/6 per lb.	2/ upds.	2/ upds.
New Zealand ..	nom.	nom.	<b>Timber</b> —Wood.		
<b>Rice</b> —per cwt.	s. d.	s. d.	Pitch Pine ..	300/-400/-	300/-400/-
Japan ..	nom.	nom.	Indian Teak ..	880/-700/-	880/-700/-
Kangoon 2 stars ..	26 3	26 3	<b>Turpentine</b> —		
<b>Eggs</b> —per 120.			American Spot ..	124/6	124/
English ..	44 0-45 0	43 0-44 0	<b>Copra</b> —per ton		
Irish ..	42 0-44 0	40 0-44 0	Malabar ..	46 0 0	46 0 0
Danish ..	nom.	40 0-44 0	Ceylon ..	46 0 0	46 0 0
<b>Spelter</b> —			F.M.S. Singapore	45 15 0	45 15 0
G.O.B. as to position ..	54 0 50 0	54 0 50 0	F.M. Straits ..	45 10 0	45 10 0
<b>Flour</b> —per sack.					
Country Straight					
Runs ex Mill ..	44/3	44/3			

to fine, 84s. 6d. to 88s.; St. Vincent, 85s. to 89s.; good to fine West Coast African, 68s. to 70s. Of the latter, 1,110 bags were cleared out of total of 10,204 bags.

**RICE** firm, with a good demand. Beans and peas unchanged.

**HEMP.**—East India quiet and nominal. Manila receipts last week, 21,700 bales.

**SHELLAC.**—Market nominal, with trade of a retail character.

**RUBBER**, after being quiet and easier, became steadier. Plantation crepe, spot, sold, 2s. 3½d. to 2s. 2½d. and 2s. 3½d.; March, 2s. 3½d. to 2s. 3½d. and 2s. 4d.; April-June, 2s. 5d. to 2s. 4½d. and again 2s. 5d. Ribbed standard smoked sheet, spot, sold, 2s. 3d. to 2s. 2½d. and 2s. 3d. Fine hard Para, spot, buyers, 2s. 6½d.

**CORUM** (Mark Lane).—There was only a moderate attendance at

market this week, dealings being confined to narrow limits, but prices maintained a firm level for all cereals. Wheat—English whites and reds, quoted, 75s. 6d. per 504 lbs. Of imported descriptions, Australian, 83s. 6d. to 84s. 3d.; La Plata, 81s. 6d. to 82s.; No. 1 Northern Manitoba, 81s. 9d. to 82s. 3d.; No. 2 hard winter, 80s. to 80s. 8d., all landed, per 496 lbs. Flour—English (G.R.), 44s. 3d. per sack ex mill; and Canadian export, 51s. 9d. per 280 lbs. ex warehouse. Barley scarce. English, 62s. 9d.; and Californian, 93s. per 448 lbs. Oats firm. English, 46s. 3d. per 336 lbs.; and American white clipped, 61s. to 62s. per 320 lbs., landed. Maize remains largely nominal.

**COTTON** (from our Manchester correspondent).—The difficulties in carrying on the Lancashire cotton industry are increasing. In ordinary times about 80 per cent. of the production of the spindles and looms is for foreign markets, and owing to the shipping outlook becoming more discouraging there are fears of a larger amount of machinery being compelled to stand idle. On Thursday the members of the Cotton Control Board had an interview with the Shipping Controller in London, when, it is understood, the position of affairs was fully discussed. Owing to the smaller consumption, stocks of raw cotton in this country have recently increased, but it is reported that imports during the next few months will be on a very small scale. At the present time owners of mills engaged on American cotton are only allowed to work 60 per cent. of their machinery, whilst owners of looms can run up to 70 per cent. of their production. It is feared that at an early date the output will have to be further reduced. In addition to less tonnage being available for bringing raw cotton from the United States, more irregularity is now showing itself in sailings to our markets for manufactured goods.

## DIVIDENDS ANNOUNCED.

Astley and Tyldesley Collieries.—15s. on fully-paid shares and 12s. per share on the partly paid

Cleator and Workington Junction Railway Co.—Final on ordinary stock 2 per cent.; £779 forward.

J. and P. Coats.—Quarterly:—5 per cent. on preferred ordinary stock and 1s. 6d. per share on ordinary shares, both less tax.

Derby Gas Light and Coke Co.—Standard rate on consolidated stock at rate of 5 per cent. per annum for half-year ended December 31, with an additional ½ per cent. for whole year, making 5½ per cent., less tax, the same as for 1916.

Dominion Bank Canada.—Usual quarterly 3 per cent., payable on April 1.

Didcot, Newbury, and Southampton Railway Co.—2½ per cent. interest on 3 per cent. debenture stock for year 1917.

East Indian Coal Co.—Rate of 8 per cent., less tax, for half-year ended October 31.

Electro Bleach and By-Products.—Further interim on account of 1917 of 10 per cent. (less tax), against 7 per cent.

Harrods Stores Founders' Shares Co.—38½ per cent., less tax, making 43½ per cent. for the year ended January 31, against 35 per cent.

Herne Bay Water Works Co.—At rate of £4 per cent. per annum for half-year to December 31; the same.

International Nickel Co.—\$1 (4 per cent.) on common stock, payable March 1.

International Investment Trust.—At rate of 4 per cent. per annum on deferred stock for half-year ended January 31, making 3½ per cent. for year, the same as a year ago.

Kramat Pulai.—Further interim for 1917 of 1s. per share (less tax), payable on March 15.

Motor Union Insurance Co.—Interim of 22½ per cent., the same as a year ago, payable on February 28.

North Anantapur Gold Mines.—At rate of 20 per cent. per annum (less tax) on preference shares for the half-year to December 31, the same as a year ago.

North Broken Hill.—No. 47 of 2s. per share, less tax.

Nundydroog Co.—Balance for 1917 of 1s. 2d. per share, less tax, payable on March 21, making a total distribution for year of 3s. 4d. per share, against 3s. 6d.

New Sharlston Collieries.—Final for 1917 of 15s. per share, less tax, making 5 per cent. for year, subject to sanction of Controller of Coal Mines.

Powell Duffryn Steam Coal.—Final of 10 per cent., tax free, on ordinary shares, making 20 per cent. for year 1917.

Rambutan, Ltd.—8d. per share, less tax; the same as a year ago.

Rhondda and Swansea Bay Railway.—At rate of 3 per cent. on ordinary capital, making 5½ per cent. for year, against 5 per cent.

United Alkali Co.—2s. per share, less tax, on ordinary shares, being the same rate as a year ago.

Venesta, Ltd.—Final on ordinary shares of 16 per cent. (less tax), making 20 per cent. for the year ended June 30.

West Surrey Water Co.—Maximum at rate of 7 per cent. per annum on ordinary £10 shares, Acts of 1877, 1888, and 1901; and at rate of 10 per cent. per annum on the shares, Act of 1860.

Weston-super-Mare Gaslight Co.—Maximum 5 per cent. on ordinary stock for half-year to December 31.

## BOOKS RECEIVED.

*History of Banking in Scotland.* By Andrew William Kerr. Third edition. Publishers: A. and C. Black, 4, 5, 6, Soho Square, London. Price 10s. 6d. nett.

### Insurance News.

An interesting step has been taken by the Friends' Provident Institution, a well-known and wealthy insurance office dating from 1832, and during all its existence it has been conducted by and in the interests of the Society of Friends. It has now decided to absorb the Century Insurance Co., Ltd., which was founded as recently as 1885 as the Sickness and Accident Assurance Association, Ltd. Hitherto the Friends' Provident Institution has been a purely life office, whereas the Century Co. has extended its operations into almost all branches of insurance. The two concerns are to be worked as distinct businesses, just as if the fusion had not taken place; but an interchange of directors is to be made, and full advantage will be taken of the acquisition of the Century Co. to secure fire and other types of insurance business. The Friends' Provident Institution is wealthy, and has accumulated large reserves. Considering the length of its life, so has the Century, whose shares of £4 10s. each with 10s. paid have been bought at £6 5s. a share, together with the final dividend of 2s. The combined reserves of the two companies will be about £4,750,000.

Notwithstanding war conditions, the business of the Marine and General Mutual Life Assurance Society still shows some considerable progress. During 1917 the nett new life assurances effected amounted to £202,554, as contrasted with £209,277 in 1916, the directors naturally having been very careful in considering proposals for new assurance where war risk is likely to be involved immediately or soon. The premium income increased by £3,944 to £175,945, or about the usual yearly average. Claims by death amounted, with bonus additions, to £87,588, averaging about £500 per member, whereas the average for 1916 was £611. Although 62 claims were in respect of sailors and soldiers killed, the total was well within the expectation. Expenses of management and commissions were less in ratio to the premium income than in the previous year, and the surplus on the year's working was £58,421, thereby increasing the assurance fund to £2,239,512. British Government securities, which last year stood at £188,600, now stand at over £430,000. In reference to the question of depreciation, the chairman at the meeting hinted that it was quite possible that at the next valuation on December 31, 1919, the amount required will oblige the directors to take the bulk of the profits in meeting it.

The North British and Mercantile Insurance Company announces a novel scheme which should do much to encourage the purchase of National War Bonds and of annuities. Specially attractive annuity rates are offered to purchasers of War Bonds who can under the company's plan secure not only the 5 per cent. interest payable by the Government, but an additional income of a very substantial amount. For each £100 War Bond the company guarantee an income for life in the case of a male life of 50, for example, of £7 10s. 6d., the corresponding rate for a female life being £7 1s. At age 70 the rates would be £13 14s. and £12 4s. 8d. respectively. Holders of War Bonds in need of an immediate increase of income would be well advised to apply to the company for rates and full particulars.

An unusually large number of fires occurred in Canada and the United States during January, 494 outbreaks involving losses of £20,000 or more, as compared with 292 in December and 303 in January last year. The cost of the month's fires is estimated at £7,515,000, as compared with £7,286,000 for the corresponding month, the heavy cost being attributed mainly to severe weather conditions and the risks incurred in expediting war work.

For the year just ended the National Boiler and General Insurance Co.'s dividend is again made up to 25s. a share, the rate of distribution having steadily risen during the past eight years from 14s. a share, which was the rate paid for the year-ended June 30, 1910.

Satisfactory progress is again shown by the report of the Provident Association of London, and as the result of the past year's trading the invested funds were

increased by £159,985 to £6,822,535, this increase following one of £207,782 in the previous year. Payments to policy-holders and certificate-holders, including war claims, reached the record figure of £331,793, an increase of £47,785 over the total for 1916. There was an increase of £3,459 to £398,234 in the premium income, and of £20,847 to £231,611 in the nett interest receipts. The greater part of the sum collected in premiums was in monthly payments averaging about 10s.

Presiding at the annual meeting of the Scottish Life Assurance Co., the Duke of Atholl said he wished to pay a tribute to the services rendered during the war by the life assurance institutions of this country, services which had not yet been so fully recognised as they should be. Their contributions in the form of men and money had been most gratifying, but perhaps their greatest part had been in affording financial protection to the families of those who had given their lives for their country, and in this direction the Scottish Life had already provided £100,000.

### American Business Notes.

The latest issue of the New York *Commercial Chronicle* which has come to hand contains its valuable annual summary of the gold production of the world in 1917. Unfortunately our space is now so restricted that we can only give the merest summary of the figures of production in this week's number. The past year again showed a reduction in the value of gold won, which is estimated to have been worth only £88,027,011. This is £5,797,363 less than the production of 1916, and the smallest total since 1906. The reduction in ounces was 1,364,792, and the countries that showed the greatest diminutions were Australia, Africa, the United States, and Russia. Canada also yielded less, and so did Mexico, but the decline was unimportant, especially in Mexico, whose output of gold only fell off no more than about 12,000 ozs. on the year, whereas the decline in the African production was nearly 298,000 ozs., and in the Australian nearly 205,000 ozs. The United States production also fell off 393,000 ozs. It was quite to be expected that there should be a decline during the war, and the astonishing thing is that countries like Russia and Mexico should have been able to produce so much. Most of the Russian gold mines, however, are in Siberia, and it may have been possible to export the metal via Vladivostok.

In the past calendar year exports of merchandise from the United States rose to a value of £1,245,350,000, while imports were valued at £590,500,000. There was thus an enormous balance due to the United States on the year's commerce. On the mere merchandise alone, in fact, it was upwards of £650,000,000. To adjust the accounts more closely, however, the gold movements must be taken into the account, and these amounted to £74,377,000 exported and £107,571,000 imported. Adding these figures to the merchandise totals, we get an aggregate export value of £1,391,727,000, and an import of £696,071,000. This brings down the trade balance due to America on last year's business with countries abroad to £623,656,000. We fear the current year's balance will not be so largely on the export side, but these totals show how enormous the influence of the war has been on the prosperity of America. And the Hohenzollern Empire has no part whatever in this prosperity, probably never again will have much part.

Testimony of another kind to that prosperity is afforded by the report of the United States Steel Corporation for the quarter ended December 31 last. It reveals an overwhelming appearance of wealth, for after making up the dividend on the common stock to 16 per cent. for the nine months expired of the company's trading year, and after setting aside \$235,000,000 to meet excess profits taxes and war income-tax, as well as after spending \$55,000,000 on additional property and new plants, &c., the balance left to carry to the current quarter is \$52,766,000. The corporation, in short, appears to have difficulty in stuffing away or otherwise dissipating its profits.

## PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and February 16, 1918:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Feb. 16, 1918.	Total Receipts into the Exchequer from April 1, 1916, to Feb. 17, 1917.
Balances in Exchequer on April 1—Bank of England ..	£ —	£ 25,209,947	£ 25,111,065
Bank of Ireland ..	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs .....	70,750,000	61,721,000	60,914,000
Excise .....	34,950,000	33,667,000	49,720,000
Estate, &c., Duties .....	29,000,000	27,481,000	27,314,000
Stamps .....	8,000,000	6,949,000	6,551,000
Land Tax .....	2,600,000	1,783,000	1,750,000
House Duty .....	—	—	—
Property and Income Tax and Super Tax .....	224,000,000	166,996,000	139,550,000
Excess Profits Duties, &c. ....	200,000,000	183,952,000	114,467,000
Land Value Duties .....	400,000	550,000	371,000
Post Office .....	33,700,000	30,350,000	29,000,000
Crown Lands .....	600,000	560,000	530,000
Receipts from Sundry .....	—	—	—
Loans, &c. ....	7,500,000	1,925,975	5,154,238
Miscellaneous .....	27,100,000	47,878,733	12,402,216
Revenue .....	638,600,000	561,810,708	447,223,474
Total, including Balance .....	—	590,246,567	473,298,480
OTHER RECEIPTS.			
Repayment of Advances for Bullion .....	—	2,280,000	3,310,000
Repayment of Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	169,818	91,370
Under Telegraph (Money) Act, 1913 .....	—	100,000	210,000
Under Post Office (London) Railway Act, 1913 .....	—	68,000	160,000
Under Military Works Acts, 1897 to 1903 .....	—	8,814	—
Under Public Buildings Expenses Act, 1903 .....	—	8,000	—
Under Housing Act, 1914 .....	—	394,500	74,600
For Treasury Bills (for supply) .....	—	2,486,022,000	1,766,107,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....	—	1,300,000	—
For 4½ per Cent. War Loan, 1925-1945 .....	—	—	424
For 5 per Cent. Exchequer Bonds, 1919 .....	—	—	34,262,604
For 5 per Cent. Exchequer Bonds, 1920 .....	—	—	84,140,469
For 5 per Cent. Exchequer Bonds, 1921 .....	—	—	62,495,527
For 5 per Cent. Exchequer Bonds, 1922 .....	—	82,270,400	—
For 6 per Cent. Exchequer Bonds, 1920 .....	—	48,000	160,951,700
For War Expenditure Certificates .....	—	29,878,500	—
For War Savings Certificates .....	—	45,900,000	55,050,000
For other Debt created under the War Loan Acts, 1914-1917 .....	—	626,337,138	244,994,292
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .....	—	168,082,620	323,850,000
For National War Bonds .....	—	*363,904,000	—
East Africa Protectorate Loan: Repayments on account of Principal and Interest .....	—	5,940	5,940
Cunard Loan: Repayment on a/c. of Principal .....	—	130,000	130,000
Suez Canal Drawn Shares .....	—	12,797	10,795
China Indemnity .....	—	—	400,000
Temporary Advances—Ways & Means (including Treasury Bills £345,000,000 in 1916-1917) .....	—	876,103,500	865,703,000
Total .....	—	5,243,435,280	4,108,139,125

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

\* Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Feb. 16, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Feb. 17, 1917.
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	17,000,000	17,006,991	18,925,308
Interest, &c., on War Debt ..	194,500,000	158,888,710	103,916,152
Payments to Local Taxation ..	—	—	—
Accounts, &c. ....	9,700,000	7,120,566	7,023,772
Other Consolidated Fund .....	—	—	—
Services .....	1,695,000	1,508,098	1,749,839
Supply Services .....	2,543,830,000	2,161,805,687	1,731,624,722
Expenditure .....	2,765,725,000	2,346,330,052	1,863,239,794
OTHER ISSUES.			
For Advances for Bullion .....	—	2,520,000	3,430,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	169,818	91,370
Under Telegraph (Money) Act, 1913 .....	—	115,000	230,000
Under Post Office (London) Railway Act, 1913 .....	—	95,000	200,000
Under Military Works Acts, 1897 to 1903 .....	—	—	8,008
Under Public Buildings Expenses Act, 1903 .....	—	—	8,000
Under Housing Act, 1914 .....	—	394,500	98,900
For Treasury Bills for Supply .....	—	†1,894,930,000	1,522,721,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....	—	1,300,000	—
For War Loans, Exchequer Bonds, &c., under Section 34 of Finance Act, 1917 .....	—	73,424,608	975,705
For War Expenditure Certificates under War Loan Act, 1916 .....	—	151,400	3,000,000
For other Debt under the War Loan Acts, 1914 to 1917 .....	—	80,929,570	9,651,957
For Depreciation Fund under the Finance Act, 1917 .....	—	30,139,220	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908 .....	—	10,000	94,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	20,000	53,160
Old Sinking Funds, 1911-12 and 1913-14, issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914 .....	—	949,000	250,000
East Africa Protectorate Loan Repayments—Issued to reduce Debt under the Finance Act, 1911 .....	—	5,940	5,940
Cunard Loan Repayments—Issued to reduce Debt under the Cunard Agreement (Money) Act, 1904 ..	—	130,000	130,000
Suez Canal Drawn Shares—Issued to reduce Debt under the Finance Act, 1898 .....	—	12,797	10,795
China Indemnity—Issued to reduce Debt under the Finance Act, 1906 .....	—	—	400,000
Temporary Advances repaid—Ways and Means (including Treasury Bills £344,912,000 in 1916-17) ..	—	855,849,000	675,705,000
		5,227,375,905	4,083,391,229
Balances in Exchequer—			
Bank of England .....	Feb. 16, 1918. £ 13,623,124	Feb. 17, 1917. £ 22,166,309	—
Bank of Ireland .....	2,436,251	2,581,587	—
Total .....	—	16,059,375	24,747,896
		5,243,435,280	4,108,139,125

MEMO.—Treasury Bills outstanding on Feb. 16, 1918. .... \*£1,054,985,000.

\* Includes £196,000, the proceeds of which were not carried to the Exchequer within the period of the account, besides an amount (not yet ascertained and brought to account) for Bills tendered as subscription to National War Bonds.

† Includes part payment of Bills and Certificates tendered as subscriptions to National War Bonds.

## Income-Tax Guides and Lessons.

## I.

With an income-tax which has reached a standard or normal rate of 5s. per £, it is not only a right, but a duty, of prudent men and women to make sure, on the one hand, that they do not wrong their country in a time of peril by land and sea, but also, on the other hand, that they husband their resources and commit no waste, whether in income-tax or in any other direction. To many readers many of the matters mentioned in this and the subsequent articles will be at best reminders only, but useful as such; to others they will convey new lessons.

Some claims for repayments or allowances must be made annually, but ordinary claims for exemption or abatement or rate relief are in time if made within three years of the expiry of the year of assessment. That means that one can usually deal with four years together if necessary. That at present would carry back to April 6, 1914, conversing the four years 1914-15, 1915-16, 1916-17, and 1917-18. This shows that the matter presses, and will soon be urgent, for any claims applicable to the tax year April, 1914, to April, 1915, will be lost altogether if not sent in before April 5 of this year. The great thing is to send in the claim, and to claim, generally, all relief to which you are legally entitled. All necessary certificates and vouchers may follow, so even if some of these be missing, you should not delay if the time is getting close, but send in the claim and follow up with the certificates when you get them. But, indeed, most people will prefer to send in claims each year, and so avoid being kept out of their money. Just for this reason half-yearly claims are now permitted. But it is still better to arrange with the Surveyor of Taxes to avoid making payment of more than is truly due. This is always possible when there is any direct assessment of tax, whether on new investments, rents, or the profits of a business. This same arrangement can also be made in the case of many Government stocks from which tax would, in ordinary course, be deducted, and also in the case of annuities payable by insurance companies.

Take great care of all certificates of deduction of tax, including the "top" parts of dividend warrants, for nowadays, when clerical staffs are so depleted, companies threaten to charge 2s. 6d. for each duplicate certificate.

## CALCULATION OF INCOME.

Income-tax is charged on what is called a "statutory income." That may, in many cases, be quite different from the actual income. This shows chiefly in the case of incomes from businesses. Even the words "actual income," when used for tax purposes, do not have their ordinary meaning. They only mean that any average rule is disregarded, but still all the other tax rules apply.

Of course, it is always the individual's income. Thus, if two sisters live together, each is treated by herself alone, so that both may be exempt, though, if the income were massed, tax would be payable. Again, though the income of a trust fund amounts to some thousands a year, that has, in the ordinary case, no bearing on the ultimate liability, which is measured by the income position of each beneficiary separately. Another instance is that of partners in a firm; the tax is charged on the firm, but in fixing the amount the whole income position of each partner (including his wife) is regarded. It may thus happen that a junior partner with a small share but a rich wife is liable for a higher rate of tax than the senior partner. Again, two partners may be equally interested in profits, but the whole capital may be provided by one of them, and the interest on that capital is paid to him, but the tax on it is charged to the firm. The reason is that interest on partners' capital is not a deduction for tax purposes. It follows that much care is required in splitting up the tax payment among the different partners.

## HUSBAND AND WIFE.

The one exception to this is the case of husband and wife, who are treated as one, but with the result of assessing the husband on the income of both taken together, and leading to interesting tax questions in the first year of the marriage of a lady with an income of her own and in the first year of widowhood. But there is a sub-exception when both husband and wife are engaged in separate businesses, and the whole incomes of both taken together do not exceed £500. In that case, while the husband pays the whole tax it is calculated as on two separate incomes so that each may have the benefit of exemption and abatement. This, however, applies only to the wife's earned income; her unearned income must always be reckoned as part of her husband's income.

## THE THREE YEARS' AVERAGE.

Most business incomes are assessed on the average of the last three completed years. This extends to clerks and other employees of private businesses, and in certain districts it is also extended to the subordinate employees of limited companies. At the present time, in view of war bonuses, this is important to be remembered by employees, for, with rising emoluments, the average, of course, tells in their favour. The average rule suffers a great many qualifications in favour of the taxpayer, and these we mention briefly.

1. *New Business.*—A new business is taxed for the first year on an estimate, or, more commonly, on the result when ascertained at the end of the year; in the second year, on the first year's figure; in the third year, on the average of the first and second years; thereafter, the ordinary rule is applicable. But in any of the first four years the actual result when ascertained may, if less, be substituted for what has been charged.

2. *Discontinued Business.*—When a business is actually discontinued (not merely transferred), the final three years may be overhauled and reduced to the actual results, and tax recovered if due; but it must be all the three years or none.

3. *A Successor in Business* is subjected to the average of the preceding years, but he may, in any of the first three years, substitute the actual result if he can show that reduction of profits is due to a specific cause.

4. *Substituted Average.*—If there is a diminution of income due to the war, "directly or indirectly" (which is very wide), there may be taken by the taxpayer the average of the two (not three) preceding years and the year of assessment. But if that would give a lower figure than the year's actual result, then the latter must be taken.

5. *War Service Relief.*—In this last case, if the taxpayer is serving in the war, he gets off with the year's actual result if that is better for him. In a firm, one partner may get this benefit and the others only the substituted average.

6. *Individual's Total Income.*—If an individual (not a firm) shows that his (and his wife's) actual total income for any year is more than 10 per cent. less than the total assessments, he is allowed to substitute the actual figure. The bearing of this on the matters dealt with above may require careful consideration.

(To be continued.)

## The Week in Mines.

There has been less activity in the Mining Markets this week, and the tendency has been generally dull. Rhodesian shares have been under the influence of the disappointing Gaika development, and consequently a great deal of the recent advance has been lost. Broken Hills have been bought on Colonial account, and Tin shares and Mexican descriptions have been supported.

## SOUTH AND WEST AFRICANS.

Extraordinary heavy rains have again fallen in the Transvaal and other parts of the Union. The Transvaal Gold Mining Estates report the flooding of the Vaalhoek and Elandsdrift mines, and that crushing operations at all its mines are suspended. The shares have fallen 2s. 6d. to 15s., and Luipaard's Vleis, whose operations have also been affected adversely by the rains, have been dull at 3s. 6d. Springs have been on offer, and are  $\frac{1}{2}$  down at 3 $\frac{1}{2}$ , while Modder B at 8 $\frac{1}{2}$ , Geduld at 2 1-32, and Modder Deeps at 7 $\frac{1}{2}$  are also appreciably lower. South African Gold Mines have risen 1s. to 15s., and Wit. Townships 1s. to 16s. In the Rhodesian section, while Gaikas have recovered to 20s., the rest of the market has reacted to a lower level. Lonely Reefs have declined 1s. 9d. to 34s. 6d., and Tanganyika debentures have fallen  $\frac{1}{2}$  to 7 $\frac{1}{2}$ . Diamond shares have been steady. Small-priced West African shares have been actively dealt in, but the public should leave these shares alone, for the activity is entirely due to professional operations.

## COPPER AND MISCELLANEOUS.

Copper shares are easier; Rio Tintos have declined  $\frac{1}{2}$  to 64 $\frac{1}{2}$ . Tin shares have been active and firm, on the high price realised for the metal, which during the week has fluctuated between £313 10s. and £323 10s. per ton. Kintas have risen  $\frac{1}{2}$  to 2 $\frac{1}{2}$ , partly on the report, and Tronohs  $\frac{1}{2}$  to 14 $\frac{1}{2}$ . Dolcoaths at 13s. 3d., Geevora at 19s. 3d., South Crofts at 31s., and Fast Pools at 24s. 3d. have been active and firm. Among Broken Hill shares Proprietaries were actively bought on the issue of the last two half-yearly reports, and show an advance of 2s. 9d. to 63s. South Silvers, however, have declined  $\frac{1}{2}$  to 10 $\frac{1}{2}$ . Russians naturally show a further decline; Russo-Asiatics are  $\frac{1}{2}$  lower at 2 $\frac{1}{2}$ , and Tanalyks 5-32 lower at 1.

Mexican shares have been supported, on the improvement in the relations between Mexico and the United States and the reports of increasing activity in the Southern Republic. El Oros have risen 9d. to 9s. 3d., and Esperanzas 6d. to 9s. 3d. Frontinos have risen sharply to 14s. 3d., and Casey Cobalts are 1s. higher at 8s., on a report that the new mill is ready to start work. There has been some selling of Indian shares. Burmas have declined  $\frac{1}{2}$  to 4 $\frac{1}{2}$ , Mysore  $\frac{1}{2}$  to 2 $\frac{1}{2}$ , while Nundydroogs, on the reduction in the dividend for the past year from 3s. 6d. to 3s. 4d. per share, have eased to 26s.

## MINING NEWS.

BROKEN HILL PROPRIETARY.—Cable advices have been received from Melbourne giving fuller particulars of the results for the two last half-yearly periods. In the half-year ended May 31 there was a nett profit of £269,769, which is arrived at after

deducting £16,897 for depreciation, £25,222 for debenture interest, and £26,500 for sinking fund. There was expended in construction £236,997, of which the Newcastle Works accounted for £235,563. Liquid assets amounted to £707,292, exclusive of the 200,000 Smelters' Proprietary shares. Profit and loss account shows a credit of £1,560,185. At Broken Hill 93,717 tons of ore were mined. Exploratory work disclosed nothing. There were treated 83,951 tons, which produced 14,712 tons of lead concentrates. The zinc concentration plant produced 33,956 tons of zinc concentrates, assaying about 46 per cent. zinc. Slime flotation plant produced 8,171 tons of lead concentrates, and 18,935 tons of zinc concentrates. The report for the half-year ended November 30 shows a nett profit of £290,881, after deducting depreciation £16,251, debenture interest £26,582, and sinking fund £26,500. Since a strike in August caused a suspension of work for several weeks it is clear that the increase in profits was relatively much larger than is actually shown. Expenditure on construction amounted to £199,951, of which the Newcastle Iron and Steel Works absorbed £195,180. In view of the fact that the credit at profit and loss account had been increased to £1,734,965, the directors decided to transfer £1,500,000 to reserve fund, making the latter £1,875,000, and the credit at profit and loss £234,965. Liquid assets amounted to £821,000. Owing to the labour troubles only four months' work was done at Broken Hill. The output was 55,316 tons of ore, being only half of that for the corresponding period of 1916, and costs were consequently increased. There were produced 7,685 tons of lead concentrates from 48,986 tons of ore, and tailings yielded 1,435 tons of lead concentrates. Zinc plant produced 21,960 tons of zinc concentrates, and slime plant produced 5,592 tons of lead concentrates and 13,407 tons of zinc concentrates. Great activity prevails at the Newcastle Steel Works, where important extensions are being carried out. There were produced during the half-year 41,351 tons of pig-iron, and 52,878 tons of steel; also 23,398 tons of steel rails and 11,076 tons of structural steel. The 18-inch mill produced 7,461 tons; the 12-inch and 8-inch mills started in July and produced 988 tons of merchant bars.

EAST INDIAN COAL.—During the half-year ended October 31 a profit of £9,607. A dividend of 8 per cent. for the half-year is again paid, and £1,145, against £1,138, is carried forward. The output rose from 276,634 tons to 313,063 tons, but costs of production continued to advance also.

BROKEN HILL SOUTH SILVER.—The report for the half-year ended December 31 shows that the mill treated 69,390 tons of crude ore, which yielded 12,970 tons of lead concentrates as compared with 157,460 and 27,650 tons respectively, the decrease being due to the strike of last autumn. Including development expenses the working costs averaged 23s. 1d., a decrease of 4s. 7d. per ton. The nett profit for the half-year was £154,062 as against £225,292, and the capital expenditure £8,442 against £17,032.

TRANSVAAL AND DELAGOA BAY.—In the year ended August 31 this company made a nett profit of £61,872, an increase of £17,400. The dividend after remaining at 1 $\frac{1}{2}$  per cent. for five years is increased to 2 $\frac{1}{2}$  per cent., and the carry forward is £125,872. Surplus cash assets amount to £158,549. The increase in profits was largely due to larger sales of coal, the production of which amounted to 674,367 tons, an increase of 100,530 tons. There was written off for depreciation £7,726. Shareholdings have been slightly reduced, but holdings of British Government securities have been increased to £90,150.

HAMPDEN CLONCURRY.—The report for the half-year ended August 31 shows that the ore reserves are estimated at 275,200 tons, containing 19,130 tons of copper. Production of blister copper amounted to 3,311 tons, containing 3,260 tons of copper, 1,180 ozs. of gold, and 22,412 ozs. of silver. The working profit was £116,363 against £165,223, and the nett profit £96,858 against £143,816. From this dividend No. 11, amounting to £17,500, has been paid, and transfers made of £11,888 to depreciation reserve, £17,500 to equalisation reserve, £50,000 to reserve for development and plant expenditure, and £58 is carried forward. Surplus of liquid assets amounts to £188,284. Labour troubles have hampered the realisation of the metal produced, and the increased financing required has interfered with dividend distribution, but it is hoped to resume payments at an early date.

## OILFIELDS PRODUCTION.

Anglo-Egyptian Oilfields.—For past week:—Gemsah, 21 tons (last, 25 tons); Hurghada, 3,179 tons (last, 3,229 tons).

British Burmah Petroleum.—Total crude oil by this company and Rangoon Oil Co., 75,926 barrels for January.

Maikop Orient Oil.—Plot 435a, Well 3.—For week ended January 19, 15,400 poods.

United British Oilfields of Trinidad.—For week ended Wednesday, February 13, 611 tons.

It is officially estimated that last year Canada produced 17,000,000 ozs. of gold, 23,500,000 ozs. of silver, 113,000,000 lbs. of copper, 56,000,000 lbs. of lead, 1,186,000 tons of pig-iron, 1,735,000 tons of steel ingots and castings, and 14,100,000 tons of coal.

Only £140,000 a month is allowed to be exported from the United States for objects of charity.

The Treasury has been consulted under the notification of the 18th January, 1915, and raises no objection to the issue of the undermentioned Debentures and Shares. It must be distinctly understood that in considering whether they have or have not any objections to the new issues the Treasury does not take any responsibility for the financial soundness of any schemes or for the correctness of any of the Statements made or opinions expressed in regard to them.

*This offer has been duly registered with the Registrar of Joint Stock Companies.*

**TRAFFORD PARK ESTATES LIMITED**  
offer for Sale Guaranteed Debentures and Ordinary Shares in

## TRAFFORD PARK COLD STORAGE LIMITED

(Incorporated under the Companies' Acts 1908 to 1917)

**CAPITAL - - £100,000**

DIVIDED INTO

50,000 Cumulative Preference Shares of £1 each entitled to a fixed Cumulative Preferential Dividend at the rate of £6 per centum per annum (free of Income Tax to not exceeding 5/- in the £) and also preferential as to Capital; and  
50,000 Ordinary Shares of £1 each.

**OFFER of 500 Five per cent. per annum (free of Income Tax to the extent of 5/- in the £) FIRST MORTGAGE GUARANTEED DEBENTURES of £100 each at £99½ per cent., and 50,000 ORDINARY SHARES of £1 each at par.**

Cold Storage with a capacity of approximately One Million cubic feet to store Ten Thousand Tons of Beef, Mutton, Bacon, Butter, Cheese, and other perishable foods requiring Cold and Cool Storage is being erected, insulated and equipped in Trafford Park in accordance with an agreement made with the Ministry of Food. The Ministry of Food state in such agreement—

"That the provision of this Cold Storage enables the Port of Manchester to be used to better advantage for the importation of frozen produce," and that they "will so utilise it to the best advantage."

The Trafford Park Company's Statutory Railway directly connects the premises with the Manchester Docks as well as with the railway system of the Country.

The Buildings are nearing completion. The Machinery, Insulation and Equipment are contracted for under High Priority (P One) Certificates for delivery within three months, these stores being the first upon the list authorised by the War Priorities Committee of the Cabinet.

It is provided by the before-mentioned agreement that H.M. Government will advance to Trafford Park Estates, Limited (hereinafter referred to as "the Estates Company"), the cost of insulation and machinery and of any equipment necessary for utilising the premises as a Cold Store at 6 per cent. per annum. The amount so advanced is to be repaid to the Government by the Estates Company within five years after declaration of Peace.

The buildings, insulation, machinery and plant are estimated to cost approximately £110,000, to which must be added £10,649 for the land. The premises when completed and working as a going concern will be conveyed by the Estates Company to Trafford Park Cold Storage, Limited (hereinafter referred to as "the Company") at the total amount when ascertained of buildings, machinery and plant, and the value of the site, plus 10 per cent., such percentage to include the formation expenses of the Company and the expenses of and incidental to the issue of Debentures and also Interest during construction.

The purchase price is to be satisfied by the issue to the Estates Company or its nominees of Debentures and/or Preference and/or Ordinary Shares of the Company at the option of the Estates Company (the shares being credited as fully paid) to a nominal amount equal to such purchase price.

It is not intended to issue any of the Preference Shares of the Company at present.

The Trustees for the Debenture Holders are Mr. J. H. BALFOUR BROWNE, K.C., and Mr. DAVID Q. HENRIQUES.

The Estates Company unconditionally guarantee the payment of the principal and interest, and also any bonus payable on redemption of the Debentures.

The interest on the Debentures will be payable, free of income-tax (to the extent of 5s. in the £), half-yearly as from the date of issue.

£10 per Debenture and 2s. per Share is payable to the Estates Company upon application. The balance is not required until the premises have been conveyed to the Company as a going concern, but will be payable within one month from the date of such conveyance. The Estates Company will pay interest at the rate of 5 per cent. per annum, free of income-tax (to the extent of 5s. in the £), upon amounts paid in advance.

The Board of Referees under Section 42 of the Finance (No. 2) Act, 1915, have fixed the Statutory percentage for Cold Storage Companies for the purposes of Excess Profits Duty at 7½ per cent., which, with the additional percentage allowed by the Finance Act, 1917, makes 10½ per cent. before Excess Profits Duty becomes payable.

The Directors of the Company are Messrs.:-

MARSHALL STEVENS, of Trafford Hall, Manchester,  
Chairman and Managing Director of the Estates Company;

THOMAS GALLAND MELLORS, of 1, King John's Chambers,  
Nottingham,  
Chartered Accountant, Director of the Estates Company;

EDMUND NUTTALL, of Trafford Park Road, Trafford Park,  
Contractor;

THOMAS LANGLEY MAYCOCK, of 108, Deansgate, Manchester,  
Ship Broker;

all of whom are Directors also of Port of Manchester Warehouses, Limited.

The full Prospectus and Forms of Application for Debentures and Ordinary Shares may be obtained from:

TRAFFORD PARK ESTATES, LIMITED,  
TRAFFORD PARK,  
MANCHESTER.

# THE CANADIAN BANK OF COMMERCE.

Head Office - - TORONTO.

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President.

SIR JOHN AIRD, General Manager.

H. V. F. JONES, Assistant General Manager.

<b>AUTHORISED CAPITAL</b> ...	<b>\$25,000,000</b>	<b>(£5,136,986)</b>
<b>PAID-UP CAPITAL</b> ...	<b>\$15,000,000</b>	<b>(£3,082,192)</b>
<b>RESERVE FUND</b> ...	<b>\$13,500,000</b>	<b>(£2,773,972)</b>

**LONDON OFFICE:**  
**2, Lombard Street, E.C.3.**

C. CAMBIE, Manager.

A. R. PHIPPS, Assistant Manager.

381 Branches throughout the Dominion of Canada, and in St. John's (Newfoundland), New York, Portland (Oregon), San Francisco, Seattle, and City of Mexico.

Agents in all the Principal Cities of the United States.

**The Bank has exceptional facilities for conducting a general banking business with all parts of North America.**

### STATEMENT OF THE RESULT OF THE BUSINESS OF THE BANK FOR THE YEAR ENDING 30th NOVEMBER, 1917.

Balance at credit of Profit and Loss Account, brought forward from last year	£164,860	1	9
Net profits for the year ending 30th November, after providing for all bad and doubtful debts	541,963	8	11
	<b>£706,823</b>	<b>10</b>	<b>8</b>

This has been appropriated as follows:

Dividends Nos. 120, 121, 122 and 123, at ten per cent. per annum	£308,219	3	7
Bonus of one per cent. payable 1st June	30,821	18	4
do. do. 1st December	30,821	18	4
War tax on bank-note circulation to 30th November	30,821	18	4
Transferred to Pension Fund	17,465	15	1
Sundry Subscriptions	14,958	18	1
Balance carried forward...	<b>273,713</b>	<b>18</b>	<b>11</b>
	<b>£7,632</b>	<b>10</b>	<b>8</b>

### GENERAL STATEMENT, 30th November, 1917.

#### LIABILITIES.

Notes of the Bank in circulation	£4,930,529	14	7
Deposits	56,799,792	0	1
Balances due to other Banks	1,618,370	4	5
Bills payable	24,833	13	10
Acceptances under Letters of Credit	1,150,205	3	3
	<b>£64,528,730</b>	<b>16</b>	<b>2</b>
Dividends unpaid	584	5	2
Dividend No. 123 and bonus, payable 1st December	107,876	14	3
Capital paid up...	<b>£3,082,191</b>	<b>15</b>	<b>8</b>
Reserve Account	2,773,972	12	1
Balance of Profits as per Profit and Loss Account	273,713	18	11
	<b>6,123,678</b>	<b>6</b>	<b>8</b>
	<b>£70,762,034</b>	<b>2</b>	<b>3</b>

#### ASSETS.

Current Coin and Dominion Notes	£11,229,913	18	3
Balances due by other Banks	4,609,261	17	10
Government, Municipal and other Securities	11,483,016	16	1
Call and Short Loans	6,891,321	14	9
Deposit with the Minister of Finance for the purposes of the Circulation Fund	170,789	0	10
	<b>£34,384,303</b>	<b>5</b>	<b>9</b>
Liabilities of Customers under Letters of Credit	1,150,205	3	4
Overdue Debts (estimated loss provided for)	48,862	5	6
Real Estate Mortgages and Other Assets	296,834	7	9
Bank Premises	1,045,905	18	2
	<b>£70,762,034</b>	<b>2</b>	<b>3</b>

B. E. WALKER, President.

JOHN AIRD, General Manager.

Certified by the Auditors: T. Harry Webb, C.A., of Webb, Road, Hegan & Co., Birmingham; and James Marwick, C.A., of Marwick, Mitchell, Peat and Co., Toronto, 19th December, 1917.

## Tea, Oil and Rubber.

Nothing has occurred either to cheer or greatly depress the rubber market this week, and the price of standard crêpe has kept reasonably steady round 2s. 3½d. Imports last week amounted to 945 tons, while the deliveries were 573 tons, leaving the stocks standing at 12,225 tons, against 9,780 a year ago. The policy of restricted tapping does not appear to have made a very auspicious start. It is true that the January returns, which will be found on another page, show some falling off as compared with the previous month, but a year ago a similar phenomenon was witnessed in a more accentuated form, and the explanation probably is that at the end of the year a good deal of what in mining would be called "sweepings" are included in the returns. However that may be, it is evident that the suggested reduction of 20 per cent. in output has not yet made much progress. Of course, if it really proves workable—as to which we have grave doubts—the curtailment of supplies would doubtless help to raise the price of the material temporarily, but whether the results are likely to justify the risks inseparable from such a policy must remain an open question until thoroughly tested by actual experience.

UNITED SERDANG (SUMATRA) RUBBER PLANTATIONS, LTD.—Year to August 31. Issued capital, £250,000 in 2s. shares. Estate account, £493,750. Reserves, £255,000.

	1915.	1916.	1917.
Nett profit.....	£151,160	£213,965	£216,765
Dividend .....	45 p.c.	45 p.c.	40 p.c.
Carried forward .....	£14,960	£152,540	£127,120
Output .....	2,475,000	3,028,520	3,269,210
Average price .....	2s. 2½d.	2s. 5.33d.	2s. 7.32d.
All-in cost.....	11.79d.	1s. 0.60d.	1s. 3.96d.
Planted area .....	9,640	9,640	9,750
Yield per acre .....	260	315	335

Last year £40,000 was placed to reserve, and on this occasion £10,000 is so appropriated. From the 1916 carry-forward £131,700 had to be deducted for excess profits duty, and it is estimated that £95,000 will have to be paid away in respect of the past year. The average yield from 8,887 acres in bearing was 368 lbs. per acre, which may be considered quite satisfactory from a comparatively young estate, but it will be substantially increased as the trees become more mature. Of course, the company has been badly hit by the excess profits duty, but the estate is doing extremely well, and there are still 4,390 acres in reserve suitable for cultivation, so that the prospects may be regarded as very encouraging.

## Answers to Correspondents.

\*. A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.

Deposits against future queries may be lodged with the Publisher.

E. B.—We are doubtful, and regret that you should have parted with so much money to a concern which has nothing to show for itself.

W. D.—The market may flare up on some news, otherwise we see no object in buying now.

D. R. D.—The terms are no doubt the best that could be obtained. We think you should hold, as the security should be sufficient.

Edina.—(1) Well managed, with room for expansion in cultivated area, but prospects of quick capital appreciation not strong at present, as the trade has many difficulties to contend with. (2) Also good, with prospects of increase in output, but similar reasons against capital appreciation unless you are prepared to wait for some time.

T. L. C.—In your case we should say take your profit. The scheme may put them higher, but there is no certainty of this, so why not secure what you can?

P. B.—South-Eastern Deferred.

G. J. R.—The report is quite satisfactory so far as these days will allow. The company is carefully managed and the stock looks attractive if it can be got about its present price.

V. D.—We do not like the concern, and think you will be happier without the shares.

Soho.—If you are prepared to wait, they are quite a fair speculative purchase. There is nothing in sight at present to justify any quick rise,

## COMPANY MEETINGS.

## THE CANADIAN BANK OF COMMERCE.

The fifty-first annual meeting of the shareholders of the Canadian Bank of Commerce was held at Toronto, Tuesday, January 8, 1918, when the directors presented the annual report, covering the year ended November 30, 1917, together with the usual statement of assets and liabilities (which appear elsewhere in this journal).

## DIRECTORS' REPORT.

The balance at credit of profit and loss account brought forward from last year was .....	£802,319	09
The nett profits for the year ended November 30, after providing for all bad and doubtful debts, amounted to .....	2,637,555	43
	£3,439,874	52

This has been appropriated as follows:—

Dividends Nos. 120, 121, 122, and 123, at 10 per cent. per annum and bonus of 2 per cent. ....	£1,800,000	00
War tax on bank-note circulation to November 30 .....	150,000	00
Transferred to pension fund .....	85,000	00
Subscriptions to Canadian Patriotic Fund, British Red Cross Fund, British Sailors' Relief Fund (Canada), and sundry subscriptions .....	72,800	00
Balance carried forward .....	1,332,074	52
	£3,439,874	52

A most careful revaluation of all the assets of the bank has been made, and every item which might be considered as bad or doubtful has been amply provided for.

During the year the audit required by section 56 of the Bank Act has been made by the auditors appointed at the last annual meeting, in addition to the usual inspection of the head office and branches and agencies of the bank by the staff of our own inspection department.

## GENERAL MANAGER'S ADDRESS.

Sir John Aird, the general manager, spoke in part as follows: We are crossing the meridian into the second half-century of the bank's existence, and, pausing to look back, we may feel satisfaction in what has been accomplished in a comparatively short period of time. While we hold second place only among the Canadian banks in the matter of "total assets," we may point to our premier position as regards "current loans and discounts in Canada" as an indication of the importance of the share taken by this bank in the task of providing for the financial requirements of the mercantile community, and of carrying on the daily business of the country. The profits for the year show an increase of \$198,000 over the figures of the previous year, an increase not at all commensurate with the additional business transacted or the additional responsibility involved.

The deposits now amount to the very large sum of \$276,000,000, an increase during the year of \$46,529,000. We estimate the total turnover of the bank for the year at \$20,000,000,000.

Turning to the assets side of the balance-sheet, we find an increase in our holdings of cash of \$8,361,000. This represents 18.19 per cent. of our deposits and circulation, and 17.4 per cent. of our liabilities to the public, from which you will see that we have not deviated from our policy of carrying strong cash reserves in these times of difficulty and uncertainty. The large increases in our holdings of Dominion and Provincial Government securities and of British, foreign, and colonial public securities consist principally of Treasury bills of the Dominion and the Imperial Governments. Immediately available assets have increased by \$37,995,000, and now stand at 53.2 per cent. of liabilities to the public. Call loans are slightly lower than last year, but current loans in Canada have increased by \$16,083,000, the net increase in the total of our current loans being \$12,097,000. Total assets have increased by \$55,947,000, or 19.39 per cent.

The members of the staff number 3,633, including 280 messengers and 367 janitors. Of our officers, 1,422 have now taken up arms, or 75 per cent. of our present male staff, exclusive of messengers. With grief mingled with pride, we record a total loss of 153 men killed in action, 69 of whom have made the great sacrifice during the past year.

During the year the Canadian banks have been called upon to make large advances to the Dominion Government to provide for expenditures in connection with the war, and have also made advances to the Imperial Government for the pur-

chase of our wheat crop, in addition to those already current for the purchase of munitions in Canada. In all this financing the bank has taken its full share, assisting the Government in the prosecution of the war to the best of its ability.

The great need of the world is abundance of food, at reasonable prices, and if we in Canada, by stimulating production, transportation, and distribution, are able to supply the nations in abundance, we shall not only have laid broad and deep the foundations of prosperity for ourselves, but shall have earned the gratitude of the nations.

#### PRESIDENT'S ADDRESS

Sir Edmund Walker, C.V.O., the president, spoke, in part, as follows:—

We meet again with the shadow of the great war affecting everything we say or do. Although the war is in its fourth year, it is still full of surprises; indeed, the year has been one of many and swift changes. Our greatest danger is lest we should falter, because victory is less easy to attain than we thought.

In considering our industrial affairs, we find that, disregarding, as usual, shipments of gold and bullion, our exports for the fiscal year ended March 31 last were \$314,706,654 in excess of our imports, and for the following six months ended September 30 the excess was \$237,574,462, making for the eighteen months a surplus of \$552,281,116 in the value of our exports.

The field crops of Canada for 1917 are valued at \$1,089,000,000. All of this vast wealth is, however, needed for the conduct of the war, and the problem of the hour is how to apply it to that purpose, wherever it is not needed for some other equally urgent purpose. The extent to which we can supply money to our own Government for its share in the cost of the war, and also supply money to Great Britain for munitions of all kinds, including the agricultural and pastoral products of Canada bought by Great Britain, depends on how far we are willing to avoid spending money on anything unnecessary to reasonable well-being, and clearly such an effort we have not made. Now that the United States has entered the war, there is no market for our securities outside our own borders, and therefore we are being put to a greater test of our economic powers than ever before.

In January, 1917, the issue of War Savings Certificates began, and thus far over 195,000 have been sold, amounting to \$12,000,000. In March the third Canadian War Loan was brought out; the net subscriptions, after deducting conversions and the subscriptions of the banks, amounted to \$182,000,000. In August, the Minister secured in New York, by two-year 5 per cent. notes, \$100,000,000, of which \$20,000,000 were used to retire the balance of a loan obtained in 1915. In November the Canadian Victory Loan was offered. The Finance Minister created an organisation calculated to show what the Canadian people could do. An extraordinary body of bond-dealers, bankers, and other business men, aided by the 3,000 branches of the banks, in a comparatively short campaign secured subscriptions for \$417,000,000 from 807,000 people.

The actual disbursements of Canada for the war, to November 30, 1917, amounted to \$685,000,000. To this must be added outstanding expenses and estimates for the balance of the year to cover requirements here, in Great Britain, and in the field of war. These, carefully computed, indicate that at the end of the year the cost of the war to Canada was about \$760,000,000.

The sales of Canadian securities for the calendar year 1917 show a much larger total than ever before, but the issues, other than those of the Dominion Government, are naturally very small.

We have found it difficult to obtain statistics regarding the quantity and the value of the various kinds of war supplies made in Canada. There is a reduction in the output of many kinds of shells, fuses, and cartridge cases. On the other hand, however, there is an important development in the building of steel and wooden ships and of aeroplane engines, and also of aeroplanes of a certain type. There are now under contract in Canada for the Imperial and the Norwegian Governments steel and wooden ships aggregating in value over \$90,000,000.

In the president's address, until a few years ago, an attempt was made to cover, in more or less detail, the industrial position of Canada and of such other areas as, through our branches, we may be connected with. This is now done much more satisfactorily in the Review of Business Conditions written by leading officers of the bank. For the last two years we have also been publishing a Monthly Letter, the importance of which is now widely recognised. In it the current statistics of finance and trade are published. We hope that those among our shareholders and customers who are sufficiently interested will read these publications.

We have been told that we should save money, not for our own benefit so much as because we should not spend on unnecessary things the money needed to carry on the war. If we have men, money, and food we shall win. If we fail in any of these we may lose. Difficult as the problem may be, we must produce more, and we must eat less, otherwise we may lose our chance of dictating a peace, the nature of which shall be a guarantee that our children shall not have to fight again for those liberties which are now in jeopardy.

The motion for the adoption of the report was put and carried, also the resolution appointing Mr. T. Harry Webb, C.A., and Mr. James Marwick, C.A., auditors until the next annual meeting, in accordance with the provisions of Section 56 of the Bank Act.

After votes of thanks to the president, directors, general manager, and staff, the meeting terminated.

#### IMPERIAL TOBACCO CO. (OF GREAT BRITAIN AND IRELAND).

The sixteenth ordinary general meeting of the Imperial Tobacco Co. (of Great Britain and Ireland), Ltd., was held on Tuesday at Bristol, Mr. George Alfred Wills (the chairman) presiding.

The Secretary (Mr. George A. Folk) read the notice convening the meeting and the auditors' report.

The Chairman said: The accounts now submitted for approval cover the sixteenth year of the company's operations. They again show an increase in the nett profits as compared with the previous year, and they also display a sound financial position. The return from our large holdings in associated companies operating abroad continues to be highly satisfactory. Turning to the profit and loss account, you will observe that the nett trading profits and dividends for the year to October 31, 1917, after allowing for income-tax and excess profits duty, amounted to £3,538,539 3s. 3d., from which must be deducted £50,000 added to the provision for pensions, and £1,000,000 transferred to the general reserve account. There is then left a balance of £2,488,539 3s. 3d., which, added to the unappropriated balance of profit from October 31, 1916 (after deducting £197,547 18s. 3d. paid by way of final distribution of bonus to customers for the year to that date), gives an available balance of £2,510,562 14s. 3d.

When I last addressed you I gave you some particulars of the numbers of the company's employees serving in H.M. Forces, and up to the present time the number of the company's employees so serving is upwards of 4,200. The continual withdrawal of men from our factories for military service is making the carrying on of the company's business increasingly difficult. Supplies of packing material and stores of all kinds are more and more difficult to procure, and there is often considerable delay in the transport of commodities. In spite of these difficulties I am glad to be able to assure you that the character and quality of the company's goods have been and will be maintained.

It will I am sure be gratifying to you to know that in November last we were honoured by a visit of their Majesties the King and Queen, who inspected the W. D. and H. O. Wills Factory in East Street, Bedminster, Bristol. Their Majesties expressed in very gracious terms their satisfaction with all they saw, and asked particularly to be shown the making of "Wild Woodbine" cigarettes which are so popular with the troops.

For some years past the board have been able to make a gift to their employees over and above their normal salaries or wages, and in view of the loyal work that has been done in maintaining the business of the company under the trying conditions of the past year, I am sure you will approve the decision of the board to make once more a gift to every one in the service of the company who completed not less than twelve months' service on October 31, 1917, being the close of the last financial year, and who remains in the service of the company to-day. This gift will be at the same rate as last year—namely, 11 per cent. of the total salary or wage earned by each recipient during the twelve months in question, and those men who are away on H.M. service will receive the same share in the gift as they would have received had they been at work with the company. The conditions of the gift will be the same as in past years, the directors reserving to themselves a discretion to grant or withhold the gift in any case which may appear to them to demand exceptional treatment. Last year I told you that a number of war savings associations had been established throughout the company's branches, and that large numbers of employees were investing their savings in War Savings Certificates. Investment by employees through these associations has steadily continued throughout the year. With a view to promoting thrift and to encourage employees to hold National War Bonds and War Savings Certificates the directors have decided in this year of unprecedented difficulty to make a special gift to every one in the service of the company in the United Kingdom who completed not less than twelve months' service on October 31, 1917, and who remains in the service of the company to-day. This special gift will be paid in the form of National War Bonds or War Savings Certificates, and will amount to 6 per cent. of the total salary or wage earned by each recipient during the twelve months in question. Employees in the United Kingdom who are on service will receive the same share in this special gift as they would have received had they been at work with the company. The conditions of the special gift will be the same as those which apply to the 11 per cent. gift. This gift is made

with the special object of promoting thrift and saving among the company's employees, and the directors earnestly hope that employees will not only continue to hold the War Bonds and War Savings Certificates they receive, but will also make every effort to add to them.

Adverting to the profit and loss account, I should mention that before arriving at the balance available for dividends we have, as hitherto, made all the reserves which we considered necessary or prudent, including provisions for income-tax and excess profits duty. The dividends we propose to distribute, which are shown in the appropriation account, are at the same rates as those for the previous year. The prescribed dividends have been, or will be, paid upon the "A"  $\frac{5}{8}$  per cent. cumulative preference shares, the "B" 6 per cent. non-cumulative preference shares, and the "C" 10 per cent. non-cumulative preference shares, and it is proposed that there shall be declared upon the ordinary shares a dividend of 10 per cent. for the year (free of income-tax), on account of which 5 per cent. was paid in September last, and that, in addition, a bonus shall be paid upon these shares of 2s. 6d. per share (free of income-tax). After providing for these dividends, and deducting £133,348 os. 6d. for interim bonuses paid to customers for the half-year to April 30, 1917, there will remain, subject to final distribution of customers' bonus for the year to October 31, 1917, a balance to be carried forward to the current year of £271,025 4s. 11d., which is about £51,500 more than was brought into the accounts from the previous year. Turning now to the balance-sheet. On the liabilities side there is little to comment upon. The share capital remains as before. The provision for pensions, &c., now stands at £786,520. The increase in the item of creditors, &c., is mainly due to the large provision necessary for excess profits duty and income-tax, and the bills payable and drafts in transit are in respect of leaf purchases.

Upon the assets side of the balance-sheet the item of land, buildings, plant, and machinery is somewhat higher than last year, the expenditure upon additional land, buildings, and plant being more than the amount of depreciation written off for the year. Goodwill remains at practically the same figure as last year. The investments in associated companies are stated, as before, at cost less reserves, including provision for estimated capital liability under dividend guarantees. These investments, as you are aware, largely consist of shares in companies operating abroad, from which, as you know, a very considerable revenue is obtained, and their value is much in excess of the book figures. But until the investments are realised, the method is described of dealing with them in the balance-sheet is the prudent and sound one. The stock-in-trade stands, as before, at substantially below cost, owing to the provisions which the directors have thought it proper to make against fluctuations in the price of leaf. These provisions are very substantial in amount, but looking to the future, with its uncertainties, not only in the price of leaf, but in the maintenance of supply for manufacture, the directors believe a cautious course to be the right one to pursue. No one can forecast the future. The figure at which the stock stands is higher than last year, largely owing to the increased cost of leaf. The increase in the cost of tobacco leaf in America, where, unfortunately, the greater part of our stock now lies, has been abnormal; in fact, prices are higher now than they have been at any time since the American Civil War. I think you will expect me to tell you something of the prospects of the nation's tobacco supplies during this critical period. Let me remark first of all that in anything I have to say on this subject I must not be supposed to be reflecting in any way on the Tobacco Control Board. They were only appointed in May, 1917, and, if I may say so, they have at all times done their best in a difficult and thankless position. What, then, are the prospects? I can only tell you honestly that the prospects are not encouraging. Since an early period in the war, when we were carrying the usual reserves to leaf which prudence dictated, drastic restrictions have been imposed upon the import of leaf tobacco, while the rate of consumption has steadily increased. In the result the stocks in this country have dwindled to a dangerously low point. Whether this position could or ought to have been avoided we need not now discuss; as practical men we must examine the position as it is to-day, and what do we find? Are sufficient steps now being taken to prevent a shortage in the nation's supply of tobacco? To that question I am bound to reply that they are not. Certain provisions have been made for import during the current year, but even if they are fully realised they will not suffice to avert a shortage, and, unless these provisions are increased, supplies to the smoking public will have to be cut down before we are many weeks older. This brings me to another question: What will be the effect of a tobacco shortage? An average smoker, we may say, consumes some two or three ounces of tobacco a week. What will happen if he goes short? In the first place, I think that his temper and his nerves will suffer. That is a matter which we cannot regard lightly in these days, when most men are working at high tension. But, apart from the effect on temper and nerves, will the ounce or two per week of which smokers will be deprived really represent so much saved tonnage to the nation? I very much doubt it; in fact, I say with some confidence that if you take away some or all of a man's weekly ounces of tobacco you will find that he will add at least as many ounces to his weekly consumption of food; and a great part of a man's food comes to him from overseas. Therefore, the saving of tonnage is, to say the least of it, problematical. Let me point out another thing that will happen if tobacco supplies to the public have to be cut down. Tobacco is not an article of uni-

versal consumption, like sugar. If sugar runs short, the shortage can be apportioned over the whole community. Now, a hardship that is shared by all is not the worst kind of hardship. So long as a man feels that all his fellows are in the same case as himself, he can bear his hardship with a good grace. But if he feels that his hardship is not shared by his neighbour, it becomes doubly irksome. And that is what will happen if there is a shortage in tobacco. I am a tobacco manufacturer, and as such I shall be suspected of having a biased mind, but I have tried to put the position before you plainly and from the national point of view. The whole question really resolves itself into this: Is it in the national interest to let tobacco run short? I believe that no man who considers the question dispassionately can fail to come to the conclusion that this would be a most dangerous and, in the end, a most unreal form of economy. The increased tonnage necessary is inconsiderable, but unless it is provided I must warn the public that the shortage is coming.

The Deputy-Chairman (Mr. William Nelson Mitchell) seconded the resolution, and it was carried.

## THE STERLING TRUST.

The first ordinary general meeting of the Sterling Trust, Ltd., was held, on Tuesday, at Winchester House, Old Broad Street, Baron Emile B. d'Erlanger (chairman of the company) presiding.

The Secretary (Mr. B. R. Tomlinson) having read the notice convening the meeting and the auditors' certificate,

The Chairman, in moving the adoption of the report and accounts, said that the total investments stood in the balance-sheet at £3,873,938. They still held the £2,400,000 of 6 per cent. Exchequer bonds, and their American railway holdings were valued in their books at £1,323,500, while they had miscellaneous securities valued at £150,000, and £88,000 of Treasury bills. The balance-sheet revealed a very strong and liquid position, for, outside the American assets, they held £2,650,000 of immediately realisable securities. After payment of debenture interest, there was a revenue balance of £89,374, which included an exceptional receipt of approximately £19,000. The directors had placed £25,000 to reserve, and recommended the payment of a 6 per cent. dividend, carrying forward £8,000, subject to excess profits duty, if any, and directors' additional remuneration. According to the estimates they had made for the current year, based upon the income of the year under review and the present rate of taxation, they should have enough to maintain their dividend of 6 per cent., and still have a substantial margin. He foresaw no probable difficulty in reinvesting the £2,400,000 represented by their Exchequer bonds with safety at an average of 6 per cent. or more, nor did he think they would have to go far afield to do so. The development of the British Empire itself would afford a fruitful field for investment. A corporation which represented close on £4,000,000 of money, and which had stood by the Government in its hour of need to the fullest extent of its resources, had a right and a duty to make its voice heard.

Proceeding the Chairman said: The question of a tax on capital has been very much to the forefront lately, and, like all other men with large financial responsibilities to the community, I have given the matter a good deal of thought. It is not sufficient, in my opinion, to say that we are confronted with the sole choice of two evils—excessive direct taxation or a capital tax—and I believe it is not beyond the ingenuity of practical financiers to find another device, another solution, to tide over the years of stress that will follow the war. The problem can only be carefully studied and solutions propounded in the light of exact data—that is to say, when we know the extent of our liabilities and the yearly revenue that has to be raised to meet them. It must not be forgotten that when England emerged from the Napoleonic wars, it did so with quite as heavy a burden for its then national resources as we should have to bear if the war now came to an end. Let me substantiate this assertion by a few figures. The population of the United Kingdom in 1815 has been computed at some 20,000,000; it now exceeds some 45,000,000. In 1815 the national income is estimated to have been £350,000,000 annually; in 1915 it is estimated to have reached £2,300,000,000. Economists are generally agreed that a reliable and conservative basis upon which to estimate the national assets is to value them at six and a-half times the national income. On that basis, in 1815 the national assets would have been £2,275,000,000, whilst in 1915 they had risen to £15,000,000,000. Who would gainsay that in 1914, just under a hundred years after the close of the great Napoleonic war, our national debt, standing at approximately £800,000,000, was not a light burden for the community to bear? And I venture to think that, if the British Empire should resume its development at the end of the war at the same rate of decennial progress, but few generations would pass before the burdens of this great war, if they do not exceed £6,000,000,000 to £8,000,000,000, became as light to bear as those of the Napoleonic period. What we have, therefore, to secure is the certainty that the Empire will be able to resume its natural course of progress and development in assured peace, and that the material resources for this development will not be destroyed by any act of our own volition. What is perfectly clear to me is that a tax upon capital sufficiently large to effect any material reduction of the national debt would have the effect of defeating in advance the most vital object we have in view after the war—the reconstruction and development of our industrial, commercial, and financial potentiality, which has been, concurrently with the sound principles of our political

constitution and the noble aims of the civilising influence we exercise over vast regions of the earth, one of the pillars of granite upon which rests the astounding structure of the British Empire.

Sir George A. Touche, M.P., seconded the motion, which was carried unanimously.

The dividend recommended was declared; Baron Emile B. d'Erlanger, the retiring director, was re-elected; and Messrs. Price, Waterhouse and Co. were reappointed auditors.

Mr. W. Sandford Poole, in moving a vote of thanks to the chairman and his colleagues on the board, said that the directors were to be congratulated on the first report they had issued under the new circumstances. They had made a very good start, and he looked forward to the trust proving a great success.

Mr. Michael B. Snell seconded the vote, which was unanimously accorded, and a brief acknowledgment having been made by the chairman, the proceedings terminated.

### NATIONAL PROVIDENT INSTITUTION.

The eighty-second annual meeting of the National Provident Institution was held yesterday at the Cannon Street Hotel, E.C., the Hon. Vicary Gibbs (chairman of the company) presiding.

The Actuary and Secretary (Mr. L. F. Hovil) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that whilst the new sums assured had somewhat diminished, the new annual premiums payable amounted to the gratifying figure of £26,472, and they had received the substantial sum of £13,168 by way of single premiums. In one particular, however, the new business had undergone a marked change; they were of necessity getting it more from those past military age or exempt from military service. Owing to this ruling out of the smaller insurances on the lives of young men who were now mostly engaged in fighting, there was a marked fall in the number of new policies issued. It amounted to quite 50 per cent. In 1912 they issued 1,817 policies, against 819 last year, but though the new sums assured were larger in the aggregate, the corresponding new premium income was almost the same, and in single premiums they only received £12,052, against the figure now reported of £13,168. The death claims amounted to 90 per cent. of the amount expected. This was quite a high figure, but it included all the war claims, and compared favourably with other companies. They had every reason to be thankful, because for the whole of the last five years, in spite of war claims totalling £117,555, the total death claims were only £21,000 in excess of the previous quinquennium. As regarded expenses, to have directed the affairs of the institution at a cost representing £9 18s. 6d. of the premium receipts must be a matter for congratulation.

The report and accounts were unanimously adopted, and the retiring directors and auditors re-elected.

A special general meeting was then held to consider the expediency of passing a resolution effecting various alterations in Rule 28. At this meeting the Chairman made his address on the quinquennial valuation, remarking that it was surprising that in spite of the war they should have done practically as much new business as they transacted during the previous quinquennium. What was even more pleasing was that they had accomplished this without any increase in the very moderate outlay for expenses of management. The investigation into the soundness of their assets showed that the condition of their securities was highly satisfactory. Their holding in British Government securities had increased by over £500,000 during the past year, and now stood at more than 1½ millions, or 21½ per cent. of their total funds. They had now no less than 91 per cent. of their funds in home, Indian, or Colonial securities, as against 77 per cent. in 1912, their home securities alone having increased from 63 per cent. to 79 per cent. Their holdings in all other countries totalled only about 7 per cent., against 12 per cent. five years ago. The actuary in his report valued the total liabilities at £6,742,437, the difference between this sum and the assurance fund being £375,000. The actuary had, however, purposely refrained from calling this difference "divisible surplus." Obviously in the midst of this tremendous war the ordinary peace reserves were not sufficient. On the other hand, it was impossible to calculate exactly what further reserves should be made to meet the extra risks arising out of the war; therefore the only safe course to adopt was to carry forward any surplus disclosed by a valuation made on an ordinary pre-war basis. In the board's opinion, any division of profits under the present conditions would be an act of folly to which they could not be a party. Their object was to maintain the National Provident in such a position of strength that after the war it would not suffer by comparison with any other company. There was a feeling that when peace came a large part of the depreciation now being written off would have disappeared, and that they would be able to go back to the full pre-war rate of bonus. He did not agree with that view. Any appreciation would only come gradually, and it was safer for them to make up their minds that the war would cost the equivalent of something like a five-years' bonus than to entertain the flattering hope that the greater part of the present loss would be recovered at an early date. On the other hand, he, personally, could not imagine that the war would be so prolonged that they would not be able to resume payment of a bonus, and a good bonus, five years hence.

The alterations in Rule 28 were duly carried, and the proceedings terminated with a vote of thanks to the chairman.

### RAILWAY SHARE TRUST AND AGENCY.

The twenty-ninth annual general meeting of the Railway Share Trust and Agency Company, Ltd., was held on Monday at the Cannon Street Hotel, E.C., Mr. C. C. Macrae (the chairman) presiding.

The Secretary (Mr. A. Waller Hall) read the notice convening the meeting and the auditors' report.

In moving the adoption of the report and accounts, the Chairman said he had to express the unfeigned regret of the board at the loss of two of their colleagues. The first in point of time was his own loved son (Lieutenant Frank Laing Macrae), who had given his life for his country like so many other gallant youths. The second was Captain Malcolm Laing, who was the senior director. To fill these vacancies Mr. L. E. Chalmers (of Messrs. Brown, Shipley, and Co.) and Mr. Thomas Gilbert Scott (of Messrs. Laing and Cruickshank) had been elected directors. Turning to the accounts, the Chairman stated that, including the amount brought forward, the balance at the credit of profit and loss was £47,909, and, after paying the full dividend on the B stock and 3 per cent. on the A stock, there remained £7,631 to be carried forward. The reserve fund had been increased to £96,352. He thought it would be agreed that the accounts showed the company to be in a very sound and satisfactory condition, subject always to the question of the depreciation of their investments. The valuation which had been made disclosed a depreciation on the book values of £128,000, or slightly under 11 per cent., and in the case of this company, as well as of the sister company—the Railway Debenture Trust—the greater part of the depreciation was due to the slump that occurred towards the close of their financial year in American securities. If this depreciation represented an actual loss they would have to regard their reserve fund as wiped out, but he felt confident that most of it, in the absence of anything in the nature of a public catastrophe, would be recovered in the course of time.

Mr. Richard S. Guinness seconded the motion, which was carried.

### RAILWAY DEBENTURE AND GENERAL TRUST.

The forty-fifth annual general meeting of the Railway Debenture and General Trust Co., Ltd., was held, on Monday, at the Cannon Street Hotel, E.C., Mr. C. C. Macrae (the chairman) presiding.

The Secretary (Mr. A. Waller Hall) read the notice and the report of the auditors.

The Chairman, after alluding to the changes in the directorate to which he had referred at the meeting of the Railway Share Trust and Agency Co., said that the gross profits of the period under review amounted to £108,497, or about £1,000 less than in the previous year. That falling off was more than accounted for by the non-payment of £2,000 which ought to have been received by way of interest from their investment in Russian Treasury bills, which had been repudiated by those for the moment in power in Russia. It was proposed to pay a final dividend on the ordinary stock, making up the final distribution for the year of 5 per cent., and to carry forward £8,501. The reserve account had been further increased to £272,918. A valuation of the investments showed a depreciation of approximately 16 per cent. to 17 per cent. on the book values. For many years they were content to invest in debentures paying 5 per cent., and those of the character acquired by them might be taken all round as having cost about par. With the change in the value of money brought about by the war, the price of such securities had been reduced by about 20 per cent., but it was not unreasonable to anticipate that after the war there would be a return to money on a 5½ per cent. basis, in which case 50 per cent. of their present depreciation would disappear. He concluded by moving the adoption of the report and accounts.

Mr. Richard S. Guinness seconded the motion, and it was carried.

### Flotsam of Russian Revolution.

Amongst the items of news published this week relating to affairs in Russia are the following:—Owners in Russia possessed of more than four horned cattle are to be subject to a levy of £5 a head, and those who have more than two pigs are to pay £2 per head.—Non-State railways in Russia, either working or under construction, are to be declared State property, and the shares quoted in Russia and foreign markets will be annulled.—Red Guards, that is to say, the armed emissaries of the Bolshevik tyranny, now hold sway over more than half of the population of Finland, but the centre of the country is in the hands of the White Guard, who may be considered Finnish patriots.—Chita, the capital of Transbaikalia, Siberia, has been taken by the revolutionary troops, at the head of whom was a band of specially selected Cossack leaders, under the Cossack leader Ivanoff.—The decree whereby the Russian Republic only recognises civil marriages fixes the marriageable ages of males at 18 and females at 16, and prohibits the marriages of cousins. Insanity is a bar to marriage, and illegitimate children have the same rights as legitimate.—A Riga telegram, via Berlin, asserts that the "better-class Letts" ardently desire the advent of the German, not merely for the purpose of the temporary protection of lives and property, but to pave the way for a complete surrender of Esthonia and Livonia to Germany.—Bonds of the Russian Liberty Loan not exceeding 100 roubles in value are to be issued under the decree of the People's Commissioners by the State Bank as paper currency at current rates. Those who refuse to accept these bonds at their face value will be prosecuted and punished with the utmost severity of the revolutionary laws.

## INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE		
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Assam Bengal	Dec. 1	Rs. 1,30,307	—	Rs. 3,276	11,16,150	—
Barsi	" 8	16,100	—	3,700	5,77,000	—
Bengal & N.W.	Nov. 24	3,65,620	—	88,445	25,62,240	—
Bengal Nagpur	Dec. 8	11,18,000	+ 1,75,000	3,68,81,578	31,63,544	—
Bombay, Baroda	Feb. 2	15,28,000	+ 26,000	2,50,09,000	10,15,000	—
Burma	Dec. 1	4,34,871	—	36,671	35,08,824	—
Delhi Umballa	Feb. 9	82,200	+ 13,211	16,93,786	2,54,595	—
East Indian	" 9	23,62,000	—	45,000	4,38,23,000	—
Gt. Indian Penin.	" 9	2,70,400	+ 1,93,100	4,18,23,411	29,97,529	—
Lucknow-Bareilly	Nov. 24	41,599	—	3,018	3,12,651	—
Madras and S.					14,440	—
Mahratta	Dec. 8	10,90,000	+ 48,788	92,20,000	4,46,210	—
Nizam's Gd. (Broad)	" 8	1,25,301	—	2,928	11,93,681	—
" (Metre)	" 8	1,08,008	+ 6,828	7,22,830	21,688	—
Robilkund and						—
Kumaon	" 1	49,020	+ 11,625	3,55,047	15,899	—
South Indian	" 1	6,23,248	+ 6,989	62,99,588	3,62,399	—

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Dublin United	Feb. 8	£ 7,496	+ 1,918	39,873	£ 6,889	—
Hastings and Dist.	" 18	963	+ 140	6,476	410	—
Isle of Thanet	Jan. 5	164	—	2,290	1,434	—
Lancashire United.	Feb. 13	2,592	+ 986	15,503	4,752	—
Provincial	Jan. 19	2,265	+ 385	36,795	4,863	—
Yorks. (West. Rdng.)	Feb. 17	2,515	+ 773	16,259	3,838	—

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

		£	+	£	Ms.	£	+	£
Alabama Power ..	Nov. 18	114,966	+	24,747	12	1,277,830	+	359,725
Anglo-Argentine ..	Feb. 18	53,304	+	304	368,767	+	18,531	—
Auckland Electric ..	Oct. 26	22,308	+	880	a	92,118	+	7,832
Brazilian Traction ..	Dec. 8	M7,312,000	+	M757,000	12	M84,685,000	+	M7315,000
Brisbane Elec. Inv. ..	Oct. 2	33,580	+	820	10	328,420	—	2,000
British Columbia ..	Dec. 5	£167,333	+	£30,967	5	£599,797	+	£60,091
B. A. Lacroze ..	Jan. 5	Rs. 38,902	+	760	7	269,377	+	340
Burmah Electric ..	Feb. 16	Rs. 25,429	+	Rs. 1,627	12	134,537	+	Rs. 144
Calcutta ..	Feb. 16	Rs. 70,548	+	Rs. 1,776	*	Rs. 20,306	+	Rs. 13,424
Carthagen and Herrerias ..	Jan. b	4,011	+	29	*	4,011	+	29
Cordoba Light P. & T. ..	Dec. 29	13,406	+	1,083	9	122,121	—	1,054
Hongkong ..	Jan. b	12,193	+	604	9	£696,715	—	£39,379
La Plata ..	Dec. 6	4,711	+	396	12	48,962	+	1,893
Lima ..	Dec. 15	20,432	+	3,187	12	195,748	+	8,037
Madras Electric ..	Feb. 15c	Rs. 37,393	+	Rs. 3,741	8	Rs. 115,641	+	Rs. 10,215
Manila Electric ..	Aug. 8	65,467	+	4,667	8	547,492	+	70,625
Mexico ..	Nov. 5	£215,256	+	£108,669	8	£3,193,106	+	£197,227
Rangoon ..	Jan. 5	5,361	+	728	8	5,361	+	728
Singapore Electric ..	Dec. 29	£13,201	+	£1,173	8	£668,805	+	£11,901
Toronto ..	Nov. 17	£42,556	+	£8,753	11	£5,032,176	+	£239,133
United of Monte V. ..	Jan. 5	36,016	+	2,675	3	101,101	+	7,992
Vera Cruz ..	Nov. 5	46,300	—	—	10	567,000	—	—
Winnipeg ..	Nov. 17	£86,888	+	£14,744	11	£748,976	—	£327,782

b 28 days. \* From Jan. 1. § Nett. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Alcoyand Gandia	Feb. 16	Ps. 10,000	+ Ps. 1,000	Ps. 61,580	— Ps. 11,570	—
Antofagasta (Chili)	Dec. 17	38,095	+ 1,895	259,135	3,450	—
Arauco	Dec. 31	14,500	+ 2,000	132,080	23,200	—
Argentine N.E.	Feb. 16	9,700	+ 2,900	273,600	55,798	—
Bilbao R. and Cants	Jan. 5	5,105	+ 1,099	5,108	1,099	—
Bolivar	Nov. 16	12,000	+ 444	79,736	23,869	—
Brazil	Nov. 16	M4,746,000	+ M664,379	M4,535,300	+ M523,897	—
Brazil Gt. Southern	Oct. 2	M15,58,200	+ M14,900	M427,477	+ M50,207	—
B. Ayres & Pacific	Feb. 16	122,000	+ 36,000	2,633,000	258,000	—
Do. Central	Dec. 17	30,817	+ 8,031	145,925	5,054	—
Do. Gt. South'n	Feb. 17	122,000	+ 17,000	3,382,705	324,549	—
Do. Western	" 17	62,000	+ 13,000	1,469,000	246,000	—
Central Argentine	" 16	87,000	+ 13,300	3,089,200	500,500	—
C. Ur'g'ay of Mte V.	" 16	15,985	+ 2,379	586,712	162,966	—
Do. East'n Bx.	" 16	4,690	+ 1,219	157,803	7,540	—
Do. North'n Bx.	" 16	2,662	+ 201	101,824	27,343	—
Do. West'n Bx.	" 16	2,196	+ 38	70,713	7,715	—
Cordoba Central	" 16	21,000	+ 6,640	925,192	46,160	—
Costa Rica	Jan. 5	2,257	+ 3,397	76,472	59,094	—
Cuban Central	Feb. 9	33,617	+ 3,611	475,726	92,703	—
Dorada Extension	Jan. 5	8,300	+ 900	8,300	900	—
Egyptian Delta	Dec. 31	11,867	+ 4,490	207,995	44,816	—
Entre Rios	Feb. 16	19,000	+ 6,000	466,600	82,600	—
French Santa Fé	Aug. 9	132,000	+ 29,099	900,336	173,429	—
Gt. South. of Spain	Feb. 9	Ps. 30,416	+ Ps. 4,415	Ps. 178,881	— Ps. 423,197	—
Gt. West. of Brazil	" 16	18,500	+ 3,600	131,600	29,650	—
Havana Central	" 9	10,884	+ 2,425	257,731	44,849	—
Inter. of C. Amer.	Jan. 6	23,424	+ 8,199	23,424	8,199	—
La Gualra and Car.	Feb. 16	8,250	+ 750	8,250	750	—
Leopoldina	Jan. 16	28,868	+ 1,312	233,235	70,639	—
Midland Uruguay	Nov. 16	10,638	+ 3,395	94,885	7,355	—
Mogiana	Nov. 16	M2,212,000	+ M222,440	M216,600	+ M247,712	—
N.W. of Uruguay	Dec. 15	£ 33,000	+ £ 8,388	£ 159,682	+ £ 13,092	—
Nitrate	Feb. 15	34,097	+ 3,269	107,793	8,713	—
Paraguay Central	Nov. 16	2,750	+ 560	93,690	11,240	—
Paulista	Nov. 16	M3,506,000	+ M589,750	M3065,400	+ M142,6138	—
Peruvian Corp'n	Jan. 5	S1,189,350	+ S254,420	S7,277,620	+ S836,998	—
Salvador	Feb. 9	£ 3,314	+ £ 267	£ 44,810	+ £ 4,745	—
State of Bahia S.W.	Nov. 17	M85,000	+ M45,000	M1,021,000	+ M66,000	—
S. Paulo (Brazilian)	Feb. 17	39,492	+ 17,350	258,035	90,563	—
Sorocabana	Dec. 17	M2,107,000	+ M224,206	M16,988	+ M173,5205	—
Taita	Feb. 16	29,108	+ 13,306	6,150,436	38,895	—
United of Havana	Feb. 16	90,464	+ 35,664	1,567,974	549,341	—
West'n of Havana	Nov. 16	12,620	+ 6,216	6,216	63,173	—
Zafra and Huelva	Nov. 16	10,538	+ 403	135,491	1,366	—

\* Months. † From Jan. 1. † From July 1. c Nett. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Beira	Oct. *c	£ 67,631	+ £ 9,860	12	£ 753,645	— £ 13,927
Canadian Northern	Feb. 14	£ 688,000	+ £ 86,000	1	£ 25,894,700	+ £ 335,000
Canadian Pacific	" 14	£ 2,306,000	+ £ 126,000	1	£ 14,973,000	+ £ 744,000
Gt. Trk. Main Line	" 14	119,663	+ 12,002	1	891,521	68,754
Gt. Trk. Western	" 14	25,544	+ 2,507	1	179,783	15,523
Detroit G. H. & M.	" 14	9,493	+ 1,061	1	61,161	5,419
Gt. Trk. Pac. Prairie	" 14	28,094	+ 14,347	1	144,285	49,577
Masoualand	Sep. *	47,970	+ 9,630	1	47,670	9,630
Mid. of Westn. Aus.	Dec. *	9,659	+ 2,107	6	43,421	3,215
New Cape Central	Jan. 5	1,928	+ 321	1	1,928	321
Rhodesia	Oct. *c	99,687	+ 11,023	1	99,687	+ 11,023

\* Months. † July 1. † Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.	No of Mths.	Amount.	In. or Dec. on last year.
		Dols.	Dols.		Dols.	Dols.
Atchafson T. & S. Fé	Nov.	4,100,000	— 1,062,000	11	44,286,000	— 1,488,000
Atlantic Coast Line	Dec.	2,036,000	+ 420,000	12	12,026,000	+ 607,000
Baltimore & Ohio ..	"	1,851,000	— 1,165,000	12	30,585,000	— 3,425,000
Canadian Northern	"	65,300	— 758,500	6	3,335,100	— 2,961,000
Canadian Pacific ..	Jan.	3,911,000	— 1,110,000	12	46,546,000	— 3,930,000
Chesapeake & Ohio	Nov.	1,228,000	— 182,000	11	12,861,000	— 1,444,000
Chicago & N.W. ..	Dec.	2,711,000	— 10,000	12	27,015,000	— 3,634,000
Chicago Burl. & Q. Nov.		1,642,000	— 2,031,000	11	31,281,000	— 3,956,000
Chicago G.W.	"	294,000	— 159,000	11	3,488,000	— 995,000
Chicago Mil. & S.P.	Dec.	894,000	— 1,718,000	12	22,026,000	— 9,338,000
Chicago, Rock I. & P.	Nov.	1,835,000	+ 57,000	11	16,461,000	— 2,534,000
Colorado & Southern	"	444,000	— 233,000	11	5,320,000	+ 379,000
Cuba ..	"	102,000	+ 22,000	5	774,000	— 157,000
Delaware & Hud. ..	"	190,000	— 485,000	11	5,618,000	— 1,615,000
Denver & Rio Gran.	"	572,000	— 420,000	11	7,152,000	— 1,539,000
Erie ..	"	507,000	+ 148,000	12	10,538,000	— 5,277,000
Gt. Tr. Main Line ..	"	£ 86,200	— £ 128,600	11	£ 1,907,300	— £ 627,900
Grand Trunk Westn	"	b £ 15,650	— £ 1,950	11	£ 23,200	— £ 139,050
Detroit G. H. & Mil.	"	b £ 61,700	— £ 1,100	11	£ 67,700	— £ 99,900
Gt. Northern ..	Dec.	1,165,000	— 1,401,000	12	22,987,000	— 6,179,000
Illinois Central ..	Nov.	1,466,000	— 409,000	11	17,538,000	+ 2,590,000
Kansas City Southn.	Dec.	315,000	— 19,000	12	4,495,000	+ 569,000
Lehigh Valley ..	Nov.	628,000	— 376,000	11	9,240,000	— 2,410,000
Louisville & Nashvi.	Dec.	1,296,000	— 178,000	11	16,949,000	— 836,000
Minn. S. P. (So.) ..	"	877,000	— 294,000	11	8,974,000	— 3,351,000
Miss. K. & Texas ..	Nov.	974,000	— 271,000	11	7,393,000	+ 2,447,000
Missouri Pacific ..	"	1,690,000	+ 321,000	5	9,425,000	+ 1,920,000
New York Cent. & H.	"	2,939,000	— 1,742,000	11	45,049,000	— 13,335,000
N. Y. N. Haven & H.	"	1,469,000	— 603,000	11	19,597,000	— 1,665,000
New York Ont. & W.	Dec.	111,000	— 26,000	12	8,228,000	— 97,000
Norfolk & Western.	"	1,499,000	— 200,000	12	19,871,000	— 3,590,000
Northern Pacific ..	Nov.	1,423,000	— 2,122,000	11	26,039,000	— 2,278,000
Pennsylvania East						
and West Lines ..	Dec.	2,010,000	— 4,493,000	12	88,450,000	— 208,000
Phil. and Reading ..	Nov.	1,064,000	— 1,199,202	11	11,877,700	— 6,626,000
Reading ..	"	577,033	+ 5,826	11	9,806,000	+ 212,860
St. Louis & San F. ..	"	1,304,000	+ 353,000	5	8,560,000	+ 1,093,000
Seaboard Air Line ..	"	594,000	+ 261,000	11	6,693,000	+ 42,000
Southern ..	Dec.	2,958,000	+ 241,000	6	14,753,000	+ 2,098,000
Southern Pacific ..	Nov.	4,465,000	— 1,038,000	11	55,577,000	+ 7,451,000
Union Pacific ..	"	3,961,000	— 668,000	11	39,694,000	— 2,312,000
Wabash ..	Dec.	705,000	— 423,000	12	844,000	— 421,000

# The Investors' Review

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## NATIONAL PROVINCIAL BANK OF ENGLAND, LIMITED.

ESTABLISHED IN 1893.

SUBSCRIBED CAPITAL - £15,900,000.  
CAPITAL—Paid, £3,000,000; Uncalled, £2,300,000;  
Reserve Liability, £10,600,000.

RESERVE FUND (Invested in English Government Securities),  
£2,100,000.

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## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital .. .. Yen 48,000,000  
Capital Paid Up .. .. Yen 36,000,000  
Reserve Fund .. .. Yen 22,100,000

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Branches and Agencies at

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Calcutta.	Hong Kong.	Osaka.	Sydney.
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Dairen (Dainy).	Los Angeles.	Rangoon.	Tokyo.
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The Bank buys and receives for collection Bills of Exchange, issues Drafts  
and Telegraphic Transfers and Letters of Credit on above places and elsewhere  
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Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

## HONGKONG AND SHANGHAI BANKING CORPORATION.

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Sterling Reserve, held in London at exchange of 2s. per \$ = £1,500,000 .. .. \$15,000,000  
Silver Reserve .. .. \$18,500,000  
.. .. \$33,500,000

Reserve Liability of Proprietors .. .. \$15,000,000

HEAD OFFICE—HONGKONG. Chief Manager—N. J. STABB.

BRANCHES AND AGENCIES:—Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Colombo, Foochow, Hankow, Harbin, Hongkew (Shanghai),  
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THE NATIONAL BANK OF SCOTLAND, Limited.

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DEPOSITS OF MONEY are received for fixed periods on terms which may be ascertained on application. Interest payable half-yearly, 30th June and 31st December.

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Paid-up Capital ..... 1,800,000  
Reserve Fund ..... 2,000,000

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Capital Issued	...	...	1,125,000
Capital Paid Up	...	...	562,500
Reserve Fund	...	...	600,000

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The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

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# THE BANK OF BRITISH NORTH AMERICA.

Established 1836.

INCORPORATED BY ROYAL CHARTER 1840.

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Head Office:—5, GRACECHURCH STREET, LONDON, E.C. 3.

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Shareholders	-	-	-	4,000

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Annuities, etc.,  
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Stocks and Shares  
bought and sold  
on behalf of cus-  
tomers and the  
public generally.

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ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £2,000,000; together £4,000,000  
Reserve Liability of Proprietors ..... 4,000,000  
Total Capital and Reserves ..... £8,000,000

HEAD OFFICE - - - 71, CORNHILL, LONDON, E.C. 3.

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BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

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INCORPORATED 1865.

HEAD OFFICE: WINNIPEG.

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REST AND UNDIVIDED PROFITS	...	...	...	£3,600,000
TOTAL ASSETS EXCEED	...	...	...	£14,300,000

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## Passing Events.

Civil Service estimates show an increase of nearly £2,000,000 over last year. The total cost is set down for the fiscal year 1918-19, excluding the revenue departments, at £64,029,718, and a year ago it was £62,569,155. Adding the cost of the revenue departments, viz., £2,597,918 for Customs and Excise, £2,795,360 for the Inland Revenue, and £26,141,304 for the Post Office, we get an aggregate of £95,744,300, which compares with £93,798,208 a year ago, and there will be more to follow. The Customs and Excise charges are only about £55,000 larger, but the Inland Revenue costs have gone up about £250,000, and that of the Post Office by about £160,000. Two new items emerge—£300,000 for expenses under the Reform Act, and £114,297 for the Overseas Trade Department. Also £25,000 will be assigned to a Government Hospitality Fund, against nothing in the year now expiring. To the Ministry of Labour, Employment Exchange, and Insurance, and Buildings in Great Britain is assigned £371,100, or more than twice the last grant, and substantial increases in expenditure on public buildings in Great Britain, rates on Government property, the three Local Government Boards, stationery and printing, are also shown. "Stationery and printing" alone take £1,170,734. The expenditure, however, on the Department of Scientific and Industrial Research is reduced from £1,038,050 to £148,350, and no doubt it is necessary to make an appearance at least of economy in some directions, but the total cost of the Civil Services is now greater than the whole expenditure of the nation a quarter of a century ago.

Last week's sales of National War Bonds of the Bank of England issue brought in £21,272,094. This was £3,240,532 more than the receipts of the preceding week, although the number of applicants showed a decrease of 2,734 at 12,500. This shows that the rich or capitalist class is now finding most of the money. Up to the date given the number of applications has been 352,175, and the money subscribed £391,195,813. Through the Post Office in the week ended February 16, the applications were only 31,000, a decrease of 10,700 on the preceding week, and the amount applied for was £243,000 down at £749,000. Up to date, however,

753,300 applications have been received, implying £18,433,000 subscribed, so that the aggregate of War bonds thus far sold has been £409,629,000. Add the War Savings contribution, which up to February 16 aggregated 154,270,306 certificates sold, 2,373,458 having been disposed of in the latest week, and which means that £119,539,490 has been received by the Treasury, and we get a total of £529,198,000 in all provided for the current expenditure of the Government out of these various forms of debt; quite a good, and in the circumstances satisfactory, but by no means adequate result, especially when we remember that it is not all cash.

Last week's expenditure came to £48,374,462, of which £45,500,000 was for supply. These aggregates represent respectively £6,911,000 and £6,500,000 per diem, and the week's receipts from taxation and monopolies were only £23,047,085. The only has reference to nothing but the magnitude of the expenditure, for in actual fact the income from taxes and State monopolies this fiscal year has been magnificent. The total estimated income of the year, as foreshadowed in the Budget, was barely £570,000,000, and already with six weeks' receipts still to come in, the Treasury has netted £16,000,000 more than the Budget estimate. If the receipts continue on the same scale for what remains of the current Budget year, then the revenue will have exceeded anticipations by more than £150,000,000. It is magnificent, and offers a great stimulus to confidence in the ultimate complete triumph of the Allies, but it is not nearly enough. Last week, however, £22,231,000 was received from the sales of National War Bonds, as well as £1,300,000 from War Savings certificates, and £16,495,278 came from "other" war debt sources, so that altogether £97,523,363 passed through the week's accounts as revenue, and it was all wanted. Indeed, the Exchequer balances were reduced by nearly £94,000 to £15,965,528 at the end of the week. The Exchequer paid off more than £3,000,000 Treasury bills in excess of the new ones discounted; that is to say, £37,850,000 of Treasury bills were repaid, together with £10,000,000 of temporary advances, £437,748 of War Loan and Exchequer bonds, £255,000 of expenditure certificates, in addition to £500,000 devoted to sustaining the market for War Loan stock. Out of the

total income last week over £19,000,000 came from income-tax, excess profits duty, &c., the property and income tax, including super-tax, having alone produced £14,982,000. Altogether these taxes and the excess profits duty, including munitions levy, have furnished £370,000,000 of the total revenue of £586,858,000, and if we could count on such figures after the war is over we might go on our lavish way rejoicing. The moral of all this is—subscribe and subscribe and continue to subscribe every available shilling that can be saved and spared to the National War Loan, to make the victory complete. It is *new money* that the country needs, and not merely the conversion of Treasury bills into these National War Bonds. That conversion increases the debt burden without adding a penny to the means at the disposal of the Exchequer.

Lord Rhondda defended himself with his usual ability and with success against the criticisms of his handling of our food supply. The most injurious charge made against him was that he had caused a shortage of supplies by fixing maximum prices, and to this his answer was first of all that maximum prices had to be fixed because, if they had been left free to take their own course, they would have risen to such heights as would have brought famine to the doors of a large proportion of the population, and generated a seething discontent which might have threatened the stability of our institutions. He is right beyond a doubt. He went on to insist that no check has really been put on the production of food by fixing scales of prices, for the utmost care had been taken to deal fairly with the producer, which is true. And he was quite right also in pointing out that the Government could not ration meat or any other commodity unless they controlled distribution, and in regard to butcher's meat they could not control distribution unless they made the return equally good to the farmer. The usual *laissez faire* economics had to be thrown aside, and to some extent the fight of the Government against extreme prices and to ensure adequate supplies had involved the authorities in great business transactions. They had become buyers and distributors, monopolists even, for the time being, in order to maintain supplies and furnish them to consumers at reasonable prices. This may have to be the policy more and more. In his answer to Mr. Herbert Samuel's criticism on Wednesday, Mr. Bonar Law declared that a large portion of the great increase shown in public expenditure under the present Government was ascribable to this one cause alone. The Government has become the sole purveyor of many essential commodities, and events seem to be tending towards a position which will constitute it, perhaps, the sole owner of land throughout the three kingdoms. In this last respect the Sinn Feiners in Ireland may only be, with the usual Gaelic promptitude, marching a day or two ahead of the present Ministry. It is being compelled towards revolution, whether it likes the prospect or not.

In the course of Wednesday's debate Mr. Balfour dealt with Count Hertling's latest harangue in his best style. Not only was he lucid—he is always that—but he spoke with a stern directness not always his, and once again told the Germans that they were not to be trusted at all, and that they could not be negotiated with as long as they clung to the property they had stolen. "I am convinced," he declared, and begged the House to mark his words, "that to begin negotiations unless you see your way to carrying them through successfully would be to commit the greatest crime against the future peace of the world." That is emphatically our opinion, and it is a falsetto kind of humanitarianism which would uphold any other view. Therefore we hope speechifying directed towards bringing reason to bear on the Germans—or on Germany's military masters—will no longer be indulged in by our statesmen. It can lead to no good result at present. As a writer in Thursday's *Daily Mail* says, the German people have completely lost their mental balance. They are as devoid of ideas of right and wrong of the most

rudimentary description as the most primitive of African savages; up in the skies one day and down in the depths the next according as the news doled out to them looks good or the reverse. What can we do with such unhappy products of systematic miseducation and military tyranny? We can only leave them to their fate; go on killing those who can be induced to throw their lives away to serve their oppressors' ends, or who perpetrate crimes the Dyaks of Borneo would not stoop to. So great is the peril in pursuing any other course that those who seek to induce us to negotiate now have become public enemies, and if they persist will have to be treated as such.

Mr. Edgar Crammond's second "Cantor" lecture at the Society of Arts on "The Effect of the War on the Economic Conditions of the United Kingdom" was an exceptionally able and interesting review of some of the country's achievements since we were drawn, all unprepared, into the world war. The Empire entered upon the war with almost unmeasurable resources of economic power, but unfortunately they were not organised, and the problem of transforming the entire fabric of our economic life, with all its international complexities and ramifications, was a formidable one. We are glad to find that Mr. Crammond comes to the conclusion that on the whole it has been achieved with quite astonishing success. Notwithstanding the vast withdrawal of man power for naval and military service, the production of the country had not only been maintained, but actually increased. The United Kingdom was the only belligerent which had increased its production of food, and the lecturer estimated that while the value of the agricultural output in 1908 was about 208 millions, last year it was approximately 400 millions, but, of course, this is partly accounted for by the rise in prices. Steel production was about seven million tons before the war, and it had risen to ten millions. With regard to coal, in spite of the fact that over 282,000 miners had been withdrawn, the output for 1917 was 247 million tons, as compared with 289 millions in 1913, and the home consumption had risen from 191 millions to 200 millions, while there was an increase of 68 per cent. in the Board of Trade units of electricity sold in the year to March 31 last, as compared with the year to March, 1914. Of course, the balance of foreign trade had shifted heavily against this country owing to our exceptionally large imports. The excess of the latter for the period from August, 1914, to December, 1917, amounted to 1,300 millions, an average of 372 millions per annum, as against an average of 134 millions for the three years before the war. Mr. Crammond, however, was careful to point out that in addition to carrying two-thirds of our own sea-borne trade and half the sea-borne trade of the world, we also financed and insured considerably more than half the world's trade, and the total marine premiums for 1917 would probably reach 100 millions, against 30 millions in 1913, so that the "invisible" imports and exports are doubtless correspondingly greater.

That, however, does not come home to the ordinary citizen, and for the great majority of people the rise in the cost of living is the most important factor. Mr. Crammond very rightly dismisses the theory that the rise is due to "inflation of currency." He did not elaborate this to the extent that he might, but as everyone knows who has looked into these questions, the cheque is infinitely greater than the Bank or Treasury note. Our paper currency has risen 116 millions, or 52 per cent., but even the United States ratio is up 46½ per cent., while Germany has advanced 510 per cent., and Russia, with spurious notes, &c., has brought the value of the rouble down to just about the same as wastepaper. The advance in prices has been mainly produced by intensification of demand and an obstruction of supplies. Wholesale prices have increased by 128 per cent., and although Lord Rhondda declares that the cost of living is only 50 per cent. higher, we are greatly surprised to find that Mr.

Crammond not only accepts this view, but endorses it. Everyone with the most rudimentary knowledge of business must be perfectly aware that wholesale prices are the fundamental basis of costs, and it is also absolutely unquestionable that the wholesaler makes only a trifling profit, ranging usually from 1 to 2½ per cent.—rarely more unless he has been particularly fortunate in his purchases. But before the retailer can hand out the goods to the consumer there are all sorts of charges to be added—carriage, loss in distribution, rent and taxes, special messengers, carts or motors, and all the rest. What Lord Rhondda means when he says that the cost of living is only 50 per cent. up is just a piece of stupid camouflage. The State is subsidising (wisely or otherwise) the loaf to the extent of 2½d. per quarter, and is going to pay the farmers 40 or 50 millions a year to do what their business instincts would compel them to do in any case. And Lord Rhondda's price control has been more conspicuous in reducing supplies than anything else—so much so, indeed, that a jocular member of the House of Commons suggested the other day that if he would only fix a price for rats these pests would immediately disappear!

One of these days probably the Scotch banks will have to consider the question of combining in self-defence, but at present they seem to get along comfortably enough, and the British Linen, established over 170 years ago, does not show any signs of decrepitude judging by the balance-sheet at January 15 just issued. Deposit and current accounts have increased 3½ millions to £22,750,000, and there is an expansion of £440,000 in the note circulation to £2,334,000—rather a remarkable feat considering the way "Bradburys" have been thrust on the public. Drafts, &c., have increased £630,000 to £925,000, but acceptances are £320,000 lower at £545,000, the nett result being that the balance-sheet total is £4,320,000 up at £29,208,000. Against this sum the bank holds cash and investments for 13½ millions, an increase of £600,000, while discounts and advances have risen 4½ millions to 12½ millions. So we find that the nett profits for the year amounted to £296,200, an increase of £30,000, and £26,000 more was brought in. After again paying 16 per cent., £70,000 against £10,000 is written off bank premises, and £50,000 is replaced to reserve, whereas last year £125,700 had to be appropriated for depreciation, of which £50,000 was taken from reserve. There then remains £81,600, or £26,000 more, to be carried forward, and the total reserves are now £1,331,600, against a capital of £1,250,000. Let it pass at that.

The Underground Electric Railways Co. of London, Ltd., is purely a holding company, with investments which figure in the balance-sheet at £14,620,000. We have already dealt with the reports of the London General Omnibus and the Tube companies which it controls, and it is therefore only necessary to mention that the total income last year was £606,730, a decrease of £46,630 as compared with 1916. This falling-off is mainly due to the smaller dividends paid by the General Omnibus and the Associated Equipment Co., but the other subsidiaries also produced rather less, and there was a decrease of £11,000 in sundry receipts. Consequently, the dividend on the 6 per cent. income bonds has to be reduced from 5 per cent. to 4 per cent., and the balance forward is practically unchanged at £31,140. It is stated that extensions of the Associated Equipment Co.'s factory were carried out during the year, thereby enabling it largely to increase its output of motor vehicles, but the full benefit will only be obtained in the current and subsequent years.

In the year to January 31 Harrod's Stores, Ltd., for the first time made a gross profit of over a million, the exact figure being £1,016,000, or an increase of £130,000. Nett profit, after providing for repairs and renewals, interest, &c., amounted to £282,300, or £47,000 more. The reserve fund gets £16,000, against

£12,000, raising it to £1,474,000, and after providing the regular 8 per cent. dividend on the ordinary shares the proportion of the balance due to the latter is £18,000 higher at £72,100. This allows of an additional dividend of 7 per cent., the same as last year, and as £17,000 more was brought in, the carry forward is increased by £35,000 to £69,430. The proportion belonging to the Founders' Shares Co., Ltd., is also £72,100, and the dividend is raised from 35 per cent. to 43½ per cent., while £3,200 against £90 is carried forward. Resolutions for the conversion of the founders' shares were passed last September, and a Bill to enable Harrod's Stores, Ltd., to rearrange its capital is now before Parliament. Except that stocks have risen £180,000 to £815,000, the changes in the balance-sheet do not call for remark, but the company will undoubtedly be all the better for getting rid of the incubus of the founders' shares.

A few years ago W. T. Henley's Telegraph Works Co., Ltd., started a branch to manufacture and deal in motor tyres, and the directors are of opinion that the time has arrived to convert this business into a separate organisation. It is therefore proposed to form a tyre company with a share capital of £200,000, which is approximately the amount that the parent concern is employing in the tyre business. All the shares will be held by the original company, which will thus retain complete control, but in order that the capital shall more nearly represent the actual amount employed in the business, the directors recommend that the ordinary share capital be increased from £200,000 to £400,000, and that the new shares be issued as a bonus to the shareholders in proportion to their holdings. At the same time, it is proposed to convert the existing £5 shares into five shares of £1 each. The bonus is a handsome one, and the splitting of the shares will help to popularise them as they are too "heavy" at their present price. No opposition, therefore, need be anticipated from the proprietors, and we can conceive of no reason why the Treasury should object, although occasionally its decision on such matters passeth understanding.

In 1916 Mather and Platt, Ltd., showed an increase of £67,000 in nett profits, and it is not very surprising that there should be a decline of £2,500 to £168,500 in respect of last year. The amount brought in was £11,000 up at £86,500, and after placing £35,000 to a fund for the equalisation of income-tax against £30,000 placed to reserve last year, the dividend on the ordinary shares is again made up to 17½ per cent., and the carry forward is increased by £3,500 to £95,000. It

## THE DIRECTORS OF LLOYDS BANK LIMITED

desire to call the attention of  
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the advisability of investing all  
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and of applying further savings in  
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sums can be accumulated at interest  
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is stated that the company's assets in Russia have been written down to the present nominal rate of exchange, but we are afraid there will be a loss to face here until things settle down, and that may be a long, long way ahead. However, the company has large reserves, and it is in a strong financial position, so that there is no reason to be uneasy about the future, in spite of any temporary reverses that may have to be faced.

In the report of Bovril, Limited, for the year 1917 we are told that the sales, excluding Red Cross orders and Government contracts, show a large increase over any previous year. Gross profits were £33,000 up at £420,000, but owing to the all-round increase in the cost of manufacture nett profits were only £4,400 larger, and as the balance brought in was less the amount available is £4,000 down at £131,900. Business, however, has been so good that the directors feel justified in raising the dividend on the deferred shares from 3½ per cent. to 4 per cent., tax free, and although this necessitates a reduction of £8,000 in the carry forward (now £9,380) the increase seems perfectly justified, as £35,000 is again placed to reserve, raising it to the substantial amount of £360,000. There is nothing in the balance-sheet to make any comment on, but although the capital (a legacy from old days) is heavy, the position looks sound enough, and there cannot be any doubt that the company has established itself on a very firm and permanent basis as far as its hold on the public is concerned.

In spite of the difficult conditions which have prevailed, the United States Debenture Corporation, Ltd., managed to increase its gross income in the year to January 31 by £9,000 at £113,800, and the nett revenue, including about the same amount brought in, is £7,000 up at £59,300. The whole of this gain is added to the carry forward, which is thus raised to £10,700, and the dividend on the ordinary shares remains at 10 per cent. for the year. Changes in the securities held, which are £94,000 up at £2,073,000, have resulted in a surplus on realisation of £20,300, which has been applied in writing down certain investments. The valuation of these on January 31 necessarily shows a depreciation, but to a smaller extent than last year, and this is more than covered by the reserve fund. A table of the distribution of investments shows that 32.9 per cent. are in Great Britain, against 26.3 per cent. last year, while the holdings in the United States have fallen from 19.2 per cent. to 16.7 per cent.

It appears from the cabled summary of the meeting of the Broken Hill Proprietary Co. at Melbourne that the main causes of the increased profits last year were the larger shipments of zinc concentrates, and the rise in silver, and not the development of the steel business. The chairman's speech, as cabled, however, does not appear fully to account for the big orders to buy the shares which came from Australia during the week-end, and which has caused the price to rise to the highest level recorded for several years. A very gratifying account was given of the position in regard to the steel undertaking, for the initial difficulties have been passed, and the industry is now established on a firm basis. Expenditure on the iron and steel works has now reached £2,581,700. It had been arranged to take over the shipbuilding yards of the New South Wales Government at Walsh Island, but on representations being made by the Federal Government that such a scheme would interfere with the success of their own shipbuilding programme, the project was abandoned.

An arrangement has been come to between the Ministry of Munitions and the East Pool and Agar, Ltd., for increasing the latter's output of tin concentrates for 1918, and if necessary for subsequent years of the war, to double the output for 1917. The nett earnings received by the company in excess of the quantity of concentrates sold in 1917 will be invested in Government securities, which will not be distributable by way of dividends, but may be used to finance ex-

penditure on the mine and its equipment. After the war the directors will be able, if they choose, to increase the capital for the purpose of issuing bonus shares in respect of these moneys invested. In consideration of this, the Ministry of Munitions has undertaken to pay any excess profits duty on any increase in profits received by the company over the profits for 1917. This arrangement is part of a scheme for increasing the home production of tin.

### Mr. Bonar Law's Appeal to the City for Money.

That indefatigable body of advertisement agents, the Aldwych Club, organised a meeting on Tuesday last to further a "boom" sale of National War Bonds in London. It was held with a view to give a good hoist to what is called the "Business Men's Week" in these bonds, and was attended by Mr. Bonar Law, the Chancellor of the Exchequer. Lord Northcliffe presided, and the gathering of notable City men, with others, was large and influential. It included, among others, the following:—The Lord Mayor of London, Mr. Grafton Cushing, Lord Inchcape, Lord Furness, Lord Cunliffe, Sir Edward Holden, Sir Felix Schuster, Sir R. M. Kindersley, Sir William Goschen, Sir Herbert Hambling, Sir Owen Philipps, M.P., the Lord Mayor of Sheffield, Sir Thomas C. Dewey, the Lord Mayor of Norwich, the Lord Mayor of Hull, Captain and Sheriff Blades, Major the Hon. Waldorf Astor, M.P., Sir George Paish, Sir H. Dalziel, M.P., Mr. Sheriff Hepburn, Sir Woodman Burbidge, Sir Reginald Brade, Sir Gerald Ryan, Mr. E. Roger Owen, Sir G. Touche, M.P., Mr. R. Holland Martin, Sir Vincent Caillard, Mr. Kennedy Jones, M.P., Sir E. M. Mountain, Sir Hedley Le Bas, Sir Charles Wakefield, and Sir William Plender.

The purpose of the assemblage was to lunch and hear a speech from Mr. Law. He made a good one. There is an air of frankness about him which always captivates. He generally takes the right line, too, and avoids mere smooth phrases designed to conceal the real position. We are fighting against a nation which has flung all ordinary checks on savagery to the winds, and the fight is to the death. And the war is to be won, not merely by our valiant soldiers in the field, but now well-nigh as much by those left behind to work, to pay, and to suffer. It is going to be a long fight still, just because it is whole enslaved nations that are leagued against us, and, therefore, not only is it necessary to find much money to enable us effectively to continue the blockade of the enemy on land and sea, but equally so to increase the volume of the supply by systematic economy.

Mr. Law gave his vote for what he calls week to week lending, and we admit that his contention was to the purpose, also that much has been accomplished. If he can get the necessary money by attracting the savings of the community day by day and week by week, the difficulties attending the issue of enormous loans may be in great measure avoided, or at least postponed, and every effort is now being made to ensure success for this method of borrowing. It is our duty to give the men in charge of the campaign the utmost support.

Next week something tremendous is aimed at. It is to be the "Business Men's Week" for the metropolis. The attack has been organised with help of the great advertising fraternity of the Aldwych Club. They are out in full strength to secure at one sweep at least £100,000,000 from London—or for say about enough to meet the war expenditure for a fortnight. Their campaign has been going on all over the kingdom, outside Ireland, for months past, and up to the end of last week it had brought in upwards of £390,000,000. Even allowing for the conversions, it has been a quite notable success, which we hope will continue.

But in proportion as this success is great is it not likely to interfere with the continued fruitfulness of the week to week lending represented by War Savings certificates, and by the Post Office issue of small de-

nominations of National War bonds? What, in other words, must happen when this great campaign of oratory and advertising agents' "push" comes to an end? Surely hundreds of thousands of investors will have again tied themselves up, as was done last year by the War Loan, and their savings for some time to come will be mortgaged to the detriment of that continuous stream of small moneys from which the Chancellor of the Exchequer expects so much? It is a problem of great difficulty. Has it been tackled in a statesmanlike way? We must wait and see.

Mr. Law went on to speak in hankering awe of the immense deposits now possessed by our banks. He was miraged by the notion that bankers' deposits merely represent the free resources of the individual customer, whereas in reality only a varying proportion of the deposits are of such a character. The other portion is created in a variety of ways, and since the war began, most conspicuously by bankers' own advances to customers. The advance breeds the deposit, and the success of the current National War Bond campaign—or should it be "stunt"?—will no doubt involve a sensible further increase in the obligations of customers to their bankers which will be expressed by a still further enlarged total of "deposit and current account balances." Growths of this kind do not always or by any means imply correspondingly augmented lendable resources. All this is only another way of saying that the machinery has not yet been devised which will milch the public continuously of its savings over an ever-expanding mob of wage-earners. Nevertheless, much has been, and is being done, and we must persevere with the means available, trying to realise more and more that upon self-denial, now more than ever, depends the completeness of our victory.

Not a little depends also upon how the money is spent, and the Chancellor of the Exchequer had nothing to say upon that vital point. It is becoming more vital every week, for extravagance still goes on in most departments, old and new, without apparent check, a perfectly criminal extravagance often. Many stories similar to that of the aerodrome in Ayrshire, which was abandoned as useless after £400,000 had been wasted upon it, could be cited as proof. The wild confusion with which the money is flung around has already brought the nation and the empire so near to financial inanition that but for the help of America we should by now have been almost paralysed. Is it possible to check this waste? It should be, but we see little trace of efforts that way, and victory of the sort we require may depend now upon miserliness in spending. What measures are the Government taking to put on the brake? The extravagance of the present Ministry has been boundless, greater even than that of its predecessors, and has grown to be nothing less than a public scandal. Mobs surge in and through its bewilderingly multitudinous "government departments," and the mobs are paid far more than they need be, or than many among them are worth, with not a thought bestowed on the reckoning day. Does the Prime Minister, or do any of his colleagues, ever give a thought to this indisputable fact?—If we and our Allies do not succeed in obliterating militarism we shall every one of us wind up the war in bankruptcy.

### The Warning in Russia's Betrayal.

Will any of our pacifists have the manliness to look the Russian situation squarely in the face, and, having done so, continue to advocate peace negotiations with the enemy? If such a man exists we should like to see him come forth into the open and tell us what he aims at, how he would proceed. The Russian situation is from many points of view desperate, and calculated to generate despair in the minds of all friends of liberty; but even so there are some consoling reflections possible in mitigation of our sorrow. And first among these is the fact that Russia has not fallen into her present disaster-laden condition through defeat. Russia is in fetters to the Prussian marauders through be-

trayal, and that betrayal has been brought about not by her own people or by her best citizens, but by traitors, either ex-members of, or closely linked with, the old secret police, that swarm of reptiles which so long poisoned the social and stifled the political life of the empire. Another reflection which consoles, if it does not cheer, is that, being enslaved by treachery, Russia is not likely to submit tamely to the will of the nefarious Power now trying to put the shackles of perpetual bondage upon her. Have Prussia and Austria ever succeeded in assimilating or subduing the Slavs of Poland? Nearly a hundred and fifty years have elapsed since the first partition of Poland—by treachery also—was essayed and accomplished. Are the Poles more German or Austrian in sentiment to-day than they were a hundred and fifty years ago? No; they are less so. They are probably more ready to be united in a homogeneous State now than ever they were. Are the Russian Slavs likely to be any more docile than the Poles? We do not believe it. Therefore, the Prussian triumph which is gloated over in *Junker* circles in Berlin, and by the obscene German Press controlled by the military faction and its munitioners, is more likely to prove a lure tempting Germany to destruction than a triumph. It surely is contemptible beyond description to see these ruffians plastered in war accoutrements bragging and strutting as if they had beaten the Russian armies instead of being again and again well thrashed by them. Their immediate object is corn—and thus far they have only been able to brag over the immense hauls of guns, &c., seized. But they cannot make *ragouts* of shells even with cordite for sauce, and the land they are racing over is still in the grip of winter.

Newspapers here have been exercising their ingenuity and discussing whether Lenin and Trotsky have quarrelled, or whether Lenin is still the transitory master of Russia's fate. The question seems to us to be worthy to occupy the intellects only of academic triflers. Both these men have done their best to ruin their country, and so far they have succeeded. They may cut each other's throats now for all that matters or we care. It seems true that when the German troops in their eagerness to seize food in order to lessen the starvation behind them began their forward march, Trotsky issued a screaming call to arms, and that almost immediately after Lenin announced, and got his following to endorse, surrender, the acceptance of the most humiliating terms the Prussian robbers could formulate; but such divergences mean nothing, have nothing

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to do with the patent fact that these two men have laboured unceasingly, and for long before they were tossed on top during the ferment of revolution, to hand their country over to the enemy. "Germany's knees are on our chests," now bawls Lenin, he having first taken care to throw his country down.

And look how that enemy's terms have expanded now that his tools have placed Germany on top. Germany's measureless greed increases the more where her masters think they see the chance of successful resistance disappear. Were that "peace" of theirs ratified indeed, the Baltic would be a German lake, and Sweden as much at the mercy of the Prussian Junker as Schleswig-Holstein or Belgium. Moreover, assuming that traitor peace to stand, the possibility of constituting a united and free Poland would be destroyed and Rumania also probably blotted out. It would, in short, be the triumph of that "pressure towards the East" which has long been one of the foul dreams of pan-Germanism.

And behold what phrases were used by Kühlmann at the Brest-Litovsk parleys, what professions of humanitarian aims and sentiments, what assurances that the right of separate nationalities to determine their own fate and fortunes would be respected. The whole palaver was a significant object-lesson to the Allies, and should steel our hearts to have nothing whatever to do with these abandoned scoundrels who, themselves having pawned their souls to the beast in mankind, now labour unceasingly to enslave every country whose well-being excites their envy, whose wealth they long to steal.

We from the beginning of this war and months before we began to realise that it was to be a long war to the death, insisted that when the time did come to talk of peace, there should be no thought of negotiating with the Hohenzollerns and their robber hosts. We go further to-day, and, in repetition of what was said last week, insist that the Allies must have done with talk of negotiations of any kind with the two derelict empires of Central and Southern Europe, either now or later. The policy we must follow, which Russia's fate warns us to follow, let it be repeated and insisted upon, is that of Abraham Lincoln and the statesmen of Washington at the close of the American Civil War. "The Confederates are rebels," was their contention, and with rebels no treaty of any kind is possible until they first surrender unconditionally. Are not these empires who have schemed and prepared for this diabolical war "rebels" against every principle sacred to mankind? And shall we dare, after the experience we have had, to put reliance upon any words of theirs, any promise they make? No. The fight must be a fight to the finish in the sense that we must so exhaust the enemy as to force him to lay down his arms in exchange for bread. Because this is the goal we must aim at, if we are to end militarism and survive, we should more and more lament were our military leaders to embark on large offensives in the coming campaign. Let offensives come from the other side, the side now besieged. Let the enemy dash his remaining forces against our lines until he has expended the last of his strength. His position is such now that he is compelled to run every risk in order if possible to avert his doom.

Hertling has been gabbling again in his thin pedagogical way, and spitting out spites, lies, tu-quoques, insinuations, hints that the mighty German Empire might concede this and be willing to modify that, &c., &c. Our newspapers, as usual, have fallen into the snare set before their eyes, and are playing the Prussian game by treating as serious and discussable these essays in the art of beguiling. It is surely time to stop that. Again and again Prussia has had her answer—and Austria too. There is no more to be said on the Allied side—except the message, "When you lay down your arms and relinquish your prey we may talk, and not till then." These empires and their rulers are outlaws from civilisation; their manifold crimes and brutal ambitions are the last expression of the savage in mankind; and Austria is fully as deep-

dyed a criminal as Germany. Cease parleying with such men, therefore, and go on in grim silence with the work we have to do. That is the message of Russia betrayed—betrayed but not forsaken—to each one of the Allies, and we may be sure that the United States at least will not neglect the warning.

## Home Railway Results.

We have dealt fully with the principal railway reports as they made their appearance, but as a matter of record it is interesting to group the results of the leading companies for the purpose of contrasting their progress. Complete accounts and the usual abstracts are still withheld, and no close analysis of the position is therefore possible, but such figures as are available may be useful for future reference. It will be seen from the accompanying tables that in every case there has been a very substantial increase in gross receipts, but we are not allowed to know to what extent this is due to the larger volume of business handled, or whether it is mainly the result of the arrangements entered into with the Government since the outbreak of the war. We cannot see that there would be any particular harm in supplying this information, as it will have to be disclosed one of these days when the future of the railways comes up for final settlement or adjustment, and it might be better from several points of view if the materials were furnished for a frank and reasoned discussion of the position.

	Gross Receipts.	Increase.	Miscellaneous Revenue.	Increase or Decrease.
	£	£	£	£
North-Western ....	21,484,000	2,050,000	543,000	+ 43,000
Great Western ....	18,810,000	1,442,000	448,000	+ 120,000
Midland .....	18,167,000	1,307,000	627,000	+ 16,000
North-Eastern.....	14,034,000	1,030,000	223,000	+ 60,000
Lancs and Yorks ..	9,053,000	713,000	198,000	+ 12,000
Great Northern ....	8,269,000	470,000	226,000	— 11,000
Great Eastern.....	7,842,000	686,000	123,000	— 3,000
Great Central .....	7,832,000	765,000	135,000	+ 5,000
South-Western ....	7,656,000	675,000	173,000	+ 3,000
S.-E. and Chatham..	6,060,000	330,000	427,000	+ 5,000
Brighton .....	4,592,000	298,000	126,000	+ 7,000
North British .....	7,211,000	740,000	71,000	— 5,000
Caledonian .....	6,883,000	670,000	174,000	+ 9,000
Glasgow and S.-W..	2,738,000	223,000	42,000	— 1,000

	Expenses	Increase.	Reserve & Deprecn. Funds.	Increase.
	£	£	£	£
North-Western ....	15,587,000	1,930,000	5,670,000	1,120,000
Great Western ....	13,210,000	1,387,000	7,405,000	1,932,000
Midland .....	12,515,000	1,320,000	3,415,000	1,690,000
North-Eastern.....	10,000,000	1,084,000	5,413,000	1,310,000
Lancs. and Yorks ..	6,627,000	720,000	1,484,000	340,000
Great Northern ....	6,048,000	451,000	1,614,000	420,000
Great Eastern.....	5,808,000	687,000	2,220,000	527,000
Great Central .....	5,728,000	748,000	1,763,000	270,000
South-Western ....	5,620,000	679,000	1,656,000	418,000
S.-E. and Chatham..	4,047,000	334,000	1,435,000	462,000
Brighton .....	3,207,000	293,000	860,000	230,000
North British .....	4,914,000	683,000	1,072,000	277,000
Caledonian .....	4,721,000	662,000	1,183,000	623,000
Glasgow and S.-W..	1,953,000	220,000	783,000	102,000

It is at any rate evident that if the increase in receipts represents a larger volume of traffic, railway stockholders are not getting the benefit of it, as expenses are adjusted to swallow up practically the whole of the gain—in some instances a bit more—and although the Scotch lines have squeezed out a trifle extra in the way of dividend, the English companies as a rule have been content to leave their distributions at last year's level. Possibly the proprietors ought to be well satisfied with that position, for between the increased wages bills and the higher cost of fuel and other materials, it is very doubtful whether they would be better off without Government control. At the meeting of the Caledonian Co. it was mentioned that the rise in wages on the railways of the United Kingdom since 1914 amounted to £35,000,000, and it was also stated that the cost of carrying traffic had increased by 52 per cent. since 1913. On the whole, therefore, the shareholders are perhaps not so badly

treated as some of them would like to make out. The most serious question, however, with which they will be faced in the future is that of depreciation. It has been impossible to provide adequately for the maintenance of permanent way and rolling-stock owing to shortage of labour and the difficulty of obtaining the necessary materials. It will be seen that in most cases very considerable sums have been set aside for depreciation and reserve funds on account of deferred repairs and renewals, but we are far from confident that they are sufficient, having regard to the increased wear and tear to which the lines and plant have been subjected, but we have no means of forming an accurate opinion on the subject, and can only hope that the various boards have given the matter their most earnest consideration.

Before the dividend announcements and reports were issued it was rather generally expected that interest on accumulated reserve, &c., funds would help to provide larger distributions, but it will be seen that miscellaneous nett revenue has not increased to any appreciable extent. The Great Western has been exceptionally fortunate in this respect, while few of the others show up to much advantage, and in several cases there are actual declines. At the meeting of the Great Western an effort was made to get the dividend raised to the 1913 level, and the feeling of the shareholders may be gathered from the fact that 42 voted against the adoption of the report as compared with 62 in its favour. As we said previously, we have little sympathy with the agitation, and think the directors are to be commended for their prudence in strengthening the reserves, but the incident is significant. Perhaps the malcontents were thinking more of what the future may have in store for them than the immediate advantage of a slightly higher return on their investment. At several of the annual meetings reference was made to what is likely to happen to the railways after the war, but if the directors have any clear ideas on the subject they prefer to keep their own counsel. It is widely recognised that the *status quo ante* cannot be resumed even after a longer or shorter interval as some people expect, and our own opinion is that nationalisation is unavoidable, but there may be several intermediary steps, and the question need not be discussed at present. There will be a great many other urgent problems to settle when the bestial Hun is beaten to his knees, and the railway position can wait its turn as well as most.

Phosphate "Find" in South Africa.—A good deal of interest attaches to the discovery in the vicinity of Grahamstown of a large deposit of phosphatic rock. At present the information is too meagre to arrive at any definite conclusion upon the value of the discovery, but the event warrants considerable attention, and developments will be eagerly awaited in view of the shortage of fertilisers in South Africa and the insufficiency of phosphates in the soil of many districts.

The Association of British Advertising Agents (Incorporated) has issued an interesting pamphlet entitled "The Function and Place of Advertising in Modern Business Economics." This is well worth the study of business men generally, and the little treatise presents its case in an admirably lucid manner.

## By-the-Way War Notes.

As we look forth at the warring world on this last day of February the superficial prospect does not seem any too cheerful. German aggression and insolence confront us everywhere, German troops are hurrying on towards Petrograd and Kieff, trying to isolate Moscow from the capital of the Tsars, and seizing the coast of the Baltic as they push forward. In Asia Minor the Turks have reoccupied Trebizond, and it is to be feared that once more the unfortunate Armenian people are being left without protection from the Ottoman assassins. The Austrian half of the coalition of oppressors is showing its homogeneity of sentiment with the German half by the behaviour of Count Czernin at Bukarest in the negotiations forced upon Rumania. Along the Western front, too, continual threats of assaults keep the Allies on the *qui vive* without apparently leading to an early fulfilment of the enemy's boasts. Everywhere except in Asia there is strain, an apparent deadlock.

And the political spokesmen of the Prussian militarists in Berlin increase the insolent duplicity of their attitude with each additional apparent triumph in the field. They show themselves to-day as at the first, careless of every principle of humanity which mankind had adopted in the belief that thus could we make sure that civilisation had at last come to stay. The promise of *les Boches* was given that no more hospital ships should be torpedoed, and one, the *Glenart Castle*, has been sunk this week in the Bristol Channel in circumstances of the usual heartless brutality. Happily there were no wounded on board, but eight nurses were on board, and are among the 151 reported missing. The ship sank in seven minutes. It is nevertheless reported that, through a neutral, or Red Cross, agency the Germans are endeavouring to negotiate an agreement with the Allies to stop the use of poisoned gas in war—but they tried their gas on the Americans the other day, and we may be sure from bitter experience that were such a promise to be given the compact would be violated by the enemy without a moment's hesitation, when he thought he might gain by its use. What can be done with a people so abandoned? They must be destroyed lest we perish, and happily all their seeming victories are tending to facilitate their destruction.

Are things really so black as they seem? We think not, not even in Russia. To be reassured one has but to remember what would have been likely to happen had the Germans penetrated Russia in 1915 instead of nearly three years later. Then the Hohenzollern Empire was in the full vigour of its military strength, and its armies, if victorious, might have held large portions of Russia, seized the northern shores of the Black Sea, dominated Asia Minor, and intervened in the Balkan dispute far more effectually than they have done, whereas now the success, product of chicanery and treachery, comes too late, is but a snare to lure the abandoned foe on. Germany has not now the strength

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to hold what she is so feverishly stretching forth her hands to grasp. The German plunge into Russia in a style imitative of Napoleon's is nothing more than a foraging expedition carried out in desperation by the troops of a nation now near the extremity of hunger. Let us not be deluded then by the vapouring talk of the puppets of Junkers in Berlin or elsewhere, nor give up our faith in Russia, for even now the Bolsheviks and their corrupt leaders cannot prevent the people they have sold to the enemy from rushing to arms to repel the aggressor. The Germans are successful only in inciting the Russians against them and in bringing other foes down upon them. In all probability, should the invasion proceed, part of the United States forces will be diverted to Vladivostok, and, in conjunction with Japanese troops, advance through Siberia to put an end to the Hohenzollern foray in a way Russia alone is not at present able to do.

The whole world will now be against the Teuton brute—ay, even China—and at no vital point where mere fighting is going on or in question can we now fear the result. Our own armies in Palestine and Mesopotamia are driving the enemy before them, and although mountains and much forbidding country lie between them and their goals, their presence already does probably more than we realise to paralyse the aggressive activity of the enemy. In the Balkans the presence of the Allies and of the reorganised Greek army helps to contain the action of Austrian, Hungarian, and Bulgarian land thieves, whom we are bleeding and starving. All of them are exhausted; we have but to sit still to make the remnants of their populations ere long glad enough to lay down their arms and be allowed to live.

So is it, too, on the Italian front; and proof that Austria is approaching a state of impotence even there, near her heart, is afforded by the savagery of her assaults upon the civil population and ancient art-adorned cities within reach of her aircraft. Austrians better than Prussians? Nay, they were oppressors and cruel as the grave before ever Prussia was heard of.

We in the West still await the much-advertised German assault in France and Belgium, and await with serenity, for whatever she may have in numbers—and they cannot exceed ours—Germany does not now possess the quality of men capable of giving her success in any sustained onslaught upon the Allied lines. But two motives probably egg her on to rush on her fate, one, and the most powerful, is increasing hunger inside Germany, with its accompanying political unrest; the other is the imminence of American active participation on a large scale in the fighting this spring and summer. Even the most pride-bloated German Junker cannot disguise from himself the fact that if his war leaders wait until the United States has mustered its full complement of warriors alongside the French and British, the day of the German Empire is over.

A statement was made by Mr. War Cabinet Barnes on Tuesday which is anything but pleasant reading, especially in view of the fact that during this month no progress seems to have been made towards our mastery over the submarine plague. He—speaking with reference to the effect of the 12½ per cent. bonus—flung at the head of the wage-earners by, as he told a Glasgow audience, the new Minister of Munitions, Mr. Winston Churchill—declared that last month, "instead of a certain number of ships being turned out from the shipyards in this country, we had less than half the estimate actually turned out." That is vague, but the essential meaning can be gathered, and it is disagreeable enough. He clinched the matter by adding that America "was also failing us so far as ships were concerned," and admitted that it was a serious matter, "for shipyards are even of more importance than munition shops." That is true enough; and so the indiscriminate bonusing has been a failure, and a better method will have to be found to stimulate work in our shipyards, a method that will make earnings depend, say, on the amount and the quality of the work done—an honest method, in short. Earnings to be fair ought to depend upon and be the product of the actual labour

performed, not the product of dodging and cheating, a burden imposed on our children's children in order that the men of the passing day might have a good time at the cost of shirking their duty.

Mr. Barnes's statement is all the more serious because of our failure to overcome the enemy's U-boat piracy. Last week's sinkings of British ships of 1,600 tons and upwards numbered 14, which was one more than the sinkings of the week ended February 9, and four more than last week's. Three smaller vessels were also sunk, together with 7 fishing vessels, so that the total number of our ships of all sizes sunk last week was 24, as against 23 in the week ended February 9, and 14 in the succeeding week. The rise may be accidental, but the fact that more attention seems to be paid by the pirates to our shipping craft would seem to point to increased activity in German naval yards, and a definite purpose to strive after depriving us of fish as well as of flesh and cereals. Who supplies the German navy with the information? One French ship only, of less than 1,600 tons burden, was sunk, but no Italian vessel last week, so that the enemy seems to be concentrating against the United Kingdom. That should surely stimulate our workmen to take a higher view of their responsibilities than that governed by the mere earnings per hour passed within the workshop, even when swollen with bonuses indiscriminately distributed. If they do not provide the shipping, their wage-wealth may presently be insufficient to provide the needed food, because there will be no food available.

## Income-Tax Guides and Lessons.

I.—(continued).

### INCOMES EARNED AND UNEARNED.

Unless the total income soars to a figure over £2,500, everyone is interested to secure that such part, if any, of his income as is entitled to be reckoned as earned shall obtain that benefit. In a sense, every investment "earns" interest or dividend, but that is not the meaning of the word for income-tax purposes. The idea is income earned by personal exertions, not by capital, but yet it is extended to cover pensions given in respect of past services, whether the pension be paid to the worker or to his widow or children. Here we have a good illustration of the fact that income-tax law is often very illegitimate and unjust. If A is employed by a company which makes deductions from wages and pays retiring pensions, the pension, when received, is taxed at the lower "earned" rate. If B is employed by a company which has no such scheme, but pays wages higher than the other company's by an amount which enables B to provide a similar deferred annuity for himself through an insurance company, the annuity, when received, is taxed at the higher "unearned" rate.

### EXEMPTION CLAIMS.

In the year 1914-15 anyone whose income did not exceed £160 was entitled to repayment of all income-tax which had been charged against him in any form. For the later years the free limit is reduced to £130. The £160 limit still holds for 1914-15, so that a person whose income has been steady at £160 is still entitled to total exemption for that year, if not already obtained, but the claim must be sent in before April 5 of this year.

### SCALE ABATEMENTS.

This is the oldest form of the principle of graduation. In the four years which may have to be dealt with in a claim for repayment the scales are:—

Income. £	The Concession is an Amount Equal to a Tax on	
	1914-15.	1915-18.
161 to 400 .....	160 ....	—
131 to 400 .....	— ....	120
401 to 500 .....	150 ....	100
501 to 600 .....	120 ....	100
601 to 700 .....	70 ....	70

It will be observed what exactly the abatement is. It is a certain degree of tax remission; you pay no tax on a part of your income equal in amount to the abatement. But your income is not deemed to be less than it actually is. On the contrary, it is taken at its actual amount—that gross amount fixes the rate or rates of tax. The abatement is deducted from the income, but only after the rate or rates of tax have been fixed according to the gross unabated income. The concessions are abatements of tax only, not deductions from income. If your business yields £100 less than last year, that is one thing, but it is a totally different thing to have an abatement of that amount because your income is £550. You pay tax on only £450, but the earned rate is 2s. 6d. applicable to incomes exceeding £500 (which your income does), and not 2s. 3d., which is the earned rate on incomes not exceeding that limit.

The other abatements for children and life insurance operate in the same way; so will the promised wife abatement. With this contrasts allowances for wear and tear, obsolescence, unlet property, lost rents, rent abatements, and extra cost of maintenance of property, all of which are actual deductions from income.

NO PROFIT FROM INCOME-TAX.

The rule is absolute that no one shall ever be in a better position by reason of there being an income-tax in existence. Thus it is true that anyone whose income does not exceed £130 is totally exempt. But that only means that he shall not be out of pocket owing to the tax, not that he may even be better in his pocket on account of the tax. Thus, suppose he owns buildings and pays ground burdens amounting to £16, and mortgage interest amounting to £40. When he pays these, he deducts 5s. per £ for tax, and so in the one case he really pays only £12, and in the other £30. If there were no tax he would have to pay £56 gross, whereas he is now paying only £42 nett. The difference of £14 is in his pocket on account of the Chancellor of the Exchequer, and, notwithstanding his exemption, he will be assessed on the £56, so as to make him hand over to the Exchequer the £14 which he has so collected as the Chancellor's agent. He is thus neither better nor worse than if there had been no income-tax at all. But note that in stating his income the whole £56 will be taken off as a "burden." Thus, if the nett assessments of his properties (his only income) are £186, the £56 brings his true income down to £130, and he pays no tax for himself, but still he must disgorge the £14.

THE GRADUATION PRINCIPLE.

The idea is to vary the rate of tax according to the ability of the taxpayer to bear it. Starting with a standard or normal rate—at present 5s.—the principle is applied by giving what is known as "rate-relief" to all incomes exceeding £130 and not exceeding £2,000, so far as unearned, or £2,500 so far as earned. This is independent of the scale abatements already dealt with. These latter exempt part of the income altogether, then the graduation reduces the rate on the balance. Thus a man with an earned income of £500 (no children and no life insurance) has a scale abatement of £100 totally free, and "rate-relief" on the balance of £400, bringing down the rate from 5s. to 2s. 3d. So a lady with an income of £300 from investments has £120 totally free, and reduction of tax from 5s. to 3s. on the balance of £180. The following table shows the position for this year and the three preceding years:—

Total Income.	Nature.	Rate of Tax.		
		1914-15.	1915-16.	1916-17. 1917-18.
		s. d.	s. d.	s. d.
Not exceeding—	So far as the income is—			
£130 .....	{ Earned { Unearned	Free	Free	Free
£160 .....	{ Earned { Unearned	Free	{ 1 9½ 2 4½	{ 2 3 3 0
£300 .....	{ Earned { Unearned	{ 1 0 1 4	{ 1 9½ 2 4½	{ 2 3 3 0
£500 .....	{ Earned { Unearned	{ 1 0 1 6½	{ 1 9½ 2 9½	{ 2 3 3 0
£1,000 .....	{ Earned { Unearned	{ 1 0 1 8	{ 1 9½ 3 0	{ 2 6 3 6
£1,500 .....	{ Earned { Unearned	{ 1 2 1 8	{ 2 1½ 3 0	{ 3 0 4 0
£2,000 .....	{ Earned { Unearned	{ 1 4 1 8	{ 2 4½ 3 0	{ 3 8 4 6
£2,500 .....	{ Earned { Unearned	{ 1 6½ 1 8	{ 2 9½ 3 0	{ 4 4 5 0
Over £2,500 ..	{ Earned { Unearned	{ 1 8 1 8	{ 3 0 3 0	{ 5 0 5 0

You should make sure that, according to the amount of your income, you have not paid a higher rate of tax than that for which you are truly liable. It is not so likely that that will have happened in regard to earned income, but it is extremely likely to have happened in the case of unearned income. If so, the remedy is a claim for repayment, and if you have any doubt you ought at once to see the Surveyor of Taxes for your district. Remember that, if you act before April 5 of this year, you can, if necessary, go back to April 5, 1914.

(To be continued.)

William Hohenzollern, "Kaiser," talks thusly to the greedy spirits of the German Agricultural Society:—"The German sword has prepared the way for peace. German industriousness and perseverance will bring us a blessed future. Look ahead! Trust in God!"

COMPANY RESULTS IN BRIEF.

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re-serves.	Divi-dend.	Carried For-ward.
Annandale and Son. (Dec.)	£	£	£	%	£
Do. ....Prev.	—	9,730	26,500	7½	3,550
Barnet Gas and Water	—	9,170	23,000	5	2,760
Do. ....(½-Dec.)	16,350	11,000	14,430	6·3	23,730
Do. ....Prev.	18,620	10,300	16,010	6·3	23,200
British L. M. Ericsson	—	—	—	—	—
Do. ....(Dec.)	95,850	72,510	34,000	8	57,580
Do. ....Prev.	70,660	47,150	29,000	8	25,760
Buttons ....(Dec.)	—	64,990	35,000	25	16,220
Do. ....Prev.	—	73,560	25,000	25	23,790
Caledonian Trust ..(Jan.)	62,300	23,060	10,000	6	21,350
Do. ....Prev.	54,960	24,890	10,000	6	12,770
Cannock and Co....(Jan.)	—	12,290	9,700	10	14,640
Do. ....Prev.	—	10,790	7,200	9	13,630
Day and Martin....(Dec.)	13,010	13,120	nil	nil	nil
Do. ....Prev.	9,380	8,140	nil	nil	nil
Horace Cory .....(Dec.)	10,540	8,430	25,000	5	2,410
Do. ....Prev.	13,250	10,950	23,500	6	1,730
Hy. Boston & Sons (Dec.)	—	80,300	9,000	10	66,800
Do. ....Prev.	—	71,380	2,500	10	56,090
John Crossley & Sons (Nov.)	—	47,820	190,000	7½	4,050
Do. ....Prev.	—	51,990	190,000	7½	3,750
Lloyd and Yorath ..(Nov.)	—	33,260	15,000	10	3,450
Do. ....Prev.	—	23,110	10,000	8	18,830
North Ireland Paper (Dec.)	—	14,500	nil	15	61,900
Do. ....Prev.	—	29,470	nil	15	43,945
Pim Bros.....(Jan.)	—	40,280	50,000	10	20,600
Do. ....Prev.	—	33,480	45,000	8	16,620
Stead and Simpson....(Dec.)	—	83,040	80,000	10	55,980
Do. ....Prev.	—	76,650	60,000	10	34,980
Thos. Brooks & Co. (Jan.)	—	10,280	19,000	8½	12,620
Do. ....Prev.	—	11,840	18,000	10	14,220
Ulster Steamship ..(Jan.)	—	55,370	224,270	15	16,700
Union Commercial Invest-ment .....(Jan.)	16,070	12,540	2,000	4	2,050
Do. ....Prev.	16,440	12,400	2,000	3½	1,000
Waterlow Bros. and Lay-ton .....(Sept.)	36,260	22,150	22,440	7	12,300
Do. ....Prev.	29,470	21,410	17,440	7	7,680
Wilkinson & Riddell (Dec.)	50,410	48,610	60,000	10	41,940
Do. ....Prev.	48,340	45,630	60,000	10	37,510
Wolverhampton Gas	—	—	—	—	—
Do. ....(½-Dec.)	88,650	6,800	33,000	5	44,760
Do. ....Prev.	75,170	7,810	30,950	5	38,600

OILFIELDS PRODUCTION.

Baku Russian.—For two weeks ended January 12 and 19, 66,550 and 57,625 poods respectively.  
Bibi Eibat.—From company's wells for week ended January 6 634 tons, and for week ended January 18 606 tons.  
European Oilfields.—For week ended January 20, 60,100 poods.  
Maikop Orient.—Plot 435a, Well 3, for week ended January 26, 14,800 poods.  
Russian Petroleum.—For week ended January 19, 38,085 poods.  
United British Oilfields.—For week ended Wednesday, February 20, 569 tons.

THE LONDON CITY AND MIDLAND BANK LIMITED

will supply all information respecting

NATIONAL WAR BONDS

and invites investors to make their applications for the same at any of its offices throughout the United Kingdom

HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C.2.

# TO FINANCIERS Investors and others.



**D**URING Business Men's Week strenuous efforts will be made to create a record sale of NATIONAL WAR BONDS.

Without the support of members of the banking profession, financiers, business men and those who hold positions of responsibility and authority, little success can be anticipated.

## TO-DAY YOUR HELP AND SUPPORT ARE EARNESTLY REQUESTED.

It is hoped that, wherever possible, money on deposit at the Bank, surplus monies in hand, available trust funds, and liquid assets of all kinds, will be invested in NATIONAL WAR BONDS during the course of next week.

To men of experience the advantages afforded by NATIONAL WAR BONDS and the exceptional terms offered need little demonstration. The further call of patriotism and duty will surely make an irresistible appeal to all who realize the necessities of the moment.

### Mr. BONAR LAW says:

*"I have once again, on behalf of the Government, to ask the people of this country to place their financial resources at the disposal of the State in order that we may have the means to carry through the war to a successful conclusion.*

*"At this moment it is more than ever imperative that we at home should do our part in support of the great cause for which those dear to us are fighting and suffering. The result of the week by week borrowing has so far been most encouraging, and I am confident that you will save all that you can and deposit your money direct with the State by buying National War Bonds."*

**BUSINESS**



**MEN'S WEEK**

*Business Men's Week—organised by the Aldwych Club at the request of  
The National War Savings Committee.*

## ALLIANCE ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C. 2.

**ASSETS EXCEED £24,000,000.**

Chairman:

**The Hon. N. CHARLES ROTHSCHILD.**

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**Full information respecting  
ESTATE DUTY AND  
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issued by the Company may  
be obtained on application  
to the Head Office as above,  
or to any of the Offices or  
Agencies of the Company.

O. MORGAN OWEN, General Manager.

**NATIONAL BENEFIT** LIFE & PROPERTY  
ASSURANCE CO., LTD.  
**ASSETS EXCEED £1,000,000.**

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Managing Director: J. FRANCIS, J.P., F.S.S.

**LIFE ASSURANCE AT MINIMUM RATES.**

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Transacts all classes of Fire and Accident Business.

CHIEF OFFICE: ST. MILDRED'S HOUSE, POULTRY, LONDON, E.C.

## The Investors' Review.

### Money and Credit Notes.

**BANK RATE 5 PER CENT.** (Reduced from  $5\frac{1}{2}$  per cent. on  
Thursday, April 5, 1917.)

*Norfolk House, Friday Evening.*

Drafts on market resources, as indicated by the Bank return, have been severe during the past week. Sometimes there has consequently been a certain degree of scarcity in the short loan market, but that has not prevented discount rates from being inclined to flabbiness. A week ago the quotation for Bank paper of all usances was a uniform  $3\frac{3}{8}$  per cent. Yesterday it was for all usances below six months often  $\frac{1}{16}$  under that figure, and money has ranged from  $2\frac{1}{2}$  to  $3\frac{1}{4}$  per cent. The market is no doubt controlled by the Treasury, which, being able to dictate rates on "Treasuries," keeps the market down. Disbursements yesterday of Army pay and repayments of large chunks of matured Treasury bills helped to make the market as it were sodden with credit at the end of this week. Should this condition prevail during next week, it ought to have a sensible effect in swelling the real cash subscriptions for National War Bonds.

The most remarkable change in the Bank return, especially in view of what has just been stated about the position of the Money market, is a decline of £7,112,000 in the other deposits. That is an amount which should have had a hardening effect on rates of interest in ordinary circumstances, especially as £4,088,000 of the withdrawals were piled on to the public deposits. The flush of disengaged credits is,

however, so large that the withdrawals of a large amount from private or "other" deposits produces no apparent effect. Besides adding to the public deposits, £2,800,000 of Government securities were paid off. The only other notable movement was an increase of £1,044,000 in the note circulation, but this was balanced by £881,000 added to the coin and bullion, so that the decrease in the reserve is a mere £162,000. It is noticeable that the coin and bullion held is now £5,057,000 larger than it was a year ago. In spite of a slight decrease in the reserve, its proportion to the liabilities is  $\frac{1}{4}$  per cent. up at  $18\frac{1}{4}$  per cent.

The banking world is making history rapidly just now. Arrangements have been completed for a joint working scheme, operative as from the beginning of this month, between Williams Deacon's Bank, the Anglo-South American Bank, and the London and Brazilian Bank. Agencies of the two last-named banks have been established at the Mosley Street office of Williams Deacon's Bank at Manchester. A separate foreign exchange, shipping and agency department of Williams Deacon's Bank has been set up, and there will be in attendance at this office representatives of the two overseas banks to deal with all inquiries and business relating to Spain, Portugal, and South and Central America. This will be of very considerable direct advantage to merchants, manufacturers, agents and spinners in Lancashire. As agents for the Anglo-South American and the London and Brazilian banks, Williams Deacon's Bank will make advances upon shipping documents, an arrangement which will save the two days formerly wasted in sending such documents to London and receiving the proceeds back in Manchester. Acceptances will also be given in Manchester, and direct banking arrangements will be available between all branches of the three banks. The scheme is a novel one, and indicates the active desire of bankers to improve financial facilities for post-war trade requirements. The Anglo-South American and the London and Brazilian banks cover between them the whole of the South American continent, so that the scheme has considerable possibilities.

Another development is the formation, now practically complete, of a British metal bank. It is understood that the title of the institution, which has influential support, is the National Metal and Chemical Bank, the capital of which has been fixed at one million sterling. The object of the bank will be to finance the establishment of a smelting industry in this country, which will render us completely independent of German supplies of non-ferrous metals.

The amount of the French loan to Morocco to be offered to the public this month has been fixed at 172 million francs (£6,880,000). The loan will bear 5 per cent. interest, and will be exempt from all taxes, present and future. It will be guaranteed by the French Government. The price of issue has been fixed at 89 per cent.

Count Roedern, the German Imperial Treasurer, laid but a brief statement of his Budget before the Reichstag because "he is asking for no funds for war costs." That cannot be because no costs are being incurred, for the outlays of Germany on the war must now be heavier than ever, only they fall upon an exhausted community, and must be hidden in faked loans. Even so, current requirements are £143,750,000 above those of the previous year, mainly owing to the increased interest on loans; but the Count declared that the war profits tax with the additional levy would exceed £275,000,000, which is marvellous. The coal tax alone brings in £3,500,000 a month, and the Count hoped that in consequence of the votes of recent years the empire would emerge from the war "without uncovered deficits," which is indeed a bold boast. Fresh taxation, none the less, will be laid before the Reichstag by Easter, and it will be interesting to learn by what methods the Junker Government proposes to enlarge the revenue. The sum of it all was that the enemy on the West front is not to be left in doubt as to Germany's will and power financially to stand "the final battle" there also. Well, so be it; let him come on.



NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Feb. 23, 1918.	Feb. 16, 1918.	Feb. 9, 1918.	Feb. 24, 1917.
Loans .. .. .	£ 850,020,000	£ 839,646,000	£ 839,054,000	£ 694,646,000
Reserve held in own Vaults ..	3,272,000	3,362,000	3,570,000	106,234,000
Reserve held in Fed. Res. Bk.	99,170,000	103,290,000	111,920,000	39,000,000
Cash in own Vaults .. .. .	19,730,000	19,918,000	19,634,000	—
Reserve held in Other Depos.	1,640,000	1,590,000	1,812,000	11,282,000
Nett Demand Deposits .. ..	715,460,000	730,158,000	735,830,000	701,288,000
Nett Time Deposits .. .. .	40,294,000	40,226,000	40,388,000	33,526,000
Circulation .. .. .	6,854,000	6,834,000	6,836,000	5,736,000
Excess Lawful Reserve .. ..	8,748,000	10,996,000	19,182,000	33,962,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits

NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.).

	Feb. 23, 1918.	Feb. 16, 1918.	Feb. 9, 1918.	Feb. 24, 1917.
Loans .. .. .	£ 173,304,000	£ 170,334,000	£ 168,620,000	£ 151,228,000
Specie .. .. .	3,170,000	3,634,000	3,654,000	13,450,000
Deposits .. .. .	170,216,000	170,082,000	167,734,000	160,916,000
Legal Tenders .. .. .	16,750,000	16,594,000	14,874,000	2,228,000

BANK OF FRANCE (25 francs to the £).

	Feb. 28, 1918.	Feb. 21, 1918.	Feb. 14, 1918.	Mar. 1, 1917.
Gold in hand .. .. .	£ 133,241,520	£ 133,184,720	£ 133,189,880	£ 128,131,120
Silver in hand .. .. .	10,197,040	10,136,600	10,036,720	10,820,480
Bills discounted .. .. .	52,489,360	50,114,920	53,394,160	22,272,920
Advances .. .. .	45,815,320	48,503,080	48,684,160	49,378,760
Note circulation .. .. .	972,332,280	959,451,480	952,847,040	723,897,440
Public deposits .. .. .	2,039,080	771,760	1,676,720	3,707,240
Private deposits .. .. .	103,249,000	104,323,880	105,377,040	98,222,640
Foreign Bills .. .. .	350,000	815,400	708,080	86,200

Proportion between bullion and circulation 23.13 per cent., against 23.43 per cent. last week. Advances to the State £518,000,000, increase £12,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £19,609,600, decrease £121,280, and at the branches £24,975,800, decrease £43,280.

IMPERIAL BANK OF GERMANY (20 marks to the £).

	Feb. 23, 1918.	Feb. 15, 1918.	Feb. 7, 1918.	Feb. 23, 1917.
Total Coin & Bullion .. ..	£ 126,169,150	£ 126,112,900	£ 126,036,850	£ 127,092,750
Treasury Notes .. .. .	62,713,500	61,466,300	61,929,250	18,405,450
Bills discounted .. .. .	617,794,750	643,775,150	630,465,750	425,115,550
Advances .. .. .	300,150	351,450	423,650	497,000
Note circulation .. .. .	556,123,550	554,885,500	556,083,900	394,066,700
Deposits .. .. .	303,460,920	310,792,050	315,167,050	306,743,000

Clearing House return during January £478,428,170, against £487,563,765 in December.

BANK OF SPAIN (25 pesetas to the £).

	Feb. 16, 1918.	Feb. 9, 1918.	Feb. 2, 1918.	Feb. 17, 1917.
Gold .. .. .	£ 79,498,101	£ 79,138,368	£ 79,024,705	£ 52,719,543
Silver .. .. .	28,301,819	28,265,027	28,492,588	29,773,263
Foreign Bills .. .. .	3,498,959	3,486,003	3,536,575	3,440,652
Discounts and Short Bills ..	31,057,719	28,270,097	28,077,028	26,121,163
Treasury Account, &c. .. ..	25,450,316	26,991,740	26,312,300	27,166,336
Notes in Circulation .. .. .	113,279,761	114,037,296	113,105,750	95,822,099
Current Accounts, Deposits ..	36,245,163	38,767,452	38,446,675	30,615,596
Dividends, Interests, &c. ..	1,872,994	1,751,965	2,301,420	1,715,453
Government Securities .. ..	6,081,360	1,051,886	1,176,247	1,257,131

NETHERLANDS BANK (12 Florins to the £).

	Feb. 23, 1918.	Feb. 16, 1918.	Feb. 9, 1918.	Feb. 24, 1917.
Gold and Silver .. .. .	£ 60,164,418	£ 60,301,250	£ 60,309,250	£ 49,844,333
Bills and Advances .. .. .	12,899,916	14,321,666	15,349,999	13,824,833
Note circulation .. .. .	70,676,333	71,394,666	72,258,749	61,257,000
Deposits .. .. .	6,768,756	7,345,250	7,712,500	6,365,083

BANK OF NORWAY (18 kroner to the £).

	Feb. 15, 1918.	Feb. 7, 1918.	Jan. 31, 1918.	Feb. 15, 1917.
Gold .. .. .	£ 6,526,000	£ 6,526,000	£ 6,414,000	£ 6,643,000
Balance abroad and Foreign Bills .. .. .	3,665,000	3,774,000	3,839,000	3,876,000
Gov't Securities .. .. .	713,000	718,000	720,000	740,000
Discounts & Loans .. .. .	19,878,000	19,880,000	20,545,000	9,377,000
Notes in Circulation .. .. .	17,331,000	17,133,000	16,972,000	13,578,000
Deposits at notice .. .. .	10,000,000	10,312,000	11,025,000	4,512,000

SWISS NATIONAL BANK (25 francs to the £).

	Feb. 15, 1918.	Feb. 7, 1918.	Jan. 31, 1918.	Feb. 15, 1917.
Gold and silver .. .. .	£ 16,787,100	£ 16,723,632	£ 16,633,852	£ 15,865,712
Bills .. .. .	7,203,664	10,185,452	10,587,276	6,727,016
Note circulation .. .. .	24,429,073	24,811,716	25,324,100	19,617,836
Current and deposit accounts .. .. .	2,963,916	5,469,752	5,525,920	5,520,032

BANK OF SWEDEN (18 kroner to the £).

	Jan. 26, 1918.	Jan. 19, 1918.	Jan. 12, 1918.	Jan. 27, 1917.
Gold .. .. .	£ 13,125,000	£ 13,130,000	£ 13,711,000	£ 10,364,000
Balance abroad and Foreign Bills .. .. .	7,196,000	7,407,000	7,239,000	8,400,000
Swedish and Foreign Gov't Securities .. .. .	3,436,000	3,436,000	2,880,000	3,549,000
Discounts and Loans .. .. .	11,989,000	12,686,000	13,516,000	5,282,000
Notes in circulation .. .. .	27,868,000	28,595,000	28,902,000	19,353,000
Deposits at notice .. .. .	8,143,000	8,005,000	8,661,000	6,692,000

BANK OF ITALY (25 lire to the £).

	Dec. 31, 1917.	Dec. 20, 1917.	Dec. 10, 1917.	Dec. 31, 1916.
Total cash .. .. .	£ 45,379,080	£ 42,884,760	£ 43,776,080	£ 45,624,240
Inland Bills .. .. .	30,285,400	28,521,920	32,174,000	21,593,120
Foreign Bills .. .. .	885,000	907,800	989,120	832,400
Advances .. .. .	17,453,200	17,329,040	20,894,080	12,280,520
Government securities .. ..	8,924,840	8,810,960	8,689,960	8,790,400
Circulation .. .. .	261,167,800	257,735,560	256,695,760	155,069,980
Deposits at notice .. .. .	35,458,280	35,333,480	33,454,720	20,400,880
Current accounts .. .. .	20,663,840	22,121,680	21,923,760	13,365,440

LONDON COURSE OF EXCHANGE.

Place.	Usance.	Feb. 26, 1918.		Feb. 28, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam .. .. .	Cable transfers .. .. .	10.52	10.57	10.50	10.54
	Three months' bills .. .. .	—	—	—	—
Paris .. .. .	Cable transfers .. .. .	27.17	27.22	27.15	27.20
	Three months' bills .. .. .	27.57	27.62	27.55	27.60
Switzerland .. .. .	Cable transfers .. .. .	21.30	21.40	21.17	21.27
	Three months' bills .. .. .	21.65	21.75	21.52	21.62
Petrograd .. .. .	Cable transfers .. .. .	nom.	nom.	nom.	nom.
Genoa, &c. .. .. .	Cable transfers .. .. .	41.45	41.55	41.70	41.80
Spain .. .. .	Cable transfers .. .. .	19.62	19.72	19.48	19.58
	Three months' bills .. .. .	57	58	57½	58½
Lisbon and Oporto .. .. .	Cable transfers .. .. .	29½	30½	29½	30½
Copenhagen .. .. .	Cable transfers .. .. .	15.48	15.53	15.58	15.68
Christiania .. .. .	Cable transfers .. .. .	15.25	15.35	15.42	15.52
Stockholm .. .. .	Cable transfers .. .. .	14.62	14.72	14.72	14.82

FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques .. .. .	Francs to £1 .. .. .	25.22½	27.18	27.18½
Amsterdam, cheques .. ..	Florins to £1 .. .. .	12.107	10.70	10.59
Italy, sight .. .. .	Lire to £1 .. .. .	25.22½	41.45	42.02
Madrid, sight .. .. .	Pesetas to £1 .. .. .	25.22½	19.62½	19.57½
Lisbon, sight .. .. .	Pence to milreis .. ..	53½d.	29½d.	29½d.
Switzerland, sight .. .. .	Francs to £1 .. .. .	25.22½	21.47½	21.22½
Christiania, sight .. .. .	Kroner to £1 .. .. .	18.159	15.45	15.40
Stockholm, sight .. .. .	Kroner to £1 .. .. .	18.159	14.85	14.72½
Copenhagen, sight .. .. .	Kroner to £1 .. .. .	18.159	15.70	15.60½
Petrograd, sight .. .. .	Roubles to £1 .. .. .	94.57	nom.	nom.
Alexandria, sight .. .. .	Piastres to £1 .. .. .	97½	97½	97½
Bombay, T.T. .. .. .	Sterling to rupee .. ..	1/4	1/4½	1/4½
Calcutta, T.T. .. .. .	Sterling to rupee .. ..	1/4	1/4½	1/4½
Hong Kong, T.T. .. .. .	Sterling to dollar .. ..	—	2/11½	2/11½
Shanghai, T.T. .. .. .	Sterling to tael .. .. .	—	4/2½	4/2½
Singapore, T.T. .. .. .	Sterling to dollar .. ..	—	2/3½	2/3½
Yokohama, T.T. .. .. .	Sterling to yen .. .. .	24.58d.	2/1½	2/1½
New York, cable .. .. .	Dollars to £1 .. .. .	4.86½	4.70½	4.70½
Buenos Aires, T.T. .. .. .	Pence to dollar .. .. .	47.58d.	50½d.	50½d.
Valparaiso, 90 days .. ..	Pence to peso .. .. .	—	14d.	14½d.
Montevideo, T.T. .. .. .	Pence to dollar .. .. .	51d.	59½d.	59½d.
Rio de Janeiro, 90 days ..	Pence to milreis .. ..	16d.	13½d.	13½d.

OPEN MARKET DISCOUNT.

	Last week.	This week.
	Per cent.	Per cent.
Thirty and sixty day remitted .. .. .	3½	3½
Three months .. .. .	3½	3½
Four months .. .. .	3½	3½
Six months .. .. .	3½	3½
Three months fine inland bills .. .. .	4½	4½
Four months .. .. .	4½	4½
Six months .. .. .	4½	4½

BANK AND DEPOSIT RATES.

	Last week.	This week.
	Per cent.	Per cent.
Bank of England minimum discount rate .. ..	5	5
" " short loan rates .. .. .	—	—
Bankers' rate on deposits .. .. .	3	3
Bill brokers' deposit rate (call) .. .. .	3	3
" " 7 and 14 days' notice .. .. .	3½	3½
Current rates for 7 day loans .. .. .	3½	3½
" " for call loans .. .. .	2½-3	2½-3

The Week's Stock Markets.

It requires a very strenuous optimist to find anything cheerful in the Stock markets at present. The Tank campaign in the provinces for National War Bond subscriptions must have mopped up a great deal of money that would otherwise have found its way to Throgmorton Street, and as it is to be London's turn next week, there is no immediate prospect of any improvement from the stockbroker's point of view. And although people are beginning to get a better perspective of the Russian position, it cannot be doubted that it gives rise to grave anxiety in many quarters, while no one can attempt to forecast how long the present chaos may continue or what sufferings the unhappy country may have to go through before the dawn of a better era begins to give the clouds a rosy lining. Argentina, too, has again been misbehaving—or, at least, a section of Hun-subsidised agitators—but unfortunately it is not much consolation to be able to put one's finger on the cause of these recurring troubles unless at the same time a remedy can be found for them, and that appears to be beyond the wit either of the Government or the railway companies to discover. Miscellaneous and Industrial shares have received a fair

	Last Week	This Week		Last Week	This Week
Consols.....	54 1/2	54 1/2	N.S.W. 4 1/2% 5 yr. bds.....	99 1/2	99 1/2
War Loan 3 1/2%.....	86 1/2	86 1/2	" 4 1/2% 1922-7.....	91	92
" 4 1/2%.....	100 1/2	100 1/2	" 5% 1921-3.....	97 1/2	97 1/2
" 5% 1929-47.....	93 1/2	93 1/2	" 5 1/2% 1920-2.....	98	98
India 3%.....	102	102	New Zealand 4% 1929.....	86 1/2	86 1/2
" 3 1/2%.....	55 1/2	55 1/2	Queensland 4%.....	80 1/2	80 1/2
Australian 5 1/2% 1920-22.....	64 1/2	64 1/2	" 4 1/2% 1920-5.....	94	94
Canada 4% 1940-60.....	81 1/2	81 1/2	Union of S. Africa 4 1/2%.....	92 1/2	92 1/2
N.S.W. 4% 1933.....	93 1/2	93 1/2	1920-5.....	94	94
Argentina 4% 1900.....	67 1/2	67 1/2	Victoria 4 1/2% 1920-5.....	79 1/2	79 1/2
Belgian 3%.....	62 1/2	62 1/2	Westn. Aus. 4%.....	78 1/2	78 1/2
Brazil 1913.....	70	70	French War Loan, 5%.....	98	98
" 5% 1914.....	80	80 1/2	Japan 4 1/2% (1st), 1905.....	93	93
Chinese 1896.....	94	94	" 5% 1907.....	53	58
" 1912.....	82 1/2	82 1/2	Mexican 5% 1899.....	16 1/2	34 1/2
Egypt Unified 4%.....	86	86	" 4 1/2% 1909.....	38 1/2	37 1/2
Caledonian defd.....	9 1/2	8 1/2	" 5% 1906.....	48 1/2	47 1/2
Gt. Central pld.....	13	13	London and N.-W.....	92	88 1/2
" defd.....	6 1/2	6 1/2	London and S.-W. dfd.....	23 1/2	22 1/2
Gt. Eastern.....	34 1/2	34	Do red. pf. 1914.....	94	95 1/2
Gt. Northern dfd.....	35 1/2	34 1/2	Metropolitan.....	22 1/2	21 1/2
Gt. Western.....	82 1/2	82 1/2	Do. 5% pf.....	77	74 1/2
Lancs. and Yorks.....	64 1/2	64	Met. District.....	15 1/2	15 1/2
London Brighton defd.....	59	55 1/2	Midland dfd.....	58	55 1/2
London Chatham ord.....	8 1/2	8 1/2	Nth. British dfd.....	14 1/2	13 1/2
			Nth.-Eastern.....	96 1/2	93 1/2
			Sth.-Eastern dfd.....	26 1/2	27 1/2
Canadian Pacific.....	161 1/2	160 1/2	Chesapeake.....	56	58
E. Indian Guar. 4 1/2% debts.....	84	84	Erie.....	20	20 1/2
Grand Trunk ord.....	9 1/2	8 1/2	Southern.....	26	26 1/2
Do. 1st pf.....	55	53			
Do. 3rd pf.....	22 1/2	21 1/2	Cent. Argentine ord.....	57 1/2	56 1/2
Antofagasta dfd.....	133	133	Leopoldina.....	38	38
Brazil Common.....	5	5	Mexican ord.....	19	19
B. A. & Pacific.....	38 1/2	38 1/2	San Paulo (Brazilian).....	182	182
B. A. Gt. Southern.....	72	71	United of Havana.....	74 1/2	74 1/2
B. A. Western.....	70	69	London City & Midland.....	8	8
Anglo-South American.....	7 1/2	7 1/2	London County & West.....	15 1/2	15 1/2
Bank of Australasia.....	121	120	London Joint Stock.....	29 1/2	29 1/2
Bank of N.S. Wales.....	36 1/2	36	Nat. Prov. of Eng. (£100 pd).....	26 1/2	26 1/2
Barclay & Co. "A".....	7 1/2	7 1/2	Do. (£12 pd).....	30 1/2	29 1/2
Do. "B".....	12 1/2	12	Parr's.....	33	32 1/2
Capital & Counties.....	27	25 1/2	Standard of S.A.....	11 1/2	11 1/2
Chartered of India.....	72 1/2	72 1/2	Union Discount.....	10 1/2	10 1/2
Hongkong & Shanghai.....	86	83 1/2	Union & Smiths.....	26	26
Lloyds.....	24 1/2	23 1/2			
London & Brazilian.....	25	25	Kynochs.....	38 1/2	37 1/2
Armstrong, Whitworth.....	43 1/2	42 1/2	Mind Nickel ord.....	37 1/2	37 1/2
Birmingham Small Arms.....	58 1/2	57 1/2	South Durham Steel.....	42 1/2	42 1/2
Cammell-Laird.....	7	7	Thornycroft.....	40 1/2	40 1/2
Cargo Fleet.....	27 1/2	25 1/2	Vickers.....	44 1/2	43 1/2
Dorman, Long.....	39 1/2	39 1/2			
Associated Cement.....	38	38	Fine Cotton Spinners.....	34 1/2	35 1/2
Borax dfd.....	41 1/2	40 1/2	Forestal Land.....	47 1/2	48 1/2
Bovril.....	21 1/2	20 1/2	Furness, Withy.....	66 1/2	67 1/2
Brazil Traction.....	43 1/2	44 1/2	Harrdore Stores.....	2 1/2	2 1/2
British Amer. Tobacco pf.....	18 1/2	18 1/2	Hudson's Bay.....	7 1/2	7 1/2
British Aluminium.....	33 1/2	33 1/2	Imperial Tobacco 'C' pf.....	32 1/2	33 1/2
British Oil & Cake.....	34 1/2	32 1/2	Lever Bros. 'C' pf.....	20 1/2	20 1/2
Brunner, Mond.....	1 1/2	1 1/2	Lyons, J.....	3 1/2	3 1/2
Castner-Kellner.....	37 1/2	37 1/2	Marconi.....	3	2 1/2
Coats.....	6 1/2	6 1/2	Maypole Dairy dfd.....	20 1/2	19 1/2
Courtaulds.....	6 1/2	7 1/2	National Steam Car.....	17 1/2	16 1/2
Cunard.....	49	48	Pears, A. & F.....	18 1/2	18 1/2
Dennis Bros.....	35 1/2	35 1/2	P. & O. dfd.....	34 1/2	34 1/2
Eastern Telegraph.....	152 1/2	152 1/2	Royal Mail.....	125	123
Kasimans.....	103 1/2	99 1/2	Underground Inc. Bds.....	80 1/2	80 1/2
English Sewing Cotton.....	54 1/2	55 1/2			
Anglo-Egyptian "B".....	33 1/2	37 1/2	North Caucasian.....	10 1/2	9 1/2
Baku (10s).....	19 1/2	19 1/2	Romanian Cons.....	5 1/2	5 1/2
Burmah.....	7 1/2	7 1/2	Shell.....	6 1/2	6 1/2
Lobitos.....	14 1/2	14 1/2	Spies (10/-).....	2	2
Maikop Pipeline.....	2 1/2	2 1/2	Ural Caspian.....	2	2
Mexican Eagle pf.....	63 1/2	63 1/2			
Allagar 2/-.....	3 1/2	3 1/2	Perak 2/-.....	7 1/2	7 1/2
Anglo-Java Rub. 2/-.....	6 1/2	6 1/2	Port Dickson 2/-.....	4 1/2	4 1/2
Anglo-Malay 2/-.....	14 1/2	14 1/2	Rub. Estates Johore £1.....	42 1/2	42 1/2
Ayer Kuning £1.....	48 1/2	48 1/2	Rub. Estates Krian 2/-.....	4 1/2	4 1/2
Batang Malaka 2/-.....	4 1/2	4 1/2	Rubber Trust £1.....	29 1/2	28 1/2
Bekoh 2/-.....	4 1/2	4 1/2	Sampang (Java) 2/-.....	2 1/2	2 1/2
Brit. N. Borneo Trust £1.....	17 1/2	17 1/2	Supumalkande £1.....	25 1/2	26 1/2
Bukit Clob 2/-.....	5 1/2	5 1/2	Seaport £1.....	26 1/2	26 1/2
Bukit Kajang £1.....	73 1/2	74 1/2	Selangor.....	34 1/2	33 1/2
Bukit Mertajam 2/-.....	4 1/2	4 1/2	Sengat 2/-.....	3 1/2	3 1/2
Bukit Sembawang 2/-.....	3 1/2	3 1/2	Seremban £1.....	42 1/2	42 1/2
Carey United £1.....	42 1/2	43 1/2	Shelford £1.....	37 1/2	37 1/2
Ceylon Para 2/-.....	9 1/2	9 1/2	Sialang £1.....	63 1/2	64 1/2
Chersonese.....	3 1/2	3 1/2	Singapore Para 2/-.....	4 1/2	4 1/2
Chevi. 2/-.....	6 1/2	6 1/2	Singapore United 2/-.....	3 1/2	3 1/2
Dalkeith 2/-.....	2 1/2	2 1/2	Soembeer Ajo 2/-.....	2 1/2	2 1/2
Eastern Invest. Trust £1.....	25 1/2	25 1/2	Stagbrook £1.....	33 1/2	33 1/2
Grand Central £1.....	26 1/2	27 1/2	Straits Bertam 2/-.....	6 1/2	6 1/2
Gula Kalumpung £1.....	35 1/2	35 1/2	Sumatra Para 2/-.....	8 1/2	8 1/2
Highlands £1.....	59 1/2	58 1/2	Sungei Bahru £1.....	37 1/2	37 1/2
Java Investm't £1.....	28 1/2	28 1/2	Sungei Kapar 2/-.....	11 1/2	11 1/2
Java Para £1.....	31 1/2	31 1/2	Sungei Krut £1.....	49 1/2	49 1/2
Johore Rubber Lands £1.....	33 1/2	33 1/2	Taipung 2/-.....	4 1/2	4 1/2
Kamunin 2/-.....	4 1/2	4 1/2	Tali Ayer £1.....	35 1/2	34 1/2
Kinta Kellas 2/-.....	4 1/2	4 1/2	Tandjong £1.....	87 1/2	85 1/2
Kuala Kubu 2/-.....	2 1/2	2 1/2	Tandjong Malim £1.....	3 1/2	3 1/2
Labu 2/-.....	10 1/2	9 1/2	Tebrau £1.....	63 1/2	63 1/2
Langen Java £1.....	45 1/2	42 1/2	Teloregdo £1.....	43 1/2	42 1/2
Linggi 2/-.....	27 1/2	26 1/2	Tempeh 2/-.....	2 1/2	2 1/2
London Asiatic 2/-.....	8 1/2	8 1/2	United Serdang 2/-.....	11 1/2	10 1/2
Malacca £1.....	5 1/2	5 1/2	United Sumatra 2/-.....	8 1/2	8 1/2
Malayalam £1.....	39 1/2	39 1/2	Val d'Or 2/-.....	4 1/2	3 1/2
Merlimau 2/-.....	5 1/2	5 1/2	Vallambrosa 2/-.....	22 1/2	22 1/2
Padang Java 2/-.....	3 1/2	3 1/2	Way Halim 1 1/2 pd.....	—	—
Pataling 2/-.....	42 1/2	42 1/2			
Abbottiakoon (10/-).....	4 1/2	4 1/2	Gt. Boulder (2/-).....	13 1/2	13 1/2
Bechuanaland Exp.....	7 1/2	7 1/2	Kyshtim.....	6 1/2	6 1/2
Brakan.....	5 1/2	5 1/2	Mashonaland Agency.....	5 1/2	5 1/2
Broken Hill Prop. (8/-).....	62 1/2	62 1/2	Meyer & Charlton.....	8 1/2	8 1/2
Cam & Motor.....	11 1/2	11 1/2	Modder "B".....	7 1/2	7 1/2
Central Mining (£12).....	6 1/2	6 1/2	Do. Deep.....	2 1/2	2 1/2
Chartered.....	15 1/2	15 1/2	Mysore.....	2 1/2	2 1/2
City Deep.....	3 1/2	3 1/2	Rand Mines (5/-).....	2 1/2	2 1/2
Cons. Gold Fields.....	32 1/2	36 1/2	Rio Tinto (£5).....	64	64 1/2
Cons. Langlaagte.....	19 1/2	19 1/2	Russo-Asiatic.....	2 1/2	2 1/2
Crown Mines (10/-).....	1 1/2	1 1/2	Spring Mines.....	3 1/2	3 1/2
De Beers dfd. (£2 10s).....	13	13	Tanganyika.....	3 1/2	3 1/2
East Rand.....	5 1/2	5 1/2	Tanayik.....	1	1
Eduld.....	2 1/2	2 1/2	Van Ryn Deep.....	3 1/2	3 1/2
Gov. Areas Mod.....	3 1/2	3 1/2			

amount of support all things considered, but the big groups, like Shipping, Iron and Steel and Breweries, have fallen into comparative neglect. Some of them went ahead too fast, and they are now paying the inevitable penalty.

The eagerly awaited Courtauld bonus scheme has at last made its appearance, and it certainly seems to be on as generous a scale as the most sanguine anticipated. By comparison the handsome final dividend of 17 1/2 per cent., making 30 per cent. for the year, the same as paid for 1916, sinks into insignificance. It is proposed to value the company's holding in the Viscose Co. at £6,444,480, and to capitalise sufficient of the reserves to allow the issue of two 6 per cent. preference shares of £1 each, and two additional ordinary shares of £1 each in respect of each of the existing £1 shares. The new capitalisation will therefore be £10,000,000, and the proposals now await the sanction of the Treasury. No wonder the old shares were a lively market yesterday (Friday) between 8 and 8 1/2, whereas on the previous day they were dealt in round 7 1/2, and before the war they were 2 1/2. It is the biggest "melon" that has been cut up for a long time.

Probably owing to the intensive campaign for National War Bond subscriptions and the continued uncertainty of the situation on the Russian front, markets have been in a depressed condition practically all the week. Gilt-edged stocks remained fairly steady, but the amount of business was almost negligible and the movements have been trifling. Colonial stocks also were neglected for the most part, but the unexpectedly favourable result of the New South Wales Loan, of which the underwriters had to take only 24 per cent., gave a slight fillip to this market. Foreign bonds have been almost entirely neglected, except that Russians have again given way several points. Greeks and Portuguese at one time showed a certain amount of strength, but practically nothing happened in the rest of the list.

Home Railways have been one of the weakest sections in the "House," and almost daily there has been a fractional decline in most of the leading stocks. The dividends are now being deducted, and it looks a long time till the next distribution, especially in the case of those deferred issues which only receive a dividend once in 12 months. Very little transpired in the American market, but Chesapeake at one time gained a couple of points. On the other hand, International Mercantile Marine were conspicuously weak, but closed above the worst. Canadian Pacific moved within narrow limits and left off almost unchanged, while Grand Trunks did not benefit to any extent by the excellent traffic, and prices generally were flat. Argentines were weak owing to the threat of further labour troubles, and although the accumulation of goods during the previous strikes were exceptionally brilliant, the tone of the market was decidedly uneasy. Mexican Rails also gave way a point or two, and other stocks in this group were mostly dull.

Bank shares have shown a dropping tendency after their recent advance, and Capital and Counties, Lloyds, National Provincial, Parr's, and London County and Westminster have specially lost ground. Brewery shares have also been on the down grade, with Allsopp's, City of London, and Watney, Combes conspicuously weak, although the feeling was a little more cheerful towards the close. Egyptian securities were firm, but dealings were on a small scale, and Electric Lighting shares were very flat. Among Land shares, Pahangs showed exceptional strength, while Nigers were easier, and the rest of the list gives us nothing to mention. Iron and Steel shares generally have been flat, but Swan, Hunters were good on the dividend. Bengal Iron and Kynochs both gave way. Shipping shares have relapsed into almost complete neglect, and among Miscellaneous Industrials, Coats, Cements, Brunner Monds, and a few others were decidedly depressed, but Sewing Cotton gained a fraction, and Henley's Telegraph shares improved on the bonus scheme.

Oil shares have moved very irregularly, but Anglo-Egyptians, Trinidad Leaseholders, and "Shells" have all been well supported. On the other hand, Burmahs have been particularly flat, and Mexican Eagles, Venezuelans, and North Caucasians have all given way a fraction. Rubber shares, although still very much less active than was the case not so long ago, have benefited from the recovery in the price of the commodity, and the gradual decline in share values, which has been in progress for some considerable time, has attracted a fresh lot of buyers. Business is not by any means active, but as long as the market holds its position, it is as much as anyone can reasonably expect in these times.

The Bulgarian Minister of Finance, when asking the Sobranje for a credit of £40,000,000, remarked that "he hoped soon to be in a position to declare that this heavy loan would not be borne by the Bulgarians." Who will carry it then? The Rumanians, Serbians, or the Turks? Neither Austria nor Germany can, and would not if they could. And where will Bulgaria get cash meantime?

LONDON PRODUCE MARKETS.

There was a moderate amount of business in force during the week in most directions, and prices held together very well.

SUGAR market continued without alteration.

COFFEE.—With a good demand for all varieties, recent prices were well maintained, and meantime all the mild home-trade sorts are only very sparingly offered from second hands. At public sale, East India fine bold Mysore sold, 131s.; Coorg, 120s. to 125s. 6d.; bold Nairobi, good bold, 116s.; and Santos, on quay terms, superior to fine fancy palish, 73s. to 88s. For future delivery, a dull and inactive state of affairs pervaded the market.

COCOA.—No auctions held this week, and by private treaty only

CURRENT PRICES OF CHIEF ARTICLES.  
WEEK ENDING MARCH 1, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 14/ 98% polarisation	£ s. d.	£ s. d.	<b>Wool</b> —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'sabr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granu-			Greasy Crossbred	nom.	nom.
lated, first marks			New Zealand	nom.	nom.
f.o.b., spot	nom.	nom.	(scoured) Merino	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Greasy Crossbred	nom.	nom.
French Cube			Cape snow white	nom.	nom.
prompt	nom.	nom.	<b>Indian rubber</b> p. lb		
Crystallised, West			Plantation, Spot		
India ..	2 6 9	2 6 9	Crepe .. ..	0 2 3½	0 2 5½
Beet, 88% f.o.b.	nom.	nom.	<b>Coal</b> —per ton		
<b>Tea</b> —per lb., duty	d. s. d.	s. d. s. d.	Durham, best ..	nom.	nom.
7½ lb.			Seconds .. ..	nom.	nom.
Indian Pekoe ..	nom.	nom.	East Hartlepool ..	nom.	nom.
Broken ..	nom.	nom.	Seconds .. ..	nom.	nom.
Orange ..	nom.	nom.	Steams, best ..	32 6	32 6
Broken ..	nom.	nom.	Seconds .. ..	29 6	29 6
Pekoe Souchong	nom.	nom.	<b>Lead</b> —per ton.	£ s. d.	£ s. d.
Broken Pekoe ..	nom.	nom.	English Pig ..	nom.	nom.
Orange ..	nom.	nom.	Foreign soft, net	£ 29½-£ 28½	£ 29½-£ 28½
Broken ..	nom.	nom.	<b>Quicksilver</b> —per		
Pekoe Souchong	nom.	nom.	bottle first hand	nom.	nom.
<b>Cocoa</b> —per cwt.,	d. s. d.	s. d. s. d.	<b>Tin</b> —per ton		
duty 6½, per lb.			Trinidad Ingots ..	£ 319	£ 323-£ 325
Trinidad ..	87 0-99 0	87 0-99 0	Do. bars ..	£ 320	£ 324-£ 325
Grenada ..	85 0-98 0	85 0-98 0	Standard cash ..	£ 314	£ 319
West Africa ..	65 6-70 0	62 0-70 0	Tin Plates, per box	nom.	nom.
Ceylon Plantation	77 0-94 0	77 0-94 0	<b>Copper</b> —per ton.		
Guayaquil Arriba ..	110/-112/-	109/-112/-	English, Tough,		
<b>Coffee</b> —per cwt.,			per ton ..	nom.	nom.
duty 4½, per cwt.			Best Selected ..	£ 119-£ 123	£ 119-£ 123
East India ..	105-0 125-0	110 0 131 0	Sheets .. ..	£ 149	£ 149
Jamaica ..	77-0 151-0	79 0 151 0	Standard ..	£ 110-110½	£ 110-110½
Costa Rica ..	110-0 134-6	110 0 134 6	<b>Jute</b> —per ton.		
<b>Provisions</b> —			Native firsts for		
<b>Butter</b> , per cwt.			shipment	nom.	nom.
Australian finest	252/-	252/-	<b>Oils</b> —		
Argentine ..	252/-	252/-	Linseed, per ton ..	£ 58-£ 63	£ 58-£ 63
Irish Creameries	nom.	nom.	Rape, refined ..	£ 71	£ 71
Dutch ditto ..	nom.	nom.	.. crude ..	£ 66	£ 66
Russian finest	nom.	nom.	Cott'n Seed, crude	£ 60	£ 60
Paris baskets ..	nom.	nom.	Ditto, refined ..	£ 67-£ 95	£ 67-£ 95
Danish finest	nom.	nom.	Petroleum Oil, per		
Brittany rolls ..	nom.	nom.	8 lbs.	1/7½	1/7½
doz. lb. ..	nom.	nom.	Water White ..	1/8½	1/8½
<b>Bacon</b> —per cwt.			Oil Seeds, Linseed	—	—
Irish ..	172/-	172/-	Calcutta—per ton		
Continental ..	172/-	172/-	Rape .. ..	29 15 0	29 15 0
Canadian ..	171/-172/-	171/-172/-	.. ..	£ 29-10/-£ 30	£ 29-10/-£ 30
American ..	171/-180/-	171/-180/-	<b>Iron</b> —per ton		
<b>Hams</b> —per cwt.			Cleveland Cash ..	nom.	nom.
Irish ..	203/-	203/-	<b>Tobacco</b> —duty,		
Canadian ..	162/-165/-	162/-165/-	unmanufactured		
American ..	125/-165/-	125/-165/-	7½ to 8½ per lb.		
<b>Cheese</b> —per cwt.			Maryland & Ohio		
Dutch ..	129/6-160/-	129/6-160/-	per lb. bond ..	nom.	nom.
Canadian ..	nom.	nom.	Virginia leaf ..	0 8-2 1	0 8-2 1
English Cheddar	142/-	142/-	Kentucky leaf ..	0 7-0 11	0 7-0 11
Wilt's loaf ..	nom.	nom.	Latakia ..	2 0-5 0	2 0-5 0
New Zealand ..	nom.	nom.	Havana ..	1 6-6 6	1 6-6 6
<b>Rice</b> —per cwt.	s. d.	s. d.	Manila ..	nom.	nom.
Japan ..	nom.	nom.	Cigars, duty 10/6		
Rangoon 2 stars ..	26 3	26 3	per lb. ..	2/ upds.	2/ upds.
<b>Eggs</b> —per 120.			<b>Timber</b> —Wood.		
English ..	43 0-44 0	40 0-42 6	Pitch Pine ..	300/-400/-	300/-400/-
Irish ..	40 0-42 0	37 0-38 0	Indian Teak ..	380/-700/-	380/-700/-
Danish ..	40 0-44 0	39 0-41 0	<b>Turpentine</b> —		
<b>Spelter</b> —			American Spot ..	124/-	124/-
G.O.B. as to position			<b>Copra</b> —per ton		
.. ..	54 0 50 0	54 0-50 0	Malabar ..	46 0 0	46 0 0
<b>Flour</b> —per sack.			Ceylon ..	46 0 0	46 0 0
Country Straight			F.M.S. Singapore	45 15 0	45 15 0
Runs ex Mill ..	44/3	44/3	F.M. Straits ..	45 10 0	45 10 0

a limited trade resulted at recent prices. Cocoa butter in fair demand at 2s. per lb.

SPICE.—Pepper market ruled quiet, but prices fully steady. On the spot Singapore black, basis fair, quoted 1s. 1½d.; Tellicherry, 1s. 3½d.; and Muntok, 1s. 8½d. Zanzibar cloves steady, at 1s. 10d., buyers, Tapioca firm. Fair flake, spot, sellers, 7½d. Penang seed pearl quoted 72s., and medium, 70s. Fair small sago, spot, buyers, 70s. per cwt.

RICE.—Beans and peas continue in good support, while the latter is very reservedly offered.

SHELLAC.—Market unaltered, and in the absence of business quotations are largely nominal.

RUBBER.—Market slightly irregular, but prices firmer on the

week, while a fair business transpired. Plantation crepe, spot, sold, 2s. 3½d., 2s. 4½d., 2s. 4d., and 2s. 5d.; April-June, 2s. 4½d., 2s. 5½d., 2s. 5d., and 2s. 6d.; July-December, 2s. 6½d., 2s. 6d., and 2s. 6½d. Smoked ribbed sheet, spot, 2s. 2½d., 2s. 3½d., 2s. 3d., and 2s. 4½d. Fine hard Para, spot, done, 2s. 8d.; and soft fine, 2s. 4d. per lb.

CORN (Mark Lane).—Steadiness characterised movements during the week, offerings being readily absorbed at full rates. English wheat ranges to 75s. 6d. per 504 lbs. Of imported descriptions, No. 1 Northern Manitoba, sold, 81s. 6d.; No. 2, hard winter, quoted, 80s. to 80s. 9d.; red winter, 78s.; blue stem, 81s. 6d.; Australian, 83s. 6d. to 84s. 3d.; and La Plata, 81s. 9d. to 82s., all landed, per 496 lbs. Flour—English, G.R., 44s. 3d. per sack, ex mill; Canadian export, 51s. 9d.; white maize meal, 84s. 6d.; and yellow, 83s. 6d., ex warehouse. Barley—English, 62s. 9d.; Californian, 93s., landed, per 448 lbs. Oats—English, 46s. 3d., per 336 lbs.; No. 2 Canada Western, 63s.; American white clipped, sold, 61s. 6d.; and American (controlled), 60s. 6d. per 320 lbs., quay terms. Maize remains nominal.

COTTON (from our Manchester correspondent).—Although there has not been any general improvement in the market during the past week, buyers have shown increased interest in prices, and here and there rather more business has been done. The hardening tendency in raw cotton rates has to some extent stimulated demand in yarn and cloth. The depressing feature in the situation at the moment is the worse outlook for shipping, and in well-informed quarters it is believed that a further restriction of output is inevitable during the next few weeks. Distant future positions in Liverpool have attracted rather increased attention. Only a miscellaneous business has been done in piece goods for India chiefly in light fabrics, such as dhooties and jaconets. The isolated bids mentioned for China have mostly been altogether too low, but some shippers seem to be feeling their way towards more activity. A little more demand has been about in a variety of goods for Egypt and South America. The home trade continues to give healthy support, and the distributing houses are being pressed for deliveries. Makers of strong and heavy materials for war purposes remain exceedingly busy, but fresh contracts of weight have not been prominent this week. An increased inquiry has come through in home American yarns, and the turnover has been larger than for some time back. Stocks have been cleared, and many producers have strengthened their position. Rather irregular operations have occurred in shipping yarns. The undercurrent of demand in Egyptian spinnings remains encouraging, and owing to the strong position of producers full rates have had to be paid for anything wanted.

Answers to Correspondents.

C. D. F.—The market looks like continuing to droop, and the immediate outlook is a little uncertain. Better wait a little longer.

J. R. S.—They are a pure gamble, and we do not care to recommend a purchase.

Chorus.—Unless you have something better in view, keep it.

P. F. T.—We are not inclined to favour a purchase for investment. The financial position is full of problems.

J. M. M.—(1) The output is increasing, and prospects are quite good, but the premium is high. The shares will probably improve. (2) Not as an investment; dividends are not yet being paid. The company has valuable interests, but it is a waiting game.

R. D. G.—Yes.

G. A. H.—Why not sell a few of each? Both are powerful concerns and wealthy, but they are always liable to sharp fluctuations.

X. Y.—(1) These look too dear to purchase now, although dividends are likely to be good for the present. (2) Only a substantial increase in the dividend justifies the present price. The company is no doubt doing well, but the shares look dear as an investment. (3) A progressive company, with room for expansion. There is no hurry to buy, as market seems likely to sag.

Swineherd.—It seems a pity to sell now. There is a chance that the company may pull round. It has a fair-sized estate, which is likely to become valuable when conditions are more normal.

Jewish demonstrations in Galician towns, according to Jewish reports, have led to the ill-treatment of Jews at Cracow and the demolition of their shops. At Lemberg anti-Jewish pamphlets have been sold for 1d. for the benefit of the funds for the expulsion of Jews from Poland. Is that the work of German provocateurs, or of misguided Polish fanatics themselves?

THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71 Old Broad Street, E.C.

Subscribed Capital .. ..	£1,276,747 10 0
Paid up Capital .. ..	869,685 0 0
Reserve Fund and Undivided Profits ..	275,680 11 8
Reserve Liability of Proprietors .. ..	606,962 10 0
REMITTANCES made by CABLE.	
DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.	
BILLS on Australasia NEGOTIATED or sent for collection.	
DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.	

## American Business Notes.

Details of United States foreign trade for 1917 are interesting from several points of view, the totals are so large. In merchandise exports alone the increase was £149,000,000, and of that more than £50,000,000 was due to shipments to South America, the West Indies, Mexico, Asia, and Oceania, and it was a growth upon a growth. With the whole of South America the export trade of the Republic last year was not far from four times that of 1914, the gains being principally in cotton cloths, tin plates, automobiles, coal, and manufactures of iron and steel.

To the United Kingdom the value of goods exported was nearly £400,000,000, and this compares with £378,000,000 in 1916, which in turn was about 60 per cent. above the figures for 1915. To France the exports rose in value from £172,000,000 in 1916 to £186,000,000 last year, and to Italy from £61,000,000 to £80,000,000. Canada also took £155,000,000 worth of American goods compared with little more than £121,000,000 in 1916. To Russia alone was there any serious decrease in exports. They fell nearly £6,000,000 to about £88,000,000 last year owing to the cutting off of supplies there in the final quarter. In other directions the expansion was remarkable enough, and not least in the exports to Mexico, which sprang from £10,600,000 to £22,000,000. Chile, Argentina, Brazil, the British East Indies, and Japan also took considerably more of American commodities, even allowing for the formidable further increase in prices, and the facts would seem to indicate that for the present the United States is occupying a good deal of the field which was formerly filled by Europe, especially by Germany.

Naturally the import trade also went up in a remarkable manner, and only in wool from Australia is a large diminution in shipments to be noted. But from Canada came increased quantities of flax seed, wood pulp, and wool, from Mexico larger quantities of copper, lead, and mineral oils, from Brazil much more coffee, and from Argentina, Chile, Peru, and Uruguay increased shipments of copper, hides, and wool. Also from China raw silk, goatskins, hides, and wool arrived in appreciably larger quantities, and from Japan, which took nearly £12,000,000 more of American goods, there were also increases in imports. From India came much greater quantities of indiarubber, manila hemp, fruits, and coconut oil. Altogether out and in the trade of the Republic in merchandise alone was last year valued at £1,836,000,000, and of that total £590,500,000 was the value of the imports, so that immense though the exports were, their excess values over those of the imports was only £36,500,000 greater than for the year before. This excess, however, has now risen to the enormous aggregate of £654,760,000. That was the balance due to the United States on its merchandise trade of 1917, and in 1914 that "favourable" balance was barely £65,000,000. But then it had heavy interest payments to make abroad, whereas now it is a creditor country.

With all this excess, however, the movements of gold were much less favourable to the United States than in the previous year. Altogether the imports of the metal last year reached £107,600,000. This compares with £137,200,000 in 1916 and with £90,400,000 in 1915. Exports of gold, in fact, were much larger at £74,400,000, or fully one and a-half times as much as the export of 1914. The nett import balance in gold for the year was therefore barely £33,200,000, but the nett export in 1915 was almost as much, and in 1915 the nett import was upwards of £106,000,000. The change has immense significance. But thanks to our borrowings we provided only £100,000,000 of the total gold imported by the States last year, and France almost nothing at all.

Silver, now a much more important metal in international business than before the war, was heavily exported, and exceeded imports by £6,140,000, against £7,666,000 in the previous year. The principal source of the increased supply of this metal was Mexico.

## Insurance News.

As the result of an excellent year's trading the directors of the West of Scotland Insurance Office were enabled to raise the dividend for 1917 to 20 per cent., as contrasted with 17½ per cent. for 1916, and to carry forward £4,702 more at £7,803. The total premium income was £107,834—an increase of £28,342; the combined loss ratio was 50.6 per cent., while the expense ratio was reduced from 33.5 per cent. to 29.08 per cent. By an addition of £2,000 the general reserve was raised to £30,000.

Fire insurance underwriters doing business in Sweden had an unsatisfactory experience in the closing weeks of 1917, owing to three disastrous fires which the wood pulp and paper-making trade experienced. One fire alone is reported to have resulted in a loss of £500,000, and in the case of a second outbreak the damages are estimated at £250,000. Incendiarism is strongly suspected as the cause of two of the fires.

A reduction in the capital of the British Widows' Assurance Co. from £100,000 to £24,000 has been sanctioned by the Court. According to the *Post Magazine*, the application to the High Court for this purpose is understood to be only part of an arrangement with the holders of the shares who provided the loans which appeared in the balance-sheet as at December 31, 1916, as amounting to £81,289. The final adjustment, together with other arrangements pending, will wipe out these loans; the item of goodwill, £60,000, will disappear from the assets; and the establishment account will be reduced to about £25,000, a sum much more in consonance with the actual facts of the building cost of the business written since 1905.

The fact must once more be emphasised that the Germans are deliberately laying themselves out to aggrandise their insurance enterprise as soon as peace is restored. Fire, marine, and transport companies are all linking up with a view to the national retention of business of which formerly a great part had to find a market abroad. The German companies appear to be in agreement that so far as fire insurance is concerned they must henceforth pay more attention to foreign countries, and that their efforts should be energetically advanced by the Government. In this connection presumably it is South American countries on which the German has his eye.

The valuation of the Scottish Temperance Life Assurance Co., made as at December 31, has been completed on the same strong standard as on the previous occasion. Under normal conditions the surplus would have been over £300,000, and more than sufficient to maintain or even increase the bonus of 1912. War conditions, however, have interfered with every usual source of profit. Mortality claims were increased by £72,840; and depreciation in investments to the extent of £130,000 has to be provided. After taking these points into consideration, there was still a profit of £107,573, which it is proposed to carry forward, subject only to payment of an interim bonus on existing immediate bonus policies which may mature before the next valuation date. This bonus is to be at the rate of 10s. per cent. for each annual premium paid since 1912, this sum being in most cases sufficient to cover the difference between with-profit premiums paid and without-profit premiums. Dividend at the rate of 10 per cent.; for the previous three years 16 per cent. was paid.

Munitions to the value of £220,000,000 have been ordered from Canada through the Imperial Ministry of Munitions, of which £175,500,000 has already been delivered.

Meatless days in the United States are said to save 140,000,000 lbs. of beef in four months, during which time 165,000,000 lbs. of beef and 400,000,000 lbs. of pork have been exported to the Allies.

South African Meat Preserving Industry.—A very successful beginning has been made in the matter of meat preserving and meat extract manufacture. Samples of these commodities produced on the southern borders of Natal were submitted to the Trades Commissioner in London, who forwarded to the Government a most favourable report thereon, and pointed out that, on the basis of the quality as supplied, both extract and meat would find a ready market in the United Kingdom.

## PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and February 23, 1918:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Feb. 23, 1918.	Total Receipts into the Exchequer from April 1, 1916, to Feb. 24, 1917.
Balances in Exchequer on April 1—Bank of England ..	—	45,409,947	25,111,065
Bank of Ireland ..	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs .....	70,750,000	63,589,060	62,817,000
Excise .....	34,950,000	34,732,000	50,955,000
Estate, &c., Duties .....	29,000,000	28,044,000	28,035,000
Stamps .....	8,000,000	6,949,000	6,631,000
Land Tax .....	—	—	—
House Duty .....	2,600,000	2,000,000	1,940,000
Property and Income Tax and Super Tax .....	224,000,000	181,973,000	154,566,000
Excess Profits Duties, &c. ....	200,000,000	183,011,000	119,113,000
Land Value Duties .....	400,000	58,000	391,000
Post Office .....	33,700,000	30,450,000	29,700,000
Crown Lands .....	600,000	630,000	589,000
Receipts from Sundry Loans, &c. ....	7,500,000	1,925,975	5,155,989
Miscellaneous .....	27,100,000	47,958,818	12,400,991
Revenue .....	638,600,000	586,857,793	472,291,980
Total, including Balance .....	—	613,293,652	497,868,986
OTHER RECEIPTS.			
Repayment of Advances for Bullion .....	—	2,350,000	3,310,000
Repayment of Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	169,818	91,370
Under Telegraph (Money) Act, 1913 .....	—	100,000	210,000
Under Post Office (London) Railway Act, 1913 .....	—	68,000	160,000
Under Military Works Acts, 1897 to 1903 .....	—	—	8,814
Under Public Buildings Expenses Act, 1903 ..	—	—	8,000
Under Housing Act, 1914 .....	—	394,500	74,600
For Treasury Bills (for supply) .....	—	2,520,402,000	1,766,531,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....	—	1,300,000	—
For 4 per Cent. War Loan, 1925-1945 .....	—	—	424
For 5 per Cent. Exchequer Bonds, 1919 .....	—	—	34,262,604
For 5 per Cent. Exchequer Bonds, 1920 .....	—	—	84,140,469
For 5 per Cent. Exchequer Bonds, 1921 .....	—	—	62,495,527
For 5 per Cent. Exchequer Bonds, 1922 .....	—	82,270,400	—
For 6 per Cent. Exchequer Bonds, 1920 .....	—	48,000	160,951,700
For War Expenditure Certificates .....	—	—	29,878,500
For War Savings Certificates .....	—	47,200,000	62,050,000
For other Debt created under the War Loan Acts, 1914-1917 .....	—	642,832,416	248,052,245
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .....	—	68,082,600	473,560,000
For National War Bonds .....	—	3,386,195,000	—
East Africa Protectorate Loan: Repayments on account of Principal and Interest .....	—	5,940	5,940
Cunard Loan: Repayment on a/c. of Principal .....	—	130,000	130,000
Suez Canal Drawn Shares .....	—	12,797	10,795
China Indemnity .....	—	—	400,000
Temporary Advances—Ways & Means (including Treasury Bills £345,000,000 in 1916-1917) .....	—	876,103,500	868,703,000
Total .....	—	5,340,958,643	4,295,991,584

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

\*Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Feb. 23, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Feb. 24, 1917.
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	17,000,000	18,237,553	18,925,308
Interest, &c., on War Debt ..	194,500,000	160,532,610	103,916,994
Payments to Local Taxation Accounts, &c. ....	9,700,000	7,120,566	7,087,774
Other Consolidated Fund Services .....	1,695,000	1,508,098	1,799,839
Supply Services .....	2,541,200,000	2,207,305,687	1,778,824,722
Expenditure .....	2,767,095,000	2,394,704,511	1,910,554,637
OTHER ISSUES.			
For Advances for Bullion .....	—	2,710,000	3,510,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	169,818	91,370
Under Telegraph (Money) Act, 1913 .....	—	115,000	230,000
Under Post Office (London) Railway Act, 1913 .....	—	95,000	200,000
Under Military Works Acts, 1897 to 1903 .....	—	—	8,008
Under Public Buildings Expenses Act, 1903 ..	—	—	8,000
Under Housing Act, 1914 .....	—	394,500	98,900
For Treasury Bills for Supply .....	—	1,932,780,000	1,614,193,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....	—	1,300,000	—
For War Loans, Exchequer Bonds, &c., under Section 34 of Finance Act, 1917 .....	—	13,862,356	1,085,700
For War Expenditure Certificates under War Loan Act, 1916 .....	—	1,305,400	3,000,000
For other Debt under the War Loan Acts, 1914 to 1917 .....	—	80,929,570	9,651,957
For Depreciation Fund under the Finance Act, 1917 .....	—	30,639,220	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908 .....	—	10,100	91,000
Old Sinking Fund, 1900-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	20,000	53,160
Old Sinking Funds, 1911-12 and 1913-14, issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914 .....	—	949,000	250,000
East Africa Protectorate Loan Repayments—Issued to reduce Debt under the Finance Act, 1911 .....	—	5,540	5,940
Cunard Loan Repayments—Issued to reduce Debt under the Cunard Agreement (Money) Act, 1904 .....	—	130,000	130,000
Suez Canal Drawn Shares—Issued to reduce Debt under the Finance Act, 1898 .....	—	12,797	10,795
China Indemnity—Issued to reduce Debt under the Finance Act, 1906 .....	—	—	400,000
Temporary Advances repaid—Ways and Means (inclg. Treasury Bills £345,000,000 in 1916-17) .....	—	865,849,000	725,793,000
		5,324,993,115	4,272,456,057
Balances in Exchequer—			
Bank of England .....	1918. Feb. 23. £	1917. Feb. 24. £	
Bank of Ireland .....	13,936,277	21,533,931	15,965,528
	2,029,251	2,201,586	23,535,517
Total .....	—	—	5,340,958,643

MEMO.—Treasury Bills outstanding on Feb. 23, 1918, ..... \*£1,051,516,000

\* Includes £197,000, the proceeds of which were not carried to the Exchequer within the period of the account, besides a part (not yet ascertained and brought to account) of the Bills tendered as subscription to National War Bonds.

† Includes part payment of Bills and Certificates tendered as subscriptions to National War Bonds.

## Books and Pamphlets.

*The Question of Alsace-Lorraine.* By Jules Duhem. Translated by Mrs. R. Stawell. (Hodder and Stoughton.)

Judging by the resolutions formulated at the Inter-Allied Labour and Socialist Conference, held last week in London, working men everywhere, and not least British working men, require education about Alsace-Lorraine. The delegates assembled appear to be nearer the right position than many of them were a few months ago, but in the portion of their memorandum dealing with the question of Alsace-Lorraine they err grievously. While admitting that France was unjustly deprived of these provinces by Germany, they go on to say that France herself has broken the Treaty of Frankfurt—she never acknowledged it—and that the coming treaty of peace must have the signature of every nation in the world! and further, that before getting her provinces back, France must not only obtain the sanction of these signatory nations, but a "popular vote" of the people in Alsace-Lorraine themselves, before she can get her provinces back.

Now, that is flat heresy, and ignorant nonsense to boot. It is no international question whatsoever, the question of Alsace-Lorraine, as everybody will understand who takes the trouble to read M. Jules Duhem's admirable little monograph, competently translated by Mrs. R. Stawell. In the original French the essay forms one of a series of valuable political monographs issued by Felix Alcan in Paris, and it was well worth translation. M. Duhem does not go into the minutiae of Alsatian history, but he lucidly sets forth the salient aspects of the long, harrowing story since the tearing away of these provinces from France by Prussia after the war of 1870-71. It is the story of a long martyrdom, during which the brutal stupidity of Prussian methods of administration has raised to an insatiable hunger the passion of Alsace for France.

Thanks to German methods of distorting history, people have been led to believe that Alsace and Lorraine were German, because formerly parts of the Holy Roman Empire of the Habsburgs, part, i.e., of a non-existent German Empire. They were never that, because there never was a united Germany in any sense before Prussia laid her steely grip on Germany's many principalities. The inhabitants of the forcibly annexed territories cannot be considered even of Teutonic race, and all

through the early history of Europe after the disintegration of the Roman Empire, they occupied a position apart, and gradually, under the Habsburgs especially, won considerable local independence, particularly their cities—at least two of which were republics. It was this region which Louis XIV. wrung from the hands of the House of Austria in the 17th century, but he did not take them from the Empire as such, but from the House of Habsburg-Lorraine, nor were they annexed to France without sanction and assent. It was, in a sense, private, or suzerain, property that the "Holy Roman" Emperor surrendered, and after a time the people accepted their new master and became loyal to France, because the wise statesmen of Louis XIV. took care not to wound their susceptibilities. Their local rights and privileges were maintained, their legal systems and courts of justice, the independence of the towns was as little as possible interfered with, and French culture pervaded society. So when the French Revolution broke out the people of these provinces hailed the new era with joy, and were fused into France, as it were, in their sympathy with her noblest ideals of liberty.

It was open to the Prussians to follow the same policy, but they had neither the sense nor the humanity to do so. On the contrary, they flung away every opportunity that the mistakes, the periods of apathy, the seeming neglect of France, as M. Duhem so clearly explains, gave to them to woo the Alsations to their side, and treated every exhibition of local independence, every slightest hint of French sympathies, with a clownish brutality that drove the high-spirited Alsations, not into rebellion—they were too sage for that—but into an attitude of grave, ironic reserve and scorn, which exasperated, but did nothing to instruct, their tyrants. Over a great part of the provinces a patois of German was the speech of the people at the time of the annexation. It is their speech still; yet to-day, in spite of all restrictions and persecutions, French is better known and more used throughout Alsace-Lorraine than it was 47 years ago. All this, and much more, will be found set forth in the pages of this wise and opportune book, and after reading it no one can again talk of a "plebiscite" being required to settle to which country Alsace and Lorraine should belong. The abominable crime which was perpetrated when these provinces were wrenched away from France lies at the very root of the present war. It has kept Europe in arms for upwards 40 years, living in an uneasy nightmare of overshadowing

disaster; and unless the just solution is reached now, it will remain a source of danger to the peace of Europe for all time to come. We hope, therefore, that this short essay will have the widest possible circulation, and be read above all by those who, whether as journalists or platform politicians, set themselves up to represent public opinion. Our sole business is to set the oppressed people free, to help France in her task. We have nothing to do with their domestic arrangements.

A pamphlet, also entitled *The Question of Alsace-Lorraine*, came to hand at the same time, and contains a more condensed, but quite admirable, *résumé* of the story from historical, racial, linguistic and economic standpoints. It has been compiled and is published by the *Ligue Patriotique des Alsaciens-Lorrains*, the hon. president of which is Lord Balfour of Burleigh, and the acting president M. E. Roudolphi. This also deserves most attentive reading, and we hope means may be found to put both these essays in the hands of multitudes in this country, in America, and wherever the English language is used. The address of the League is: The Ligue Patriotique des Alsaciens-Lorrains, 18, Green Street, Leicester Square, W.C. 2.

*History of Banking in Scotland.* By Andrew William Kerr, F.R.S. (Edin.). (A. and C. Black.)

We welcome a third edition of this admirable book. It is one of the best monographs on the origin and development of banking that we have. True, it is only Scotch banking that Mr. Kerr concerns himself with, but the Scotch led the way in banking for the United Kingdom—as they did in the development of insurance—and the story is full of the romance of industrial and commercial expansion, surprisingly so. In this edition the history is brought well up to date, with the assistance of Mr. Frank H. Allan, of the Bank of Scotland, editor of the *Scottish Bankers' Magazine*, and makes the work, not only one good and interesting to read, but valuable for reference.

*Banking and Currency.* By Ernest Sykes, B.A. (Oxon.). With an introduction by F. E. Steele. (Butterworth and Co.)

Here we have a fourth edition of a standard educational work, and that is its best recommendation. It deals with the practical business of banking in all its ramifications, and at the end there is a valuable bibliography, together with a selection of test questions most useful to students. The author even devotes a chapter to the business, usages, and even the slang current on the Stock Exchange.

A pamphlet entitled *The Case for the National Employers' Federation* has come to hand, and is a plea for the combination of employers, not merely with a view to a co-ordinated management of their own affairs, but in order to harmonise, as we understand it, the interests of employer and employed. No names are revealed, which is a pity, for we naturally distrust anonymity, but the Federation seems to be both powerful and progressive. It was founded at the time of a strike in the Midlands, which began in May, 1913, in the works of Messrs. John Russell and Co., Ltd., of Wednesbury. At the end of July of that year it numbered 75 members, representing a total "approximate wages assessment" of £2,350,000. At November 19 last year the number of members was 412, representing a wages assessment of £10,000,000, and throughout its history it has, according to this record, done excellent work in many directions. Funds are desired to strengthen it and to provide it with the means of carrying on its educational and protective work. It regards employers as trustees for the public, and will make no claim which does not deserve and receive the support of public opinion. This seems all good and to the purpose; but why keep private the composition of a body so important, specially when money is asked for?

## Tea, Oil and Rubber.

One way or the other the price of rubber was worked up to over 2s. 5d., and it has been firmly maintained round that figure for standard crêpe and at ½d. less for smoked sheet. There is no evidence as yet of restriction in supplies or the patriotic efforts of producers to economise freight. On the contrary, the statistics show that last week 1,070 tons were landed, while only 400 tons were delivered, leaving stocks at 12,895 tons, against 10,350 last year, and that was well above normal requirements unless shipping facilities are to be much more stringently curtailed. But as we have previously pointed out, there is no danger of rubber queues at present, and so long as the Government is by far the largest consumer, it is not likely to do anything very drastic to raise the price against itself unduly. But, of course, we have still to see what effect the 20 per cent. reduction in tapping may have, and how it will work. It is said that the growers are at a disadvantage as compared with the buyers and consumers, because the latter are better organised, and can impose their own terms more effectively. How this can be the case is not very clear. It is not so very long since buyers had to pay anything from 5s. to 12s. 6d. to fill their requirements, and producers who can make a gross profit of 200 to 300 per cent. cannot

be very much at the mercy of any group, however powerful. As we have frequently said, we are of the same opinion as the late Mr. Charles Lampard, who knew the industry as well as anyone, that it would be far better in the long run for everybody if the natural laws of supply and demand were allowed full play without extraneous interference, and we have the gravest doubts as to whether the policy of the profiteers will not react disastrously on them. It is true that for the next few years the increase in the tappable area will be relatively small, but that is surely an argument against, not in favour of, artificial restrictions.

Some disappointment was caused by the announcement of the Kamuning (Perak) Rubber and Tin Co., Ltd., that the directors have reluctantly come to the conclusion that it would not be wise to declare an interim dividend, whereas a year ago 10 per cent. was paid. It is stated that owing to the shortage of shipping facilities large stocks of rubber are held up in the East, and in addition there is great delay in realising such of the output as transport can be obtained for, with the result that a much larger sum has to be retained for financing unsold stocks. At the same time, money has to be provided for excess profits duty. For the seven months to the end of January the output was 542,700 lbs., of which 438,100 lbs. have been sold at an average of 2s. 3.28d. gross. The estimated output for the year was 935,000 lbs., but the directors have decided to join the scheme for restricting the production to 80 per cent. of the 1917 crop, so that for the current financial year the output will be approximately 750,000 lbs. The logic is not very convincing, but we may let it pass.

YAM SENG RUBBER CO., LTD.—Year to October 31—Issued capital £42,000 in 2s. shares. Estate account £70,390. Reserves £41,520.

	1915.	1916.	1917.
Nett profit.....	£8,960	£15,730	£18,700
Dividend .....	17½ p.c.	35 p.c.	37½ p.c.
Carried forward .....	£1,400	£2,540	£6,470
Output.....lbs.	252,600	356,550	403,800
Average price .....	2s. 2½d.	2s. 7½d.	2s. 6½d.
All-in cost.....	—	—	—
Planted area.....acres	1,434	1,434	1,298
Yield per acre.....lbs.	175	250	310

There are 920 acres in reserve. Balance forward is subject to excess duty. Details of costs are not furnished, which is rather foolish, as the company appears to be doing well.

TANGKAH RUBBER ESTATE, LTD.—Year to September 30. Capital, £32,130, in 312,560 preferred shares of 2s. each and 17,500 ordinary of 1s. each. Debentures £81,250. Property account £119,320. Output 484,240 lbs., increase 112,500 lbs.; average price 2s. 6.60d., against 2s. 6.33d.; all-in cost 1s. 6.41d., against 1s. 6d.; nett profit £19,850, increase £7,000. Dividend on preferred is raised from 6 per cent. to 10 per cent., and the ordinary shares receive 4 per cent. (new), while £10,000 is placed to reserve and the carry forward is increased by £4,200 to £8,800. Estimated output for the current year 530,000 lbs., "subject to restriction." Planted area 1,535 acres, the youngest being 210 acres in 1911-12. There are 1,580 acres in reserve.

## The Week in Mines.

The Mining Markets, in common with other departments of the House, have this week been under the influence of the Russian situation. This has had a restricting effect on business, but there have been a number of bullish movements. Broken Hill Proprietarys have reached a new high record, while Cornish Tin and Cobalt Silver shares have been exceptionally active and firm.

### SOUTH AND WEST AFRICANS.

The feature in the South African market has been the buoyancy of the Gold Fields group, which is attributed to Lord Harris's remarks at the Gold Trust meeting as to the position of the American Development Corporation. This corporation's income is now £30,000 a year in excess of its expenditure; it has now the prospect of getting 4½ years' accumulation of dividends, about £80,000, on American Trona preference shares, and has also sold its large Mexican oil interests on terms showing a substantial profit. Gold Fields have risen 4s. 9d. to 37s. 3d., Gold Mines Investments 4s. to 21s., and South African Gold Trusts 3s. 9d. to 29s. Buying of the Consolidated Mines Selection group was stimulated by the increase in dividend declared by the parent company, being 30 per cent., as against 22½. Consolidated Mines Selections have risen 1s. 9d. to 29s. 3d., Brakpans ¼ to 5¼, Rand Selections ¼ to 4¼, and Springs 3-32 to 3 10-32. New Modderfonteins have also advanced ¼ to 23½, and East Rands have recovered

to 6s. Rand Mines, however, have eased to 2 29-32. Apart from a rise of  $\frac{1}{8}$  to  $4\frac{1}{8}$  in Rezendes, movements in Rhodesians have been slight, and business much quieter. Diamonds are lower, De Beers deferreds being quoted at 13. It is reported that the Board of Referees has fixed the statutory percentage for West African gold mining companies at 22½ per cent., but the principal shares show no change on the week.

#### COPPER AND MISCELLANEOUS.

In the Copper group, Arizonas have declined 5-32 to 2½, following the dividend declaration, but Rio Tintos at 6¼ and Namaquas at 2½ are both ¼ higher. Tin shares have been in good request on the high price of the metal, and are mostly higher. East Pools have advanced 1s. 6d. to 25s. 9d., on the arrangement made with the Ministry of Munitions, and Pahangs at 12s. 6d. and Ipohs at 17s. are both appreciably higher. Naraguta Extendeds are better at 12s. 6d. The demand for Cornish tin shares has been partly due to reports that for excess profits duty purposes the statutory percentage for Cornish tin mines has been fixed at 25s. per cent. Silver shares have been in exceptionally keen request this week; Mining Corporation of Canada shares have risen 1s. to 16s. 9d., and Casey Cobalts 9d. to 8s. 9d. This company has recently received a dividend of 77 per cent. on its holding of Casey Harris shares. Orovilles have jumped up to 19s. 6d., and Mexicans are better. In the Broken Hill group, Broken Hill Proprietary were largely bought on Colonial account after the meeting, and are 5s. 6d. higher at 68s. 6d. Russian shares have been flat on the German advance in Russia. Russo-Asiatics have declined ½ to 2. Irtysk Corporations and Sisserts 1½ to 1½. and Kyshtims and Tanalyks ¼ to ¼.

#### MINING NEWS.

**SHEBA GOLD.**—Owing to the increased cost of working, and consequent inability to conduct operations at a profit, the directors of this low-grade mine in the Lydenburg district of the Transvaal have decided to close down the mine for the duration of the war. The question of raising £20,000 for development work in order to open up richer ore was discussed, but it was found impossible to raise this sum. Consequently the directors have been compelled to close down the mine and to put the property in charge of a caretaker. Sufficient funds will be available for upkeep purposes. No dividend has been paid since 1914-15. In January operations resulted in a loss of £2,322.

**FIFE COAL.**—A reduction in profits in the year ended December 31 is recorded by this colliery, but the falling off, which is to be attributed partly to the establishment of Government control, still leaves the company in the enjoyment of satisfactory profits. These amounted to £219,320, a decrease of £111,700. This figure is arrived at after providing for depreciation, debenture interest, and placing £20,000 to reserve. The ordinary dividend is reduced from 35 to 25 per cent., tax free, and £125,984, against £126,397, is carried forward. The directors state that, as a result of the war, trade has naturally greatly suffered, particularly as regards exports, as the outcome of the steady withdrawal of shipping tonnage and the consequent limitation of markets. The restrictions these impose have materially reduced the earning capacity of the undertaking. An agreement governing the financial interests of the collieries was negotiated between the Controller and the Mining Association of Great Britain, and this agreement is in process of receiving Parliamentary sanction.

**POWELL-DUFFRYN.**—The report for 1917 shows that the nett profit, after providing for excess profits duty and depreciation, was £521,745, or £26,047 more than in 1916. This increase—an exception to the rule, for most colliery companies have sustained a decrease—was apparently due to an expansion in output, which rose from 3,659,016 to 3,722,873 tons. This expansion in production was due to the more extended use of mechanical appliances, which reflects credit upon the resourcefulness of the management in meeting the shortage of labour. The ordinary dividend is maintained at 20 per cent., and in order that this may be paid free of tax, £111,700, as compared with £97,000, is transferred to income-tax reserve. General reserve gets £75,000, or £25,000 more than last year, but the carry forward is reduced by £16,100 to £103,691.

Mr. C. F. Minnitt, who for some years past has held the position of inspector of branches for the New Zealand Insurance Co., Ltd., has been appointed assistant manager of their London branch.

A dispute which has lasted for more than a hundred years between Canada and the United States seems to have been quietly settled. For orders have been issued by the Washington Government to allow Canadian fishing vessels to enter and clear between American ports and the fishing banks without putting into a Canadian port and changing their status from a fishing to a cargo-carrying one.

Herr von Brettreich, the Bavarian Minister of the Interior, told the Landtag that there were supplies of grain for fully a month less than the first estimates had indicated, and that there is no great hope of the Ukraine harvest permitting any increase in the rations. That is as we have said. The Germans are not likely to get much grain from that quarter or anywhere in Russia by their present famine-prompted dash into that country.

## What Balance Sheets Tell.

#### WESTERN AUSTRALIAN BANK.

Business, apparently, was not particularly good in Westralia last year, and the profits of this bank for the six months to September 24 was slightly smaller at £27,715. However, this was sufficient to repeat the dividend of £1 per share (20 per cent.), free of State dividend tax, and £2,700 more at £16,085 remained to be carried forward. Changes as compared with the previous half-year are unimportant, but deposits are up £100,000 at £2,446,000, while cash and Commonwealth notes have increased £50,000 to £670,000. On the other hand, bills receivable are £74,000 lower at £2,442,000. The capital is only £250,000, while the reserve is £700,000, and although it is a small concern as things are judged nowadays, it looks sound and prosperous.

#### IMPERIAL BANK OF PERSIA.

In the year to September 20 the nett profits were £85,060, an increase of £31,000, and £5,000 more was brought forward. The dividend is accordingly raised from 7s. to 8s. per share, tax free, requiring an additional £5,000, while £30,000, or £20,000 more, is placed to reserve, and £10,000 (new) is written off bank premises, leaving £24,240 to be carried forward. Notes in circulation increased £380,000 to £562,000, deposits £460,000 to £1,188,000, and bills, endorsements, &c., £820,000 to £1,710,000. Cash in hand is £650,000 higher at £1,175,000, in addition to one million in Treasury bills, but money at call has dropped from £178,000 to £32,000. Investments have risen £140,000 to £568,000, advances are a little higher at £1,210,000, and bills receivable have increased £60,000 to £336,000, with the result that the balance-sheet total is £1,700,000 up at £4,350,000. Evidently the military operations in that region have done the bank some good.

#### RYLANDS AND SONS, LTD.

Splendid results are shown for the half-year to December 31, the nett profits being practically doubled at £290,140. With £34,000 more brought in, the total available is £180,000 higher at £456,300, and, in addition to the regular dividend at the rate of 10 per cent. per annum, the bonus is raised from 4s. to 5s. per £15 share. The staff consideration fund again receives £10,000, and £190,000 against £60,000, is placed to war contingencies fund, leaving £44,000 more at £181,300 to go forward. We are very pleased to notice that the items in the balance-sheet are now more fully segregated, and they disclose a position of unassailable strength.

#### LINEN THREAD CO., LTD.

In the year to September 30 the nett profits, after providing for excess duty, income-tax, &c., amounted to £284,200, an increase of £8,000, and, with £45,000 more brought in, the available balance is £53,000 higher at £524,000. The directors, however, are content to leave the dividend at 6 per cent., and the bonus at 5 per cent., both tax free, while they double the appropriation to reserve at £100,000 and increase the carry-forward by £3,000 to £242,600. The reserve will now stand at a round half-million. Advances to subsidiary companies have increased £130,000 to £611,000, stocks £75,000 to £682,400, and debtors £190,000 to £400,600. The financial position looks all that could be desired.

#### UNITED STATES TRUST CORPORATION, LTD.

Although the book value of investments at the end of December was £43,000 lower, the gross income for the year shows an increase of £7,400, and £2,000 more was brought in. Charges, including interest on loans, were higher, and, after again paying a dividend of 10 per cent. for the year, £7,000 (new) is placed to reserve, and the carry forward is increased by £1,400 to £14,200. It is stated that a conservative valuation of the investments shows a surplus on the book value, but there has apparently been a good deal of shifting of the securities held, as the bonds, debentures, &c., held have increased from 53 per cent. to 59½ per cent. of the total, while the preferred stocks have fallen from 21.4 per cent. to 15.3 per cent. The reserve fund now amounts to £45,000, but that looks terribly meagre against share and debenture capital amounting to £700,000.

#### NOTICE.

### IMPERIAL JAPANESE GOVERNMENT 5 PER CENT. STERLING LOAN OF 1907.

NOTICE IS HEREBY GIVEN that the COUPONS due 12th March, 1918, will be PAID on and after that date (Saturdays excepted), between the hours of 11 and 3, by the Yokohama Specie Bank, Ltd., where lists may be obtained.

Coupons must be left three clear days for examination prior to payment.

For the Yokohama Specie Bank, Ltd.,

K. TATSUMI, Manager

Bishopsgate, London, E.C.2, 25th February, 1918.

## COMPANY MEETINGS.

## MATHER AND PLATT.

The twentieth annual general meeting of the shareholders of Mather and Platt, Limited, was held on Wednesday, at the Chartered Accountants' Hall, Manchester, Captain L. E. Mather (the chairman) presiding.

The Secretary (Mr. Vernon R. Milner) having read the notice convening the meeting and the report of the auditors,

The Chairman said: I am glad to address you to-day after another successful year, which has produced nearly as large a profit as the preceding one, after making provisions for various conditions brought about by the war. The prospects for 1917 did not seem very rosy a year ago, in view of the increasing cost of materials and advances in wages, but higher prices and an increased turnover have redressed the balance. To give you an idea of what the advances in wages alone mean, we commenced the present year with an increased wages bill of more than £80,000 over 1914, whilst the number of employees has only slightly increased. We have transferred a considerable sum to an income-tax equalisation account. This is for the purpose of assisting any lean year in the future which might be called upon, through the incidence of taxation based on the average of the three previous years, to bear a larger amount of income-tax than was represented in the profits of that year; for instance, a cheque recently paid for income-tax was partly based on 1914 and 1915 profits. It appeared to your directors that this provision was a proper one to make. An item which might call for criticism if left unexplained is the increased carry forward of £95,000, but I hope the shareholders will endorse the wisdom of our decision, in view of the transitional conditions of trade and employment between the termination of the war and the restoration to normal conditions. A new director has been appointed, subject to your confirmation, in the person of Mr. Martin Cox, the late manager of our business in Russia. Mr. Cox has spent most of his business life in Russia, and I am sure you will welcome him as a director, not only in view of our interests in that country, but also as one of our staff who has, for many years, taken a most active and successful part in establishing our trade in foreign fields. He will continue to take an active part in the management of the company at our London office. This leads me to the position of our Russian business, about which you will doubtless like to hear something. Our business connections in Russia have been very extensive, both in the unoccupied parts of the country and in those provinces occupied by the enemy. Although our clients have in general fully met their engagements, it has not been possible for a long time to remit money home, and consequently we have considerable sums to our credit in that country. We have therefore thought fit to make due allowance for the depreciation of our rouble assets and other possible losses. We cannot expect Russian exchange to recover its pre-war value for a long time to come, if ever, and we have taken this fully into account. Although the present state of Russia is chaotic, it must not be considered hopeless, and we have every prospect of re-establishing our trade with the Russian people when they have shaken off the tyranny of German domination.

It may interest you to know that we are keeping abreast of the times in an effort to improve the education of the rising generation by the institution of a works school for instruction during working hours. As long ago as 1873 my father started an evening works school in connection with the old works at Salford, which flourished for 30 years, and was only given up when the technical schools of Manchester and Salford were established. In spite of the excellent opportunities afforded by these schools, we have found that they cannot take the place of instruction given by our own staff, who are closely in contact with the boys' daily occupations, nor is it desirable nowadays, when higher education is essential, to exact compulsory attendance at night school, even under the eight-hour day system, as worked in our shops. We started these day classes some 18 months ago in a small way, and the progress has been so satisfactory that we intend gradually to increase the number of boys, and to extend the hours and range of instruction. This is a step towards meeting the provisions contained in Mr. Fisher's Education Bill, and we hope that compulsory continuation classes will soon be the law of the land. We have also held lectures of an educational character at our works for the benefit of our employees from time to time, which have been greatly appreciated, and we intend to continue them. Much has been heard lately of unrest in the labour world, but I am glad to say that we have been little affected, and we owe a debt of gratitude to our workers, who have refused to be led astray by the irrational advice of a few misguided and irresponsible persons. I am confident that a spirit of greater trust between employers and employed can only be obtained by a clearer understanding of the different points from which situations are viewed, and the utmost integrity being shown by the management in all that affects the workers' outlook. It is too much to expect, in my opinion, that the workers will altogether abandon restrictive practices until their employers have first given positive proof that they are endeavouring to make working conditions and the continuity of employment better than they have ever been before. I cannot close without paying a tribute to those of our employees who are still serving their country in arms in various parts of the globe, and to those who are prisoners of war, especially those of our staff interned at Ruhleben. The pluck and cheerfulness shown by all provides an example which we at home will do well to

keep continually before us. In return we must render every assistance to them in the trials and dangers which they have faced, are now facing, and are ready to face again in order to achieve complete victory and lasting peace.

Mr. John Platt seconded the motion, which was carried unanimously.

## BOVRIL.

The twenty-first annual general meeting of Bovril, Ltd., was held on Tuesday at River Plate House, Finsbury Circus, E.C., Mr. George Lawson Johnston (the chairman of the company) presiding.

Mr. George Lawson Johnston (chairman), in moving the adoption of the report, referred to the general food position and how the price of Bovril had been kept down. Your own experience, he said, will have brought you into touch with increases in price in most directions, and you will have seen that the Board of Trade returns show a long list of rises of 100 per cent. or more in the cost of foodstuffs since the commencement of the war. I cannot call to mind many articles the prices of which have not been raised during the war, and I believe Bovril is the only national standard food that is sold at the same price in February, 1918, as it was in July, 1914. That the price of Bovril has not been moved up with the cost of beef, although a pound of Bovril is the concentrated product of 80 many pounds of beef, is an outstanding fact that requires explanation. In the first place, in the countries which supply the raw material for Bovril, beef has not risen in value as it has here. Again, the abnormal cost of ocean transport only to a minor extent affects a concentrated preparation like ours, making, as it does, such small demand upon shipping space. Apart from these general tendencies, you are aware that during the last dozen years we have endeavoured by the agency of subsidiary land and cattle companies to control and develop new sources for the supply of raw material. This policy has borne good fruit during the war. These precautions, taken in past years, have ensured us the plentiful supplies that are so essential at the moment, and our material has not increased in price to anything like the extent of the raw material of some other industries. Taking all this into consideration, and realising that Bovril enters so largely into the food of the nation, we felt that, with the increased sales and profits outside Bovril itself, we should be able to keep the company's revenue at pre-war standard without adding to the hardships of the community. I am glad that our foresight has not only been to our benefit as shareholders, but to the benefit of every Bovril consumer. His Bovril has cost him no more, unless he has consumed more—which I am afraid he has. I think we can consider this company a miniature democratic institution. We are a co-operative body of over 11,000 shareholders, and we control provinces in the form of estates in Australia and the Argentine of 9½ million acres, upon which there are over 250,000 head of cattle. We manage to produce our beef product at a cost which has enabled us to provide our millions of consumers with Bovril at prices unaltered during the war. It may surprise you when I say the cost of rearing a 9 to 10 cwt. steer on the Bovril Australian estates does not amount to 60s. altogether, and though the cost is considerably more in Eastern Australia and the Argentine, my point is that the rearer of stock in the northern part of this hemisphere, particularly in the thickly populated parts of Europe, has no chance in competition with the stock raised in the open plains of the southern hemisphere—Australia, South America, Africa. More especially will this be the case in normal times—say after the war—when frozen beef will be sent thousands of miles to these shores at a transport cost so low that it can be covered by the utilisation of by-products at the great freezing works of South America and Australia, by-products which cannot be so economically handled in the comparatively small butchering establishments of this country. The cost of raising stock in Argentina and Australia is, roughly speaking, the interest on capital invested in the cattle and the land. The cattle are never under cover, and the number of men employed is so small that the payment to labour, spread over the head of cattle, has little effect on the final cost. As regards the United States, though they are good enough to export beef here at present, that country will later have to buy heavily in the southern hemisphere in order to feed her own growing population. I have taken up your time explaining the matter—little realised in Britain—in the hope that my remarks may reach the eyes of some farmers who do not realise that the paternal Ministry that is forcing them to plough up their grass land is not only doing so on account of the immediate war necessity, but because the getting of a larger portion of their farms under cereal production will be of the utmost permanent advantage to themselves and the State.

The Earl of Erroll, K.T., seconded the resolution, which, after a brief discussion, was adopted.

## UNITED STATES DEBENTURE CORPORATION.

The ordinary general meeting of the United States Debenture Corporation, Ltd., was held on Tuesday at Winchester House, Old Broad Street, E.C., Mr. Frank Chaplin (the chairman) presiding.

The Secretary (Mr. W. G. Lock, F.C.I.S.), having read the notice convening the meeting and the report of the auditors,

The Chairman said: The principal item in the balance-sheet is that of investments—£2,072,958—which is the highest figure we have ever shown. This is due partly to our subscription of £200,000 5 per cent. War Loan. We have during the year paid this up in full, and have taken a small loan of £26,000—

shown on the debit side—to help in doing so. Moreover, last year we had a very large sum in cash—£62,117—whereas this year the cash at January 31 amounted to only £12,010. From practically these two sources, therefore, has come nearly the whole of the increase in the investments. While the amount invested has shown an increase, there has been a very gradual diminution in the number of our investments, which in the year 1914 were 444 in number, but which this year have been brought down to the figure of 424, thus realising some of our investments which showed a profit, or which for other reasons we thought it desirable to sell. The result has been the satisfactory surplus on realisation of £20,280. As regards revaluation, these are days when a good deal of depreciation exists, even in the highest-class securities, as compared with prices prevailing before the war, although there is practically no diminution in the intrinsic security of the capital of these investments, which, perhaps, remains as good as ever. In other cases there has been depreciation by reason of total or partial default in payment of interest or a diminution in dividends, and these hazards are inseparable from times like the present. It is possible that within a few years after the termination of the war many securities will appreciate somewhat in value, although it is doubtful if they will get back to the prices prevailing early in 1914 for many years to come. Under these circumstances too much importance should not be attached to valuations at the present time, but the estimate we have made shows a net balance of appreciations on all our securities during the year of about £41,000. In times of stress and anxiety like the present we really think that that is not at all unsatisfactory, and is some evidence of the soundness of the bulk of the investments which we possess, and also of the principle upon which trust companies are founded and worked. The one large item of revenue arises chiefly from dividends and interest, and amounts this year to £111,095, as against £104,661 last year, an increase of £6,434. With the exception of the year ended January 31, 1914, when we touched high-water mark by receiving £112,751, this is the largest amount of revenue we have ever had the satisfaction of showing in our accounts. We have also been somewhat fortunate this year in connection with underwriting commissions, which amount to £2,747. The result has been to give us a total revenue, including the sum of £3,950 brought forward from last year, of £117,793. There is an item which appears as a charge against revenue for the first time in our accounts—namely, staff pension fund, £2,000. We thought we would take advantage of what is a good year to initiate a staff pension fund, to which additions can be made from time to time, when we think the revenue account justifies it. After making all deductions we are able to recommend a dividend of 10 per cent. for the year, which we have maintained for a period of six years, and also to add very largely to our carry forward, which is raised from £3,950 to £10,675.

Mr. Nathaniel Spens seconded the resolution, which was carried unanimously.

## WM. FRANCE, FENWICK, AND CO.

The seventeenth annual meeting of Wm. France, Fenwick, and Co., Ltd., was held on Tuesday at the offices, 5, Fenchurch Street, Mr. C. F. H. Leslie, a managing director of the company, in the chair.

The Secretary (Mr. C. Warren) having read the notice convening the meeting,

The Chairman said:—The trading profit for the year 1917 amounts to £166,946. When we have provided for all fixed charges the net profit, including the sum brought forward, amounts to £79,716. After paying the full preference dividend at the rate of 5½ per cent. for the year, amounting to £8,250, and placing £25,657 to the general reserve fund, there remains a balance of £45,809, out of which your directors now recommend a dividend and bonus on the ordinary shares for the year amounting together to 25 per cent., on account of which an interim distribution of 10 per cent. was paid in September last. This will leave a sum of £8,309 to be carried forward. During the year 1917 we have sold one steamer, and lost as the result of a collision one steamer. We are therefore operating a fleet decreased as compared to the year 1916, and our earning capacity has correspondingly diminished. There is, however, another side from which I think we may correctly survey our position, and that is from the point of view of the increased financial strength of the company, as shown by the balance-sheet. The reserve fund stands to-day at £750,000, entirely consisting of British Government securities. For the time being we are unable to apply any portion of this fund, as in pre-war years, towards the renewal and increase of the fleet owned by the company, because the whole of the shipbuilding facilities of the United Kingdom are being monopolised by the Government. It has therefore come about that the reserve fund is now being lent to the Government, and applied, amongst other purposes, to the Government's own shipbuilding programme. Since the issue of this report, the company has lost another steamer. As a consequence of these losses, our revenue account from steamers has naturally decreased, and is liable to decrease still further; moreover, the cost of operating, insuring, and repairing the remainder of the fleet is still increasing, while the Blue Book rates we are receiving from the Government have, since they were fixed in the early months of the war, remained stationary. On the other hand, we receive increased amounts of interest on the investments which constitute our reserve fund, and,

although it is advisable, it is no longer essential to add to that fund. Your directors therefore see no reason why they should anticipate any decrease in the annual amount available for purposes of distribution among the shareholders. It has for some time been a subject of consideration by your directors whether the time has not come for capitalising a portion of the accumulated profits of the company. It is probable, therefore, that we shall call you together in the near future for the purpose of submitting resolutions to give effect to the recommendations which your directors hope to be able to put before you.

Mr. H. C. Pelly seconded the motion, which was carried unanimously.

## DIVIDENDS ANNOUNCED.

Aramayo Francke Mines.—1s. per share for 1917-18, paid less tax, the same as a year ago.

Arizona Copper.—Final to September 30 of 1s. 9d. per share, making 4s. per share for year, will be paid free of tax on March 20. For 1915-16 the dividend was the same.

Broken Hill South Silver Mining Company.—6s. per share, payable on March 28, the same.

Broken Hill Proprietary Block 14 Company.—0.6d. per share on preference shares and 6d. per share on ordinary shares, both less tax, payable March 27, the same as a year ago.

British American Tobacco Company.—Interim of 6 per cent. for 1917-18 on ordinary shares, free of British income-tax, payable March 27.

British Gas Light Company.—At rate of 10 per cent. per annum, with a bonus of 2s. 6d. per share, for half-year ended December 31, both less tax, the same as a year ago.

Batu Rata (Sumatra) Rubber Plantations.—Interim 7½ per cent. (1s. 6d. per share), less tax, for period to June 30 next, against 10 per cent. a year ago.

Charter Trust and Agency.—For year ended November 30. On ordinary stock 2 per cent., the same as last year.

Courtaulds, Ltd.—Final 17½ per cent., less tax, for 1917 (making 30 per cent. for year), the same as for 1916.

Consolidated Mines Selection Company.—30 per cent. (3s. per share), less tax; £20,000 to reserve. A year ago the dividend was 22½ per cent. (2s. 3d. a share), with £15,000 to reserve.

Harrods Stores.—For year ended January 31 last, final on ordinary shares, 10 per cent., making 15 per cent. for the year (the same); dividend for year on founders' shares, 43½ per cent.

Kensington and Knightsbridge Electric Lighting Company.—4 per cent. for half-year ended December 31, making 7 per cent. for year, against 6 per cent. for 1916.

Leach's Argentine Estates.—Interim 3 per cent. on the preference and ordinary shares, payable March 11, the same as a year ago.

Leyland and Birmingham Rubber.—Interim of 5 per cent. (actual), the same as last year.

Mexican Petroleum Company of Delaware.—On common stock of \$2 per share, payable April 10, one-half in cash and one-half in second Liberty bonds.

The Mint, Birmingham.—At rate of 6 per cent. per annum, less tax, on preference shares for the six months ending March 31.

Mexico Mines of El Oro.—(No. 27) 4s. per share, payable, free of tax, on March 28.

North's Navigation Collieries (1889).—Final of 12½ per cent., making 20 per cent. for 1917.

Normanby Ironworks.—Interim of 5 per cent. (actual), less tax, the same as a year ago.

Pan American Petroleum and Transport Company.—On common stock at rate of 10 per cent. per annum, one-half in cash and one-half in second Liberty bonds.

Powell Duffryn Steam Coal Company.—Final of 10 per cent. (free of tax), making 20 per cent.

Richmond Gas Stove and Meter.—Final of 5 per cent. (actual) and 1s. per share bonus.

Railway Investment Company.—For year ended January 31 of 15s. 2d. per cent. on deferred stock.

Standard Bank of South Africa.—For half-year ended December 31 at rate of 14 per cent. per annum, with a bonus of 1s. 4d. per share, both subject to tax, making a total distribution of 15½ per cent. for 1917, against 14 per cent.

Swan, Hunter, and Wigham Richardson.—Further 10 per cent. on ordinary shares, free of tax, to be paid on March 1.

Stratford-upon-Avon and Midland Junction Railway Company.—On ordinary stock of £1 7s. 6d. per cent. for year 1917; forward, £343, against £350 for 1916, when the dividend was the same.

Sumatra Para Rubber Plantations.—Interim of 3d. per share, less tax, in respect of the period to June 30 next, the same as a year ago.

Shelton Iron, Steel, and Coal Company.—Further interim of 1s. per share, less tax, on account of 1917, the same as a year ago.

Wigan Coal and Iron Company. Further of 6 per cent., free of tax, making 10 per cent. for 1917, the same as for 1916.

World Marine and General Insurance Company.—4s. a share on paid-up share capital of the company for year 1917, free of tax.

Workington Iron and Steel Company.—Interim for half-year ended December 31 on ordinary shares of 5 per cent. (actual), less tax, payable April 1. A year ago the dividend was 4 per cent.

## INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last week.	Amount	In. or dec. on last year.	
Aesam Bengal ..	Dec. 1	Rs. 1,30,307	—	Rs. 11,16,15	—	83,642
Barsi ..	" 8	1,30,307	—	1,30,307	—	1,30,307
Bengal & N.W. ..	Nov. 24	3,05,620	—	88,445	—	5,27,633
Bengal Nagpur ..	Dec. 8	11,18,000	+ 1,75,000	3,68,815	—	31,63,524
Bombay, Baroda ..	Feb. 16	16,55,000	+ 1,50,000	2,84,60,000	—	7,33,000
Burma ..	Dec. 1	4,34,871	—	35,08,724	—	1,03,650
Delhi Umballa ..	Feb. 16	77,700	—	10,730	—	2,23,865
East Indian ..	" 16	21,77,000	—	3,50,000	—	13,97,000
Gr. Indian Penin. ..	" 16	23,32,000	+ 1,78,000	4,11,55,611	—	31,75,529
Luoknow-Bareilly ..	Dec. 1	44,830	—	2,179	—	16,619
Madras and S. ..	" 8	10,90,000	+ 48,788	92,20,000	—	4,46,210
Nizam's Gd. (Broad) ..	" 8	1,25,301	—	2,928	—	47,924
" (Metre) ..	" 8	1,08,008	—	6,828	—	21,688
Robilkund and ..	" 1	49,020	—	11,625	—	3,55,047
Kumaon ..	" 8	6,73,248	—	6,939	—	15,899
South Indian ..	" 8	6,73,248	—	6,939	—	62,91,578

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last week.	Amount	In. or dec. on last year.
Dublin United ..	Feb. 22	£ 7,266	+ 1,178	£ 54,507	+ 9,731
Hastings and Dist. ..	" 25	996	+ 159	7,173	+ 569
Isle of Thanet ..	Jan. 5	164	+ 104	2,290	+ 1,434
Lancashire United ..	Feb. 20	2,587	+ 835	18,012	+ 5,620
Provincial ..	Jan. 19	2,265	+ 385	31,955	+ 4,863
Yorks. (Wstr. Rtn.) ..	Feb. 24	2,363	+ 608	18,623	+ 4,446

† From Oct. 1. † From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last week.	Amount	In. or dec. on last year.
Alabama Power ..	Dec. 8	£ 120,303	+ 22,793	£ 1,300,624	+ 351,017
Anglo-Argentine ..	Feb. 25	54,377	+ 6,411	42,114	+ 24,972
Auckland Electric ..	Oct. 26	22,308	+ 800	92,118	+ 7,832
Brazilian Traction ..	Dec. 8	M7,312,000	+ M757,000	M8,468,000	+ M731,000
Brisbane Elec. Inv. ..	Oct. 8	33,580	+ 820	328,420	+ 2,000
B. H. Lacroze ..	Jan. 8	£ 167,333	+ £ 30,957	£ 599,797	+ £ 60,091
Burmah Electric ..	Jan. 8	Rs. 38,902	+ 760	239,377	+ 340
Calcutta ..	Feb. 23	Rs. 73,550	+ Rs. 1,598	Rs. 93,862	+ Rs. 15,022
Carthage and ..	Jan. 8	4,011	+ 29	4,011	+ 29
Cornwall Light ..	Dec. 8	13,406	+ 1,083	122,121	+ 1,051
P. & T. ..	Dec. 8	12,246	+ 58	12,246	+ 58
Hongkong ..	Jan. 5	4,711	+ 396	48,961	+ 1,873
La Plata ..	" 8	22,519	+ 5,211	22,519	+ 5,211
Lima ..	Feb. 15	Rs. 37,363	+ Rs. 3,741	Rs. 115,641	+ Rs. 10,215
Manila Electric ..	Aug. 8	65,467	+ 4,667	547,492	+ 70,625
Mexico ..	Nov. 8	£ 215,256	+ £ 108,600	£ 3,193,106	+ £ 197,227
Rangoon ..	Jan. 8	5,561	+ 728	5,561	+ 728
Singapore Electric ..	Dec. 29	£ 13,201	+ £ 1,173	£ 668,805	+ £ 11,991
Toronto ..	Nov. 8	£ 42,556	+ £ 8,753	£ 5,034,75	+ £ 23,133
United of Monte V. ..	Jan. 8	36,016	+ 2,675	101,101	+ 7,992
Vera Cruz ..	Nov. 8	46,310	—	567,000	—
Winnipeg ..	" 8	£ 86,888	+ £ 14,744	£ 748,976	+ £ 327,782

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last week.	Amount	In. or dec. on last year.
Alcoyand Gandia ..	Feb. 16	Ps. 10,000	+ Ps. 1,000	Ps. 61,580	+ Ps. 11,570
Antofagasta (Chili) ..	" 24	32,115	+ 2,665	291,250	+ 6,115
Arauco ..	Dec. 31	14,500	+ 2,000	132,000	+ 23,200
Argentine N.E. ..	Feb. 23	7,400	+ 1,500	281,000	+ 57,298
Bilbao R. and Canta ..	Jan. 8	5,105	+ 1,099	5,108	+ 1,099
Bolivar ..	" 8	12,000	+ 444	79,736	+ 23,819
Brazil ..	Nov. 8	M1,746,000	+ M661,379	M4,553,000	+ M528,897
Brazil Gt. Southern ..	Oct. 8	M1,542,000	+ M14,900	M427,477	+ M59,207
B. Ayres & Pacific ..	Feb. 23	1,000,000	+ 53,000	2,763,000	+ 205,000
Do. Central ..	Jan. 8	29,431	+ 8,949	175,667	+ 4,155
Do. Gt. Southern ..	Feb. 24	152,000	+ 43,000	3,534,705	+ 281,549
Do. Western ..	" 24	74,000	+ 34,000	1,513,000	+ 212,000
Central Argentine ..	" 23	155,000	+ 72,300	3,244,200	+ 428,200
C. Ur'g'ay of Mts V. ..	" 23	19,205	+ 6,500	605,917	+ 169,486
Do. East'n Ex. ..	" 23	6,311	+ 1,426	164,114	+ 8,066
Do. North'n Ex. ..	" 23	3,505	+ 707	105,329	+ 28,050
Do. West'n Ex. ..	" 23	2,512	+ 1,100	73,225	+ 8,815
Cordoba Central ..	" 23	34,000	+ 10,730	959,183	+ 314,319
Costa Rica ..	Jan. 5	2,257	+ 3,397	76,472	+ 59,994
Cuban Central ..	Feb. 16	38,172	+ 9,367	513,893	+ 102,070
Dorad Extension ..	Jan. 8	8,300	+ 900	8,300	+ 900
Egyptian Delta ..	Dec. 31	11,867	+ 4,490	207,915	+ 41,816
Entre Rios ..	Feb. 23	15,800	+ 3,800	484,400	+ 56,400
French Sante Fe ..	Aug. 8	132,000	+ 29,099	900,316	+ 173,429
Gt. South. of Spain ..	Feb. 16	Ps. 27,450	+ Ps. 57,067	Ps. 206,331	+ Ps. 182,004
Gt. West. of Brazil ..	" 23	19,400	+ 6,300	151,000	+ 35,950
Havana Central ..	" 9	10,884	+ 2,125	257,731	+ 44,810
Inter. of C. Amer. ..	Jan. 8	23,424	+ 8,199	23,424	+ 8,199
La Guaira and Car. ..	Feb. 23	8,250	+ 750	8,250	+ 750
Leopoldina ..	Feb. 23	31,118	+ 7,355	264,153	+ 77,994
Midland Uruguay ..	Jan. 8	10,638	+ 3,395	94,855	+ 7,355
Mogiana ..	Nov. 8	M2,212,000	+ M22,410	M216,900	+ M27,712
N.W. of Uruguay ..	Dec. 8	£ 33,000	+ £ 8,388	£ 159,682	+ £ 13,092
Nitrate ..	Feb. 15	34,097	+ 3,269	107,793	+ 8,713
Paraguay Central ..	" 23	2,980	+ 630	97,670	+ 12,870
Paulista ..	Nov. 8	M3,506,000	+ M589,750	M3065,100	+ M142,618
Peruvian Corp'n ..	Jan. 8	S1,139,350	+ S251,420	S7,277,620	+ S86,998
Salvador ..	Feb. 16	£ 34,000	+ £ 8,550	£ 34,000	+ £ 8,550
State of Bahia S.W. ..	Jan. 8	M14,000	+ M8,000	M14,000	+ M8,000
S. Paulo (Brazilian) ..	Feb. 24	38,453	+ 21,058	290,438	+ 111,621
Sorocabana ..	Dec. 8	M2,107,000	+ M22,006	M16,988	+ M17,352
Taita ..	" 8	31,552	+ 12,650	181,998	+ 51,586
United of Havana ..	Feb. 16	90,484	+ 35,664	1,567,974	+ 349,341
West'n of Havana ..	" 23	12,109	+ 5,324	26,573	+ 66,497
Zafra and Hu. ..	Nov. 8	10,538	+ 403	135,491	+ 1,365

\* Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last week.	Amount	In. or dec. on last year.
Beira ..	Oct. 8	£ 67,631	+ £ 9,860	£ 753,845	+ £ 3,927
Canadian Northern ..	Feb. 21	£ 653,800	+ £ 54,100	£ 26,517,500	+ £ 389,100
Canadian Pacific ..	" 21	£ 2,435,000	+ £ 210,000	£ 17,407,000	+ £ 394,000
Gr. Trk. Main Line ..	" 21	136,681	+ 1,732	1,048,202	+ 167,022
Gr. Trk. Western ..	" 21	11,548	+ 2,630	212,927	+ 12,893
Detroit G. H. & M. ..	" 21	33,441	+ 473	72,709	+ 4,968
Gr. Trk. Pac. Prairie ..	" 21	19,416	+ 2,191	103,731	+ 51,768
Maahonaland ..	Sep. 8	47,670	+ 9,630	47,670	+ 9,630
Mid. of West'n. Aus. ..	Dec. 8	9,659	+ 2,107	43,221	+ 1,215
New Cape Central ..	Jan. 19	2,266	+ 361	6,448	+ 472
Rhodesia ..	Oct. 8	99,687	+ 11,023	99,687	+ 11,023

\* Months. † July 1. † Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.	N. of Mths.	Amount.	In. or Dec. on last year.
Atchafalpa T. & S. Fe ..	Nov.	4,100,000	+ 1,062,000	11	44,286,000	+ 1,488,000
Atlantic Coast Line ..	Dec.	2,036,000	+ 420,000	12	12,026,000	+ 607,000
Baltimore & Ohio ..	"	1,481,000	+ 1,165,000	12	30,586,000	+ 3,425,000
Canadian Northern ..	"	65,300	+ 758,500	6	3,335,100	+ 2,961,000
Canadian Pacific ..	Jan.	3,011,000	+ 1,110,000	12	46,516,000	+ 3,930,000
Chesapeake & Ohio ..	Nov.	1,223,000	+ 152,000	11	12,661,000	+ 1,444,000
Chicago & N.W. ..	Dec.	2,711,000	+ 10,300	12	27,015,000	+ 3,034,000
Chicago Burl. & Q. ..	Nov.	1,042,000	+ 2,011,000	11	31,281,000	+ 3,958,000
Chicago G.W. ..	"	294,000	+ 150,000	11	3,488,000	+ 995,000
Chicago Mil. & S.P. ..	Dec.	894,000	+ 1,718,000	12	22,026,000	+ 9,338,000
Chicago, Rock I. & P. ..	Nov.	1,835,000	+ 57,000	11	16,461,000	+ 2,534,000
Colorado & Southern ..	"	444,000	+ 213,000	11	5,320,000	+ 370,000
Cuba ..	Dec.	362,716	+ 310,594	6	1,106,273	+ 153,195
Delaware & Hud. ..	Nov.	190,000	+ 485,000	11	5,632,000	+ 1,615,000
Denver & Rio Gran. ..	"	572,000	+ 420,000	11	9,455,000	+ 1,539,000
Erie ..	"	507,000	+ 148,000	12	10,538,000	+ 5,277,000
Gr. Tr. Main Line ..	"	189,200	+ 128,600	11	£ 23,200	+ £ 139,050
Grand Trunk Westn ..	"	6,15,650	+ £ 1,950	11	£ 23,200	+ £ 139,050
Detroit G. H. & M. ..	"	6,15,650	+ £ 1,950	11	£ 23,200	+ £ 139,050
Gr. Northern ..	Dec.	1,165,000	+ 1,401,000	12	22,937,000	+ 6,179,000
Illinois Central ..	Nov.	1,466,000	+ 409,000	11	17,533,000	+ 2,900,000
Kansas City Southn ..	Dec.	315,000	+ 19,000	12	4,495,000	+ 569,000
Lehigh Valley ..	Nov.	628,000	+ 376,000	11	9,240,000	+ 2,410,000
Louisville & Nashv. ..	Dec.	1,296,000	+ 178,000	11	16,949,000	+ 836,000
Minn. S.P. (Soo) ..	"	877,000	+ 294,000	11	8,974,000	+ 3,351,000
Miss. K. & Texas ..	Nov.	972,000	+ 271,000	11	7,393,000	+ 2,447,000
Missouri Pacific ..	"	1,690,000	+ 321,000	5	9,425,000	+ 1,920,000
New York Cent. & H. ..	"	2,939,000	+ 1,742,000	11	45,049,000	+ 13,335,000
N.Y. N. Haven & H. ..	"	1,469,000	+ 603,000	11	19,597,000	+ 1,665,000
New York Out. & W. ..	Dec.	111,000	+ 26,000	12	2,228,000	+ 97,000
Norfolk & Western ..	"	1,490,000	+ 200,000	12	19,571,000	+ 3,590,000
Northern Pacific ..	Nov.	1,423,000	+ 2,122,000	11	26,039,000	+ 2,278,000
Pennsylvania Bas. ..	"	2,010,000	+ 4,493,000	12	88,450,000	+ 20,891,000
Phil. and Reading ..	Nov.	1,064,000	+ 1,199,202	11	14,877,700	+ 6,626,000
Reading ..	"	577,033	+ 5,826	11	9,806,000	+ 212,860
St. Louis & San F. ..	"	1,304,000	+ 353,000	5	8,569,000	+ 1,093,000
Seaboard Air Line ..	"	594,000	+ 261,000	6	6,693,000	+ 42,000
Southern ..	Dec.	2,958,000	+ 241,000	11	14,753,000	+ 2,098,000
Southern Pacific ..	Nov.	4,465,000	+ 1,038,000	11	55,577,000	+ 7,255,000
Union Pacific ..	"	3,901,000	+ 668,000	11	39,034,000	+ 2,312,000
Wabash ..	Dec.	705,000	+ 423,000	12	8,140,000	+ 421,000

‡ Includes Wisconsin Central. \* Gross earnings. † Surplus. ‡ Deficit.

## NOTICE.

## TRAFFORD PARK GOLD STORAGE, LTD.

The LIST OF APPLICATIONS will be CLOSED on MONDAY next. The Debentures being already considerably over-applied for, no further applications for Debentures can be considered, excepting from applicants already interested in Trafford Park Estates, Ltd.

## The Investors' Review.

## SCALE OF CHARGES FOR ADVERTISEMENTS.

# The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

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NEW SERIES.

[Registered as a  
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SATURDAY, MARCH 9, 1918.

[Price 6d.]

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## BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital ...	£3,904,860
Reserve Fund ...	2,875,000
Reserve Liability of Proprietors ...	3,904,860
	<b>£10,684,720</b>

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.

H. L. M. TRITTON, Esq. WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager. J. S. CAMPBELL, Secretary.

HALKERSTONE MELDREUX, Assistant Manager. DAVID GEDDIE, Accountant.

The Bank has 331 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

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## BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

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AUTHORISED CAPITAL .. .. £5,500,000

SUBSCRIBED CAPITAL.

Four per Cent. Guaranteed Stock ..	£529,988
"A" Preference Shares issued to New Zealand Government ..	500,000
"B" Preference Shares issued to New Zealand Government ..	250,000
Ordinary Shares .. ..	1,400,000
	<b>£2,779,988</b>

Reserve Fund and Undivided Profits .. .. £2,446,595

Negotiates and collects Bills of Exchange. Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

## THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837. LIMITED. INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £2,000,000; together £4,000,000

Reserve Liability of Proprietors .. .. 4,000,000

Total Capital and Reserves .. .. £8,000,000

HEAD OFFICE - - - 71, CORNHILL, LONDON, E.C. 3.

BRANCHES are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

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The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

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ESTABLISHED 1862.

Authorised Capital .. ..	£4,000,000
Paid-up Capital .. ..	1,800,000
Reserve Fund .. ..	2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahía Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires) URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria. Curityba, Manaus (Agency). CHILI—Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital .. ..	Yen 48,000,000
Capital Paid Up .. ..	Yen 38,000,000
Reserve Fund .. ..	Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Bombay.	Honolulu.	New York.	Singapore.
Calcutta.	Hong Kong.	Osaka.	Sydney.
Changchun.	Kobe.	Peking.	Tientsin.
Dairen (Dalny).	Los Angeles.	Rangoon.	Tokyo.
Fengtien (Mukden).	Lyons.	San Francisco.	Tsinfu.
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Paid up Capital	..	..	..	669,685	0	0
Reserve Fund and Undivided Profits	..	..	..	375,680	11	8
Reserve Liability of Proprietors	..	..	..	606,962	10	0

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**One Reply to One Question — One Shilling.** Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

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## Passing Events.

In submitting the new Vote of Credit for £600,000,000, Mr. Bonar Law gave an interesting review of the national expenditure, and some of the more important figures may be usefully grouped together for reference:—

Average daily expenditure—	£
April 1 to December 1.....	6,686,000
December 1 to February 9.....	6,107,000
April 1 to February 9.....	6,557,000
New vote based on estimate of £6,750,000.	
Daily excess over estimate—	
Army, Navy and munitions .....	664,000
Loans to Allies and Dominions .....	239,000
Miscellaneous items.....	242,000
Total excess for period under review ..	361,000,000
Recoverable expenditure—	
Loans to Allies.....	75,250,000
Advances to Dominions.....	39,750,000
Purchases of foodstuffs, &c. ....	86,000,000
Munitions for Allies .....	5,750,000
Total .....	206,750,000
Total Loans—	
To Allies .....	1,264,000,000
To Dominions .....	180,000,000
Increase during the year.....	460,000,000
National Debt—	
Estimate for end of year .....	5,990,000,000
Loans to Allies and Dominions .....	1,660,000,000

Of course, the Army is mainly responsible for the increase in the total expenditure, the advance over the corresponding period being about £220,000,000. Supplies absorbed between 50 and 60 millions more, and Mr. Law estimated that the subsidised loaf will cost the Exchequer £17,000,000. It is a generous dole, but are we getting any sort of value for it?

In the week ended March 2 there were 11,756 applications for the Bank of England issue of National War Bonds. This was 744 less than in the previous week, and the decline in the amount applied for was £2,078,542, making the receipts of the week from this source only £19,193,552. This brings up the total proceeds of the sales of these bonds to £410,389,365, and we hope it will soon be made public how much of this is new money. The Post Office returns are always a week behind those of the Bank of England. For the week ended February 23 the applications for Post Office bonds numbered 25,400, a decrease of 5,600, and the amount applied for was £142,000 down at

£607,000, or an average of about £26 per applicant. The total applications to date have accordingly been 778,700, representing £19,040,000 in all, or an average of less than £24 10s. per applicant. Of War Savings Certificates 2,807,092 were disposed of in the same week ended Saturday, February 23, bringing up the total of these certificates in the hands of the public to 157,077,398. As we do not know how much of the Bank of England War Bond issue is genuine new money, it is useless wasting space any more to put the totals together and add them up. We may, however, quote the Chancellor of the Exchequer's answer to a question in the House—partly because some newspapers gave the figures as *pounds*. Up to February 28, he said, 164,600,000 certificates had been sold, and of these 6,146,000 had been redeemed, including about 750,000 handed in as subscription to other forms of Government debt. The money value of the total number of certificates sold was £127,565,000, and the certificates repaid would include simple interest at 5 per cent. on the fifteen-and-sixpences originally paid in.

Revenue last week amounted to £22,883,970, and expenditure on supply services alone absorbed £62,484,140, or at the rate of £8,929,164 per diem. Adding £1,856,141 paid as interest on war debt and £20,366 of miscellaneous outgoings, we get £64,360,656 as the total actual disbursements of the week, or about £9,194,000 per diem. The actual week's revenue was therefore considerably less than equivalent to three days' outgoings; consequently the dependence upon credit instruments was emphatic enough. The Treasury received £19,050,000 from the sales of War Bonds, besides £1,800,000 from Savings Certificates and £12,592,000 from other war debt. Even so, £87,326,000 of supply Treasury bills had to be issued, and the Government had to borrow £19,350,000 on temporary advances, bringing up the gross overturn of the week in cash and credit to £163,102,000. Huge as that amount was, it failed to meet the gross expenditure by £1,716,939, which had to be drawn from the Exchequer balances. To be sure £11,091,000 of due Treasury bills were redeemed, the total payments off being £98,615,000 as against £87,326,000 renewed. But the total of Treasury bills now outstanding is still £1,040,425,000, and the reduction in this formidable aggregate effected in the past three weeks has been less than £25,000,000, not-

withstanding all the strenuousness of our borrowing. That may, perhaps, be accepted as a good augury from one point of view, because it leads to the inference that less of the National War Bond issue has been effected through the tender of Treasury bills in payment of subscriptions than was to be feared. But the new expenditure continues to be enormous. The Exchequer balances are now down to £14,248,589, which compares with £26,895,600 a year back. Adding last week's receipts from taxes and monopolies, the aggregate real income for the fiscal year to date is now brought up to £609,742,000. Of last week's receipts, £19,140,000 came from income-tax and excess profits duty. The income-tax, including super-tax, gave £15,477,000, but excess profits duty, including munitions levy, only £3,663,000. In the aggregate, however, these two fountains of direct revenue have run each other very close, the yield of property and income-tax, plus super-tax, for the year to last Saturday having been £197,455,000, while the yield of the excess profits duty, including munitions levy, has been £191,674,000. That is to say, out of a total income of £609,742,000, no less than £389,129,000 has been provided by these several forms of direct taxation.

Many interesting statements were made by Sir Eric Geddes in his speech on the Navy estimates last Tuesday evening in the House of Commons. With most of them we have little immediate concern, but in spite of Sir Eric's reiterated assurances that we are more than holding our own in the submarine test of savagery and brutality, one cannot but be anxious about the future of our foreign commerce, and, beyond all, the immediate future of our food supplies. How much tonnage we have lost by the German sea assassins is never revealed, and Mr. Asquith not unreasonably begged for more information on some points than Sir Eric gave in his long and very interesting speech. We might at least be allowed to know approximately how we stand in the matter of replacement of the lost tonnage, and if we had the entire statistics, in proportion as they proved disquieting might be their rousing moral influence on the working classes.

About these working classes Sir Eric's language was far from reassuring, although he gave some indications that things were on the mend. "There is no lack of material in yards to-day," he said. "There are more men and an increasing number of men in the yards, but whereas the average monthly output of merchant shipbuilding in the fourth quarter of 1917 was roughly 140,000 tons, it only reached 58,000 tons in January last." The bad weather excuse does not carry the nation far in the direction of consolation, nor yet the assurance that the output in February may be nearly twice that of January. Even so the output would only be "about two-thirds of what the same yards and fewer men have done in a month." Men, indeed, are at the bottom of the mischief, and we are sorry to say that nearly everything we hear about the spirit of the men employed in Government work of any kind is disagreeable. They do not realise when they go slow in obedience to orders that they are acting treacherously towards their fellow citizens or making an economic blunder bound to be disastrous to themselves. It is, nevertheless, true that heady, shallow wirepullers of the noisier type seem to have succeeded in persuading the working man that he is contributing to the well-being of his fellow-workmen when he gives as little work for his money as he may. "If I do less than I am able to," he has been taught to think, "I leave more for the other chap." That notion is not merely false in its political economy; it is dishonest.

Added to this mistaken notion is the feeling of antagonism towards employers which prompts the working man in a sort of wild spirit of revenge, to strive always to exact much, and give little in return. We have been told, for instance, that a capable brick-

layer, working conscientiously, can easily lay a thousand bricks a day; but that the workmen employed on Government buildings think they are doing their patriotic duty when they lay from 250 to 300 bricks a day, because more men are then needed for the job. It is this spirit and these habits which are interfering with the output of shipping, and the bulk of the men are so prejudiced and ignorant that they seem willing rather to let the whole nation starve than to stand up and loyally do their best as their sons and brothers are doing at the front and on the ocean. To hang back and sulk is not to play the game.

How is this lamentable state of affairs to be improved? Mere higher wages will not improve it, at any rate has not done it hitherto, because the wages are given without equivalent. Bonuses of whatever magnitude never have the effect of increasing the calculated sluggishness of the labourer, because they are at bottom only "tips," a form of charitable dole. Pending a more thorough revolution in the relations between capital and labour, we believe that the best stimulus of all would be found in payment by results. Make the scale of wages high, but pay them only in strict equivalence to the work done. Is it impossible for the Government to try an experiment by asking the representatives of men in a shipyard to combine to give an estimate of what they will build a ship for, all materials supplied. If a contract of this kind could be made with the squad told off to construct a particular vessel, so that they would be given a lump sum in payment on its completion, and, in addition, a graduated bonus determined by the time saved upon the contract limit for delivery, we are sure that if the men felt that their earnings would be in proportion to their assiduity, slackness, "restings," off-days, all the dodges by which the work is delayed and ill-performed, would vanish. Cannot employers, capitalists, do nothing in this direction?

Some vigorous speaking was heard at the annual meeting of the Chamber of Shipping held in the Skinners' Hall, Cannon Street, this week. The retiring chairman, Sir William Raeburn, flatly asserted that "the two elements responsible for the dangerously inadequate production of new ships were Government and the workers." We are more and more of that opinion ourselves, for the Government appears to have mismanaged the men in the flabbiest manner possible, alternately blazing up with threats and scoldings, and flinging doles at their heads to try and allay the discontent, the result being demoralisation amongst the workers and the spread of a foolish notion that it does not matter how they work, they have affairs in their own hands and can do as they like. Lord Inchcape, who succeeds Sir William as President, also had something forcible to say, and his description of the idle yards at the week-end on the Clyde is something to be remembered. But to us his most impressive utterance had reference to the giving of information about our losses, and here also we have gradually come round to the opinion so long advocated in the Harmsworth Press that more information will have to be given without regard to Germany, in order, if possible, to rouse the patriotic sentiments of the workers to a comprehension of the dangerous position into which the country is drifting. "We are told every Thursday," said Lord Inchcape, "that so many vessels of under 1,600 tons and so many vessels of over 1,600 tons have been sent to the bottom by enemy action. This conveys nothing to the public. One vessel of 17,000 tons might be destroyed, and she is only regarded as one ship of over 1,600 tons." Would it not be possible to give the essential facts about tonnage and about the nature of the cargoes sunk, say, once a month, without supplying any clue to the locality where the loss occurred, or otherwise revealing facts that might be useful to the German Admiralty? It is for the Allies to say. Another speaker, Sir John Ellerman, whom we remember long

ago as a very modest figure indeed in financial and shipping affairs in the City, had also something to say about our shipping output. He stated that "up to the end of February, or for a period of thirteen months, the whole resources of this country had been devoted to new construction, and the result had been the building of steamers of 86,000 tons, with a carrying capacity of 130,000 tons. During that same period private enterprise had amounted to over 1,300,000 tons, and a dead-weight carrying capacity of 1,500,000 tons." The language is foggy, but we infer that the smaller totals refer to State-controlled yards and the larger to yards not interfered with. "Last February," Sir John went on, "only five steamers of very small tonnage had been put forward." That, we presume, means had been put into the water ready for use. This slackness has got to end, else we shall presently see, among other consequences of our indifference, forcible occupation of land by people spurred on to such revolutionary conduct by the imminence of starvation.

Mr. Edgar Crammond continues his series of interesting lectures at the Royal Society of Arts, and last time his subject was "The Real Cost of the War and the Problem of Reconstruction." He estimated that at the end of this month the gross amount of the National Debt would be approximately 6,000 millions, but from this there were legitimate deductions (loans to Allies and the like), which would reduce the nett amount to just over 4,000 millions. On the other hand, under the most favourable circumstances, there will be the costs of winding up the war, demobilisation, &c., and a year hence the total nett debt cannot well be less than 6,500 millions; but Mr. Crammond regards only some 2,000 millions as really lost—an extremely sanguine opinion, in view of the havoc wrought in many directions, which we are unable to endorse. All the same, Mr. Crammond is a very capable and painstaking investigator, and his figures are always worth careful consideration. He puts the post-war expenditure at close on 700 millions, of which 325 millions would be required for interest and sinking fund on the National Debt. The problem for the future Chancellor of the Exchequer will be how to provide this vast sum, and the lecturer threw out one or two suggestions that may prove useful. He advocates an increase in the death duties and indirect taxation, the abolition of the exemptions enjoyed by farmers as regards income and other taxes, and the institution of a small graduated annual tax on capital averaging 1 per cent., with exemption up to, say, £2,000. The revenue from this source he estimates at 120 millions, but he deprecated any other increase in direct taxation, and suggested a gradual reduction in the excess profits duty to 10 per cent. within the first five years of peace. Income-tax is to be regarded as standardised at 5s. in the £, and in this way a revenue of 700 millions odd can be budgeted for. There is nothing very original about all this, and we are afraid the net must be cast much wider when the deflation following the enormous war expenditure begins to take effect.

Further progress was shown by the Bank of British North America in the year to November 30, and the nett profits amounted to £137,260, an increase of £25,000, while £11,000 more was brought in. Consequently, the directors are able to raise the dividend from 7 per cent. to 8 per cent., to increase the bonus to staff from £7,000 to £16,000, and to place £6,000 more at £30,560 to various funds, including charitable contributions. There then remains £32,120, or £11,000 more to be carried forward. Notes in circulation are a little higher at £1,173,000, but while deposit accounts have risen £2,460,000 to £8,396,000, current accounts are £470,000 lower at £2,725,000. Coin and Dominion notes have risen slightly to £1,241,000, short loans are £340,000 higher at £1,530,000, and other advances have increased £1,110,000 to £7,514,000, but investments are

£550,000 down at £1,761,000. The balance-sheet total is fully two millions larger at £15,962,000, and the plan of having an advisory committee in Montreal is evidently proving a success. It is mentioned that in Canada 533 proprietors hold 6,356 shares, and in the United Kingdom 1,295 persons hold 12,993 shares, while elsewhere the figures are 67 and 651 respectively.

Following an increase of £20,000 in 1916, the Dominion Bank last year added a further £24,000 to its nett profits, which amounted to £223,450, and with a larger sum brought in the available balance is £27,000 up at £281,200. The dividend, however, is kept at 12 per cent., paid in four quarterly instalments, and the amount written off premises is doubled at £41,100, leaving £6,000 more at £80,750 to be carried forward. Deposit and current accounts have increased £2,350,000 to £16,839,000, and there was an expansion of £470,000 to £1,935,000 in the note circulation. Cash assets have risen £1,550,000 to £5,617,000, but loans and discounts are £700,000 down at £9,368,000. Short loans at £1,570,000 and investments at £4,660,000 are both higher, and the balance-sheet reaches the substantial total of almost 22½ millions. Everything looks as prosperous as could be wished.

We are gradually learning what serious effects the abnormal rains in South Africa have had on the Rand mining industry. A telegram from the Rand Mines, Ltd., at Johannesburg, states that on February 14 and 15, heavy additional rains fell, the results of which have been most severely felt by most of the mines belonging to the Central Mining-Rand Mines group, from Rose Deep on the east to Durban Deep on the west. Hoisting of ore has been considerably interfered with, and consequently both the scale of operations and profits have been materially reduced. Shaft hauling and equipment and gear have felt the undue strain placed upon them, which will necessitate an abnormal amount of maintenance expenditure. It is anticipated that the strain will continue for some considerable time yet, and in certain cases may even become worse before the abnormal percolation into the underground workings ceases, and the quantity of water returns to normal proportions. The Bantjes, Crown Mines, Durban Deep, Geldenhuis Deep, Robinson Gold, Rose Deep, Village Deep, Consolidated Main Reef, and Wolhuter mines have been seriously affected, but the other mines of the group have escaped any serious effects.

The adverse effects of the higher cost of production on the position of the gold mines is becoming more evident every week. Following the shutting down of the Sheba mine, the restriction of production at the Mysore, and the passing of the current quarter's dividend by the Sons of Gwalia mine, the Ivanhoe Gold Corporation has decided to make a considerable reduction in its monthly profits in future. At December 31 the ore reserves showed a slight increase at 1,035,874 tons, but the average value has decreased by 2s. 1d. to 34s. 2d. per ton. In consequence partly of this reduction, the increased inefficiency of labour, and the higher costs of working, it is no longer possible to maintain the crushing of a tonnage sufficient to obtain the present profit of £9,000 a month, and it is now necessary to reduce the monthly profit to £5,400, or the equivalent of dividends of about 6s. 6d. per share, as against 10s. 6d. per share. The history of this mine, in common with the other mines of the field, has been the gradual diminution of the values of the ore, and there is no reason to expect that there can be any recovery in grade unless the east lode resumes its value below the porphyry bar at 4,000 ft., which, though possible, cannot be regarded as probable in any way. It is stated, however, that there are considerable chances of the prolongation of the life of the mine by lateral development in the upper levels, while after the war it should be possible to reduce the level of work-

ing costs. It is rather unfortunate that at the same time a strike of miners should have occurred on the Kalgoorlie field over the question of the interpretation to be placed on an award given by an arbitration court of a 44-hour week, for that has involved a complete suspension of operations.

It is nearly two years since receivers were appointed for Spiers and Pond, Ltd., and numerous efforts have been made meantime to produce an acceptable reconstruction scheme. To begin with, the first mortgage debentures proved an insuperable obstacle, but the sale of the Criterion Restaurant for £130,000 provided funds to get rid of this liability. It is now proposed to consolidate the other debenture issues into one 5 per cent. stock, and to convert the preference and ordinary shares into £90,000 ordinary stock. The effect of the proposals will best be seen from the following table:—

	Existing.	To be Exchanged for	
		New Debts	New Ord.
	£	£	£
"A" debentures.....	200,000	50,000	150,000
"B" ".....	190,000	95,000	95,000
"C" ".....	96,000	66,240	29,760
"D" ".....	300,000	258,000	42,000
Creditors estimated at .....	80,000	—	80,000
Preference shares .....	360,000	—	72,000
Ordinary shares .....	360,000	—	18,000
Total .....	1,586,000	469,240	486,760

Arrears of debenture interest, estimated at about £75,000, will be satisfied by the allotment of ordinary shares after the adjustment of income-tax. Preference shares will be reduced by 16s., and all arrears of dividend cancelled, while the ordinary have to be content with 1s. per share. Interest and sinking fund on the new debentures will require £28,150, and it is stated that if the conditions which have prevailed during the receivership should not become worse the profits ought to make this secure and provide a surplus for dividends. The company has suffered many vicissitudes, and we hope that this latest scheme will suffice to place the business on a sound basis, but drastic as the proposals are, we feel some doubt whether the knife has been put in deep enough. That was where previous arrangements failed, and we can only trust that the mistake has not been repeated.

That long-overdue scheme for the readjustment of the capital of Richardsons, Westgarth and Co., Ltd., is at last taking shape. It is proposed to reduce the preference shares to 16s. and the ordinary to 8s., but the cumulative dividend on the former will be increased to  $7\frac{1}{2}$  per cent. One-half of the arrears of preference dividend will be cancelled temporarily, but if there are any surplus profits two-thirds will go to the preference until these arrears are completely liquidated. It seems a very reasonable arrangement, and as a lot of profitable work is on hand, there is a fair prospect that the company may get re-established on a sound financial basis.

The report of the Premier (Transvaal) Diamond Mining Co. for the year ended October 31 shows a marked improvement on the previous document. There were produced 906,341 carats, valued at £1,198,922, as against £475,856 in 1915-16. The value per carat rose from £1 2s. 7.95d. to £1 6s. 5.48d., and the average cost per carat was 11s. 4.2d. A working profit of £650,944 was made on the year's production, as against £268,632, and the total is increased to £800,919 by the realisation of the stock of diamonds brought forward. The unsold stock carried forward is only £10,355. Revenue account shows a balance of £757,046 available for distribution between the Government and the company, a sum which compares favourably with the profits made by the company in normal times. The company's share of the profits, 40 per cent., comes to £302,818, and £35,078 was received on account of sundry revenue. During the year five dividends were paid on the preference shares, cover-

ing the period from May 1, 1915, to October 31 last, and one dividend of 6s. 3d. per share has been paid to the deferred shareholders, the first they have received for upwards of three years. These dividends have absorbed £346,250, £20,000 is placed to insurance reserve, and the balance carried forward is reduced from £77,440 to £6,310. As there is no prospect of any improvement in the market under war conditions, the directors do not anticipate any increase in the quantity of diamonds produced, but look rather to the maintenance and increase of the price of diamonds to keep up the profits to the pre-war standard. Under the arrangements made with the De Beers Co. the price of stones has been raised, and this will enable the company to recover in price what they may lose in output during the continuance of the war.

So it seems that already a party is in course of formation to rouse the country in support of a traitor peace. A meeting has been held to that end, and the hope is expressed that the Marquis of Lansdowne will go on the stump. Probably these worthy people are all most patriotic in their own esteem, and also humanitarian in sentiment, nay, ultra-humanitarian, many of them. None the less is it true that their action tends to saddle, and, if successful, would beyond question actually saddle, the world with a continuance of that demoralising, wealth-consuming, and altogether brutalising military organisation which the world has groaned under, we may say, ever since man was organised in communities of various degrees of civilisation on its surface, and, above all, since Prussia perpetrated the wanton crime of 1871, out of which the present war has sprung. Do they like the prospect, these sentimental pacifists and approve a peace which would place this country in the position of having to choose between laying down her arms and letting her Empire go and compounding with her creditors, to her swift ruin? We do not suppose they ever thought of such alternatives. Not one of them, so far as we judge by the names, has the faintest glimmering of the forces underlying finance, and probably would not care much if they did, so long as the line of action they adopt serves to make them conspicuous by being odd.

### The Russian "Peace" That Opens Hell for the Russian People.

Why do so many representative political personages keep harping upon the duty of the Allies to state the terms upon which they will make peace? Even M. Albert Thomas said something of that kind in his vivid address at the Mansion House on Monday last. "It must be laid down with precision," he said, "what are the limits of the right of peoples to dispose of themselves. There are formed peoples and undeveloped peoples. When the enemy declares that the peoples of India and of Morocco ought to be allowed to decide their own lot he commits an inadmissible sophism." That is undoubtedly true, but the present does not seem to be the proper time to discuss points of this kind. They are understood practically enough by the Allies of Liberty, accustomed to rule undeveloped nations. Our business is to put down militarism, to destroy it and all that it stands for, not only in the two derelict empires of Middle Europe, but in Turkey and everywhere, and until that is done philosophic and abstract discussions of the type alluded to by the distinguished French Socialist might as well be avoided.

Still more is it inadvisable to keep urging upon Governments one more "restatement" of the Allied terms of peace such as Mr. Arthur Henderson and some other working men leaders are continually doing. What good could be done by these reiterations of "statements of terms"? Have we not again and again, all of the Allies together and each one separately, clearly and definitely set forth our aims and the unselfishness thereof. Our work is to liberate, not to enslave. Germany knows as well as we do that the

Allies are not fighting to make conquests, but in resistance to a wanton aggressor, whose greed is only equalled, if it be equalled, by his astounding materialism of outlook and colossal stupidity in human affairs.

When we are disposed to be despondent about the progress—although never about the result—of the fight, we are generally favoured by some burst of flappedoodle eloquence by William the Kaiser to cheer us up. And surely he surpassed himself in his telegram to Count Hertling boasting about “peace with Russia.” “The German sword,” he wired, “wielded by the great Army leaders, has brought peace with Russia. With deep gratitude to God, Who has been with us”—he is always cocksure on that point—“I am filled with proud joy at the deed of my Army and at the tenacious perseverance of my people.” And it is a special satisfaction to this boulder that “German blood and German *Kultur* have been saved.” So he thanks his functionary in the usual Bombastes Furioso style. Could anything be more contrary to the facts than William Hohenzollern’s description of the so-called “peace” with Russia? No, indeed; and it is cheering always to us to think that our opponents, tough-fighting though foul, are capable of being misled by transpontine heroics of this description. It fortifies our opinion that their defeat is in the end to deal the most far-reaching blow to barbaric tyranny the world has ever witnessed. Were Germany to lay down that “sword” of her Kaiser’s, to-morrow week she would find herself isolated and alone among the nations, shunned and shrunk from by them all.

And why do we imitate the Hohenzollern, and call the “peace” of plotters and Russian traitors, hired betrayers of liberty, a “Russian peace”? It is only a peace between Prussian *agents provocateurs* and their Russian tools; in no sense a peace with the real people of Russia. That the real Russia has no hand in this infamous peace treaty is patent to everybody outside Germany; but its devising and proclamation may have the effect of rousing the people and bringing them to their senses in a way which will summon them again to the side of the Allies as effective instruments to aid in the overthrow of oppression. The more they penetrate Russia and subject the Slavs there to German insolence the greater will be the revolt, the more sweeping the vengeance. And as one looks at the terms of this so-called treaty one’s amazement increases that even self-conceited Germany could believe it real or durable.

And to think that there should be any individual in this country, claiming to be intelligent, and endowed with some modicum of sense, who could imagine that there is a possibility of coming to a satisfactory peace—ensuring agreement with such enemies as these covet-all Germans have proved to be, is beyond our capacity to realise. Look what is embodied in this impudent concoction made with the scum of the earth. It sets forth that Germany, Austria-Hungary, Bulgaria and Turkey—faithful and noble Allies in ruthless villainy—“agree with Russia to declare the state of war at an end.” It then goes on to strip Russia, as far as words can do so, of every shred of capacity to renew the fight should the people wake up. The frontier of Germany is brought up almost to the gates of Petrograd. All her Eastern lands are to be denuded of Russian troops, and Poland is never mentioned. The Baltic Sea is made a German lake, and Sweden is to be overawed into subservience by the transfer and sham neutralisation of the Aaland Islands which control the entrance to the Gulf of Bothnia. Esthonia and Lavonia are to be taken wholly out of Russian hands under pretence of leaving them free to choose their overlord, and the Russian fleet is to be dismantled and sent back to Russian ports. If that cannot be done now because of the ice, the crews are to be nearly all removed, and in some respects the greatest crime of all, Armenia, and much more, is to be handed back to the Turk, i.e., to Germany, whose officers and agents incited and superintended the last and worst Armenian massacre. It is horrible. It is such a treaty as the

most ruthless of conquerors, by force of arms, would hardly have thought of imposing upon an enemy defeated in a fair fight, and brought to his knees in helplessness.

We hope this greedy and overbearing enemy, foe to all human aspirations not bestial, will soon find to his cost that his ferocious treaty has *not* been made with Russia. And the fact that he, goaded by his hunger, in frantic haste is now making the most of his transitory opportunity, by seizing everything he can lay his hands on, especially food, and continuing to lay the foundation for other claims over which he may wrangle when he comes to be confronted with the Allies in the West, make us sure that Nemesis is already at his heels. Rumania is being coerced into submission, and doubtless that is designed to mean the stretching forth of the Prussian “mailed fist” over Southern Russia, so as to get control of the Black Sea, and work eastward towards Persia and India, designed also to put Germany in possession of Rumanian grain and oil. A beautiful “peace” surely, a peace of the tyrant, a peace to convert a great empire into a horde of slaves. Is there a man alive in Britain to-day who can believe it possible that ferocious knavery of this kind can succeed, even though backed by the Kaiser’s “sword”—his god? We may know when Lord Lansdowne gathers his peace agitators together.

We are glad to see that so far our most rampageous newspapers have this time abstained from heaving mud and bricks at the said Lord Lansdowne, who has had the imprudence to write another “peace” letter. No one who realises what the war implies, what our goal in it must be, or who beholds Prussianism at its fullest and foulest in Russia, can be other than disappointed that a man of Lord Lansdowne’s elevation should persist in attempts to bring about a premature and therefore an eminently dangerous peace with such a foe. At the same time, it is in a way significant, and to his honour, that he still persists in being wholly unable to conceive the true character of our opponents as exhibited in all their diplomatic performances. To him Count Hertling would seem to be even to-day a pure-minded, honest, and independent servant of his country of the complexion of his lordship himself. Therefore, he accepts the Chancellor’s phrases as he would those of a French, Italian, or American statesman, or one of his own order at home. And so he revives the peace cackle again at a moment when the staging of Prussia’s “triumphs” are most calculated to turn the weak-souled among us to thoughts of compromise. Ah the pity of it!

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## Prudential Assurance Co., Ltd.

In its own sphere the Prudential is probably amongst the best organised businesses in the three kingdoms. It is such a marvellously efficient corporation that in studying its figures and reading the story of the past year as told by the chairman, Sir Thomas Dewey, Bart., one is inclined to wish that its controllers could be transferred bodily down to Whitehall. There they would be in a position to save goodness knows how many millions, and obviously they are capable of doing it.

Last year, the third of this consuming war, would not be expected at first blush to show superlatively fine results in life insurance, and perhaps it has not done so always, but certainly the Prudential did well. In its ordinary branch it issued 56,502 policies, or more than 1,000 a week, insuring £6,951,269, and yielding £567,472 in annual premiums. The total premium income of this branch was £5,495,205, an increase of £265,035 on 1916. Claims took £4,852,409, £398,385 of which represented war claims. At the end of the year there were £934,075 policies in force in this branch.

In the industrial branch, which has been the gold mine of rich ore of the company, the premiums received came to £9,376,858, or £479,135 more than those received in 1916, and claims reached £4,352,031, of which £1,109,240 were war claims. There were also bonus additions of £38,710, but the nett result was that fully £5,000,000 of the premium income was left in the hands of the company for reserves, &c., &c. At the end of the year there were 21,730,468 industrial policies in force, including, we presume, the free policies, which numbered 2,009,872. There are other minor branches of the business, all doing well, all efficiently conducted, but it is unnecessary to go into them.

The usual annual valuation was made by the company's distinguished actuary, Mr. Joseph Burn, and it brought out on the fairly stringent standard of valuation adopted, viz., 3 per cent., a surplus of £1,584,540 in the ordinary and of £616,260 in the industrial branch, including £218,240 brought forward in the one case and £184,530 in the other. Altogether the surplus of the two branches aggregated £2,200,800, of which £1,000,000 is transferred from the ordinary branch to the contingency fund, increasing the surplus to £3,200,800, of which amount £400,000 has been added to the investment reserve fund in the ordinary branch, and £335,623 to the similar fund of the industrial branch. Then £1,794,295 is allocated to participating policyholders in the ordinary branch and £400,000 to the shareholders, leaving £270,882 to be carried forward, of which £92,470 goes to the industrial branch.

It will be remembered that some years ago the directors instituted a profit-sharing branch in the industrial wing of the business, by which surplus moneys were divided between the shareholders, outdoor staff, and the policyholders, but since the war began these participants have mostly received nothing. The shareholders and the outdoor staff, for instance, each received £100,000 in each of the two years 1913-14, and in 1915 each got £50,000, but for the last three years neither the shareholders nor the outdoor staff has had a penny, while the policyholders, although their portion is now down to an infinitesimal figure, have in these three lean years received in all £150,000. The reason for this leanness was clearly explained by Sir Thomas Dewey at the meeting. In effect it was that the company has used the money to pay war claims, and what these mean he illustrated by stating that the company's losses by claims in the present war amount up to date to £3,456,220, and that is not surprising when we note the fact that the risk on the life of a man 20 years old has proved to be as great as that in ordinary times on the life of a man of 64. In August, 1914, the estimated cost to the company of meeting these war risks was £2,000,000. It has been largely exceeded, and the profits assigned to the policyholders,

shareholders, and outdoor staff have been availed and utilised to meet the excessive claim. Sir Thomas hinted that the Government might reasonably be expected to come forward and cover the extra outlay, and that no doubt is a matter which will by and by come up for discussion. In the meantime, this company has certainly done well by the Empire, and the chairman did not go too far when he declared that the sacrifice on the part of the shareholders is "without precedent." "Their sacrifice," he added, "gives the lie to those who would urge commercial undertakings are necessarily devoid of heart or soul." They are not that—insurance companies should be so least of all—and the Prudential has assuredly done its duty in this and other ways. Its balance-sheet now totals £107,283,391, and of this majestic figure £27,242,467 is invested in British Government securities. No wonder the secretary of the company, Sir George May, has followed the chairman in being honoured by the King.

## Courtaulds' Handsome Bonus.

We were able last week to give a brief outline of the great bonus scheme of Courtaulds, Ltd., and we now have the report for 1917 to fill in the details. The figures disclose a position of the most abounding prosperity, and they would doubtless be still more impressive if they were not so ruthlessly condensed. Nett profits, after providing for excess duty and all other expenses, amounted to £1,174,000, an increase of £75,000, which follows a gain of £340,000 in 1916. The latter figure would have been much larger but for the fact that two years' excess duty was deducted, but the amount was not disclosed. In these circumstances, and bearing in mind that 80 per cent. of the profits above the pre-war standard now goes to the Government, the past year's results are truly wonderful, and they represent very nearly 60 per cent. on the paid-up capital. But, as already announced, the dividend is kept at 30 per cent. (of which 12½ per cent. has been paid as interim), while £767,000 is placed to reserve in order to round off the bonus scheme, and £140,250 is written off the holding in Russian Viscose Co. shares to bring them down to 25 per cent. of their cost. There then remains £62,930 to be carried forward against £277,400 brought in. Last year £200,000 was placed to reserve and £136,200 was written off patents. Another £200,000 was applied to writing off the goodwill and to special depreciation of the buildings, plant, &c., of the undertaking acquired at Flint, but this proved more than was necessary to meet the requirements, and the surplus of £38,480 has been taken credit for in the present accounts. It is stated that the patents held by the British Glanzstoff Manufacturing Co., Ltd., of Flint, have now been acquired by Courtaulds. During the year an offer was made to the debenture stockholders of the company to redeem their holdings in exchange for 5 per cent. War Loan, with the result that the amount outstanding has been reduced from £302,300 to £17,635. Nevertheless, cash is only £112,000 lower at £605,000, and against an increase of £206,000 to £883,000 owing to sundry creditors, stocks are £258,000 higher at £707,000 and investments are £265,000 up at £2,409,000, while property, plant, &c., has been written down £57,000 to £570,000.

In 1916 shares of a nominal value of \$550,500 in the American Viscose Co. were sold to directors of that company, and the nett amount of the consideration—£188,420—was placed to capital reserve. This left Courtaulds with Viscose shares of a par value of \$9,448,000, for which no credit was taken in the accounts. It has now been decided to value these shares at £6,444,480, or approximately 14s. per dollar, whereas the shares sold in 1916 fetched only about half that price. No doubt, however, the business has made considerable progress since then. With the company's other reserves amounting to £1,555,513 we get a total of £7,999,993, which it is proposed to capitalise and divide into 4,000,000 6 per cent. preference and 3,999,993 ordinary shares of £1 each. This

will raise the capital to a round 10 millions, and will allow of the distribution of two preference and two additional ordinary shares in respect of every share at present held. The holders of the existing seven odd shares not otherwise participating will be satisfied in cash. As the scheme involves the issue of additional capital it has to receive the sanction of H.M. Treasury, which has not so far been obtained, and the issue of the new shares may therefore be deferred, but the directors very properly have considered it desirable to place the information before the shareholders as soon as the details were completed, so that there should be no leakage for share-rigging purposes.

Some such distribution was foreshadowed a year ago, but the present proposal is more generous than was usually anticipated, and although several other industrial concerns have recently been in the happy position of feeling justified in capitalising reserves, no bonus scheme has been on the magnificent scale of Courtaulds for a long time past. Of course, there are all sorts of estimates, ranging from £8 to £15, as to the proper valuation of the existing shares, but we are rather inclined to the less optimistic view in such cases. It must be observed that the scheme involves the disappearance of all except "hidden" reserves, and prudent people like the directors of this company may be trusted to set about building them up again as quickly as possible. The preference shares are fully protected, and should be worth at least par. On the basis of last year's profits, and deducting the preference dividend (£240,000), there would be a balance of £930,000 for ordinary dividends and reserves. Even if 15 per cent. (£900,000) is paid, the new ordinary shares would not be worth more than 2 to 2½, so that the value would work out somewhere between £8 and £9 10s. for the five new shares which will be exchanged for each existing share. Of course, profits may continue to increase, especially when the Viscose Co. gets into full swing, and there will be plenty of scope for speculative possibilities, but the ordinary shares ought to yield at least 7½ per cent. until the outlook is clearer.

### By-the-Way War Notes.

Evidently Germany's Prussian masters are eager to dazzle the Allies by their rapid progress in Russia. They have dictated a humiliating peace to an obsequious fragment of the least enlightened section of the Russian people, and are busy seizing wide expanses of Polish and Russian territory. They have also taken Rumania by the throat and forced its King and Government to sign a humiliating surrender by which Bulgaria is granted the Dobruja, and other concessions are made to Prussia's Allies, but the whole trend of which is to establish a Prusso-Teutonic domination over Southern Russia and the Black Sea, with tentacles reaching out into Further Asia. The knaves even fling their grapnel over Afghanistan as if they were already masters of its destiny. The swagger is colossal, and indicative of speedy disappointment.

For, after all, this Russian "conquest" is little more than a sort of sensational "picture-show." The marvellous celerity with which German armies seem able to progress everywhere in the Western Provinces of Russia, to capture towns, seize war material, railways, depôts, and so forth, is calculated to bewilder onlookers, but all is not quite as it seems. We doubt whether the armies now alleged to be pounding over that frozen snow-clad Russian soil are much more than skeleton armies. Having dissolved by help of their emissaries and traitors all organised Russian forces, the land lies defenceless, so that a handful of men conveyed on a few sledges, perhaps, may suffice to hold down and rob, just for the moment, any district aimed at. And such conquest may hold until Russia springs anew into life and asserts her manhood, as we doubt not she will. Meantime, the food supplies for which Germany is hunting do not seem to be forthcoming, and without food the whole scaffolding of this "sword" conquest must soon fall to the ground. We have said all along

that little food was available anywhere within reach in Western Russia, and we still believe that information to be correct. But even if food did exist, how is it going to be collected and sent back into Germany? It cannot go by the Bosphorus, and although the Danube is now wholly in Austro-German hands, its navigation against the stream will be neither easy nor swift. In Russia, Galicia and Poland the railways are more or less interrupted and disorganised, so that the food could be sent on but slowly, and in the meantime the occupying German troops have themselves to be fed.

The next three or four months should enlighten us on this question, and it is unnecessary to dwell on it further now except to make one observation—territories seized and overrun as portions of Russia and all Russian Poland now are sure to become a curse to the conqueror. Aggression brings its own chastisement in destroying, or more or less seriously weakening for years, the oppressed country's productive capacity. Its invaders are like locusts eating everything up. We here have hardly yet begun to realise what the devouring waste of war implies, or what the after-paralysis means. War is like a fire on a heather-clad hillside, leaving only blackened stumps when it has passed, and never has war been more destructive than during the past three and a-half years. Put German success at its highest, and it can only bring desolation within the two robber empires themselves. In all probability the devastation will be such as has not been witnessed in any part of the world for centuries. And the Germans have no friends anywhere from whom help could come.

People sometimes lament over our past blunders, failures, mistakes, and so on. That is foolish. Possibly all might have been different in the East had we stuck to the Dardanelles enterprise until we had forced our way through to Constantinople and the Black Sea—and possibly it might not. For we still besiege the enemy so that his distempered rejoicings over his alleged victories can mean nothing substantial

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to him. Even his vaunted breach in the Russian front has not set him free, as he alleges, to go careering over Eastern Russia and Siberia, to hand back to the decrepit Turk and his Kurds a devastated Armenia, or to assert his mastery over any part of Asia Minor. We have only to look abroad over the entire field of war and to remember that an Ally far more resourceful, far more loyal and powerful even than Russia, is now arming with the utmost speed to enter the lists on our side—ay, two Allies, for Japan, which has proved to be one of the most loyal of existing empires, may soon be in Siberia, its armies there to form a rallying point for patriotic Russians—to be confident that we have only to quit us to the end like men to make the victory sure and complete. Germany is not having her own way at all, or securely, at any point. Her exhaustion is already so great as to render the continued sustenance of Prussian militarism well-nigh impossible, even if her confidence-trick expert treaty-devisers were to patch up a peace now with us all.

Fighting goes on in the West as far as the weather, which has been most untoward, allows, and the raiding and counter-raiding seem to be increasing in fury and bitterness. That the Germans should be training their troops for a grand assault in this fashion is what we might expect, and there is nothing whatever in their exhibitions to disquiet. All the Allies are kept on the *qui vive*, and it is well they should be. Above all is it well that we should, for the present, abstain from organising great enveloping movements or assaults, and ambitious efforts to penetrate the enemy's lines such as that which so nearly became a complete, although it could by no possibility have been a final, victory before Cambrai. Surely our policy is to hold the enemy in still, to organise and tune up the temper of our troops, meanwhile worrying him as much as we possibly can without entering into any enterprise which might cost us the loss of many men.

Apparently the Germans seem at the moment most bent upon breaking through the lines held by the French, and their fiercest onslaughts have been directed against sections of the lines in Champagne and Alsace during the past ten days. Possibly they think that France is exhausted sufficiently to be now more easily broken; but, if so, the result of the fighting has done nothing to confirm that view. Every assault has been repelled, and counter-attacks have inflicted severe punishment upon the enemy. Doubtless he will try again, and at other places, as in Belgian Flanders, where their reception has been warm enough, but we are ready. And every week increases our mastery in the air, where some of the most decisive fighting of all the war may be looked for this season.

By what process Sir Eric Geddes manufactures his "curves" we cannot fathom, but, if there are any curves at all, the latest facts about the sinking of British merchant ships seem to show that they go up, not down. Taking the *Times'* averages, the sinkings of vessels of 1,600 tons gross and over averaged 12.2 per week in the four weeks ended March 2. In the previous four weeks, ended February 2, the average was 7.5. For December the average went up to 15, but in November it was only 10.5. This looks rather a wriggly curve, and the exhibit is not much more cheerful if the sinkings of craft of all tonnages are included. That gives an average of 19.7 for the past month compared with 12.5 for January, 19.9 for December, 16.75 for November, 18.4 for October, and 20 for September. The number of ships entering and clearing was slightly larger last month, or 18,286 compared with 18,160 the month before, but the difference is too insignificant to affect a curve or proportion of losses, and it is a growing popular suspicion that not only are we making little or no headway in destroying the under-water pirate craft of the enemy, but that there must still be traitor agencies in this country who serve the enemy. Is it wholly because the sea bottom in the Irish Channel is suitable for submarines that such performances as the sinking of the armed mer-

cantile cruiser *Calgarian* could be accomplished with such ease and leisure? The loss of life was small, "only" 48 out of 610, but the crime was none the less infamous for that, and suspicion grows that if not bases, at any rate enemy centres of intelligence, exist around Ireland. It is to be hoped that the First Lord of the Admiralty will devote less attention to the manufacture of his "curves," and bestir himself to take more strenuous measures to end the scourge. Last week 11 British ships of 1,600 tons and over were sunk, and six smaller ships. Five ships were also returned as having been unsuccessfully attacked; the numbers returned of 12 large and six escapes each include one attacked but not reported in the previous week. No fishing vessels were sunk last week.

*Les Boches* treated London to a surprise air attack on Thursday night. It should give a rousing wind-up to the "Tank Week" campaign, and spur us all on to give, as well as lend, to the best of our capacity.

### Insurance News.

A considerable falling-off in the amount of new business done by the Scottish Widows' Fund Life Assurance Society is disclosed in the report for 1917. The new business completed consisted of 2,302 policies for £1,422,389, a reduction of £412,806; the nett sums assured amounted to £1,354,889, or £185,306 less than in 1916. Claims arising by death, including claims arising from the war, were considerably below the corresponding amounts for 1915 and 1916, and not greatly in excess of the normal experience, and the amount was well within the amount provided for in the valuations, the actual claims being about 83 per cent. of the amount allowed for. The total was £1,180,736, or £169,718 less than in 1916, a very satisfactory experience. There was an increase of 4s. 5d. per cent. in the average gross rate of interest realised during the year on the funds, at £4 16s. 6d. per cent. Expenses of management and commission amounted to £137,523, representing 9.62 per cent. of the premium revenue, or only 5.83 per cent. of the total revenue. With a total income of £2,359,077, and outgoings of £1,930,877, there was a surplus on the year's operations of £428,200. After transferring £500,000 to an investment reserve fund, the funds at the end of the year amounted to £22,383,714.

Substantial progress is again shown in the report of the Britannic Assurance Company, the life premium income for 1917 being £1,466,148—an increase of £72,922—while the gross income from all sources was £1,677,857, an increase of £93,956. After deducting the total outgo of £1,371,017, the surplus on the year's accounts was £306,840, out of which £51,667 has been written off Stock Exchange securities and other investments, leaving a nett addition to the funds of £255,173. In the ordinary branch the premium income showed an increase of £23,170 at £287,864, while claims paid amounted to £210,136, inclusive of surrenders. In the industrial section there was an increase in premiums of £49,752 at £1,178,283, while the claims paid amounted to £597,949, inclusive of surrenders. After making full provision for all policy liabilities on the same bases of mortality and interest as those adopted in the previous year, the resulting surplus was £104,444, which is being carried forward. Shareholders are to receive the usual dividend at the rate of 10 per cent., tax free.

During 1917 the Sun Life Assurance Society issued 2,296 policies for £1,486,642, all within the United Kingdom, the nett amount retained being £1,372,142. The total premium income was £1,051,673, and interest produced £385,975. Claims were well within the expectation, and amounted to £687,399, including reversionary bonuses. The life assurance fund was raised by £538,601 to £9,969,709.

A surplus of £546,314 is disclosed by the annual valuation of the ordinary branch business of the Refuge Assurance Company as at December 31 last, this result

being arrived at after transferring £50,000 to the investments reserve fund, and including £371,162 brought forward. No profits are declared divisible, the whole surplus being carried forward as a contingency fund. With-profit policies which become claims during 1918 will be allotted an interim bonus. In the industrial branch the surplus, after transferring £30,000 to investment reserve, writing £10,000 off furniture, and £10,000 off investments was £87,735, which is carried forward. In both branches the aggregate premium income was £3,883,476, an increase of £170,195. The total funds at £14,768,113 showed an increase during the year of £1,039,276. Including £1,400,000 invested during 1917, the company has participated in the War Loans to the total extent of 3½ millions.

The chairman of the Legal and General Life Assurance Society, at the meeting on Tuesday, referred to a suggested extension of the company's powers, so as to enable the directors to undertake all classes of insurance. Fire insurance will probably be the first new kind of business to be undertaken, but there is apparently no intention to embark on marine insurance, at any rate for the present. Shareholders have been approached on the subject of the new powers, and only a small minority expressed disapproval. During the past year satisfactory results were achieved, the total nett premium income of £1,069,973 showing an increase of £18,861 over the figures for 1916. Nett new business for £1,868,851 was completed, producing nett new premiums of £103,496. Nett claims by death of £654,953 included £132,874 due to the war, the total claims, including bonus additions of £148,878, amounting to £853,970. By the addition of £181,999 the total funds have been raised to £11,760,683. Omitting the investments in reversions, the funds yielded an average rate of 4¼ per cent.

An increase of no less than £423,987 at £3,988,831 is shown in the total life premium income of the Pearl Assurance Company for 1917. In the ordinary branch the premiums amounted to £852,448, which was £168,098 greater than that of the previous year; the number of policies issued in this branch was 35,726, assuring £3,355,139, and producing a new annual premium income of £217,332. In all branches of the business the total income came to £4,421,843, being an increase of £495,916. Life claims, endowments, accident and employers' liability claims absorbed, with bonuses and outstanding claims, £1,769,675. At £12,739,994 the total funds show an increase of £1,175,022. The company's investments have been almost exclusively British War Loan securities, which now exceed £3,000,000. The annual valuation disclosed a surplus of £302,657, including £102,936 brought forward. The directors carry £100,000 to reserve, and a similar amount to the investment reserve, to meet the fall in the value of securities. A sum of £20,000 is added to the pension fund, £21,000 is to be paid to the ordinary shareholders, and the balance of £61,650 carried forward.

The Standard Bank of South Africa, Ltd., announce that a branch was opened on the 1st instant at Kisumu (Port Florence), the terminus of the Uganda Railway on Lake Victoria Nyanza.

The total number of War Savings Certificates issued to the end of February, 1918, was 164,600,000, and the total number repaid to the same date was 5,146,000. The latter figure includes 750,000 certificates which were surrendered in subscription to other war securities.

When a Hun bomb, weighing 80 lbs., is dropped from a height of 15,000 ft., by the time it reaches the ground it is travelling at the rate of nearly 1,000 ft. per second, and its momentum is over 530 tons. No wonder that it smashes through concrete floors, if by bad luck it gets a direct hit!

We understand that an influential committee has been formed to represent British financial and mining interests in Russia, and that among others the following gentlemen have been invited to become members of the committee, most of whom have signified their acceptance: Lord Goschen, Lord George Hamilton, Sir William Plender, Messrs. E. Mackay Edgar, F. H. Hamilton, C. J. Cater Scott, J. Whishaw, and Leslie Urquhart. The offices of the committee are at 7, Gracechurch Street, E.C.

## COMPANY RESULTS IN BRIEF.

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re-serves.	Divi-dend.	Carried For-ward.
	£	£	£	%	£
Aberdeen Jute Co... (Jan.)	—	9,940	20,000	12½	2,960
Do. ....Prev.	—	12,380	18,000	12½	2,300
Bournemouth and Poole Elect. Supply.. (Dec.)	80,750	35,850	51,120	5	2,080
Do. ....Prev.	70,960	35,210	46,820	6	2,260
Bradley's (Chepstow Place) (Jan.)	—	69,350	100,000	7½	44,970
Do. ....Prev.	—	—	70,000	5	46,370
Bristol and South Wales Rly-Waggon Co. (Dec.)	35,950	19,150	65,000	10	4,150
Do. ....Prev.	36,980	18,720	65,000	10	3,720
Canadian and American Mortgage and Trust Co. .... (Dec.)	48,330	26,030	108,000	10	12,680
Do. ....Prev.	49,310	25,130	108,000	10	6,780
Cash and Co. .... (Jan.)	—	8,590	16,000	7	3,990
Do. ....Prev.	—	7,810	15,000	7	2,840
City Offices Co. .... (Dec.)	69,090	11,630	—	5	2,330
Do. ....Prev.	61,370	13,130	—	5	2,560
Cleghorn and Harris (July)	—	53,530	3,000	nil	40,230
Do. ....Prev.	—	47,800	3,000	nil	27,500
Fleming, Reid, & Co. (Dec.)	—	69,040	102,000	15	44,920
Do. ....Prev.	—	65,270	88,000	15	39,620
Gt. Western Collyry.. (Dec.)	160,320	121,300	100,000	15	53,870
Do. ....Prev.	203,680	181,240	100,000	20	71,570
International Sponge Importers .... (Dec.)	41,300	18,090	7,220	600	1,300
Do. ....Prev.	39,540	16,830	6,160	500	1,160
Isle of Man Rly. Co. (Dec.)	46,510	18,130	37,000	5	2,580
Do. ....Prev.	40,460	17,010	37,000	5	1,600
Jeremiah Rotherham (Jan.)	—	187,370	161,320	17	130,110
Do. ....Prev.	—	137,020	151,320	15	109,110
John Moir and Son (Dec.)	48,530	27,830	22,000	15	38,360
Do. ....Prev.	38,610	20,940	22,000	10	16,330
Liberty and Co. .... (Jan.)	67,740	55,960	400,000	20	8,560
Do. ....Prev.	37,790	35,510	378,110	10	6,120
Manch'r Royal Exchange (Mar.)	98,050	75,700	34,800	5	56,780
Do. ....Prev.	73,420	55,800	34,800	5	34,210
Newcastle and District Elect. Lighting.. (Dec.)	101,350	39,420	50,000	2½	13,250
Do. ....Prev.	95,880	39,360	20,770	2½	29,980
Northmptn. Electric Light and Power .... (Dec.)	46,080	12,300	10,500	6½	1,670
Do. ....Prev.	37,390	10,340	10,500	6½	2,110
Penarth Pontoon Shipway and Ship Repairing Co. .... (Dec.)	—	15,920	25,000	10	3,130
Do. ....Prev.	—	17,450	22,500	10	2,640
Read Bros. .... (Dec.)	78,370	39,940	61,000	12	17,120
Do. ....Prev.	50,640	24,740	50,000	10	13,180
Rio Claro Rly. & Investmt. Co. .... (Dec.)	134,550	99,430	—	5	11,430
Do. ....Prev.	132,370	97,800	—	5	10,590
Rushden and District Electric Supply (Dec.)	4,500	1,340	nil	5	130
Do. ....Prev.	3,380	1,240	nil	5	90
Switzer and Co. .... (Jan.)	—	12,260	55,000	8½	14,410
Do. ....Prev.	—	11,830	52,000	8½	13,950
Thos. Tilling .... (Dec.)	—	39,010	20,500	10	28,460
Do. ....Prev.	—	83,390	20,500	12	49,430
Tyneside Tramways and Tramroads .. (½ Dec.)	—	9,800	29,500	5	1,310
Do. ....Prev.	—	6,220	25,830	3	660
United States. Inv. Crpin. (Dec)	32,350	19,860	17,500	7	2,860
Do. ....Prev.	33,210	20,670	17,500	7	3,170
W. B. Reid & Co. .... (Dec.)	—	111,770	290,000	10	33,810
Do. ....Prev.	—	72,440	270,000	10	26,450

It is stated by the *El Diario* of Buenos Aires that President Irigoyen has decided to devote all the available resources of Argentina to the support of the allied armies and civilian populations, and the journal adds, "the new policy removes us more and more from neutrality."

## AUSTRALIAN MUTUAL PROVIDENT SOCIETY.

*Estd. 1849.*  
The Largest Mutual Life Office in the Empire.  
**Funds, £37,000,000. Annual Income £4,700,000.**  
**MODERATE PREMIUMS. LIBERAL CONDITIONS.**

**WORLD-WIDE POLICIES.**  
Every Year a Bonus Year. Whole-life Policies, 20 years in force, show average increase of the sum assured by Bonus exceeding 50 per cent.

ENDOWMENT ASSURANCE RESULTS ALSO UNSURPASSED.

**37, Threadneedle St., London, E.C. 2.**

# PRUDENTIAL ASSURANCE COMPANY, LTD.

CHIEF OFFICE:  
HOLBORN BARS, LONDON, E.C.1.

## SUMMARY OF THE REPORT

*Presented at the Sixty-ninth Annual Meeting, held on March 7th, 1918.*

**ORDINARY BRANCH.**—The number of policies issued during the year was **56,502**, assuring the sum of **£6,951,269**, and producing a new annual premium income of **£567,472**. The premiums received were **£5,495,205**, being an increase of **£265,035** over the year 1916.

The claims of the year amounted to **£4,852,409**, of which **£598,385** was in respect of War Claims. The number of deaths was **14,629**. The number of endowment assurances matured was **28,430**, the annual premium income of which was **£152,559**.

The number of policies including annuities in force at the end of the year was **934,075**.

**INDUSTRIAL BRANCH.**—The premiums received during the year were **£9,376,858**, being an increase of **£479,135**.

The claims of the year amounted to **£4,352,031**, of which **£1,109,240** was in respect of **65,665** War Claims. The bonus additions included in the claims amounted to **£38,710**. The total number of claims and surrenders, including **22,078** endowment assurances matured, was **402,635**.

The number of free policies granted during the year to those policyholders of five years' standing and upwards who desired to discontinue their payments was **56,880**, the number in force being **2,009,872**. The number of free policies which became claims was **51,290**.

The total number of policies in force in this Branch at the end of the year was **21,730,468**; their average duration exceeds thirteen and three-quarter years.

The War Claims of the year, in both Branches, number **70,488**, and amount to **£1,507,625**. The total paid up to the present on this account since the outbreak of War exceeds **£3,400,000** in respect of over **160,000** claims.

**GENERAL BRANCH.**—Under the Sickness Insurance Tables the premiums received during the year were **£6,721**, and **£3,744** was paid in Sickness claims. Sinking fund policies have been issued assuring a capital sum of **£134,850**, and producing an annual income of **£2,663**.

The Company is now empowered to act as Trustee or Executor, and during the year has commenced to transact this business.

A very considerable amount of Aircraft (Personal Injury) Insurance has been undertaken, with results which up to the present have been highly satisfactory. The total amount of premiums received on these contracts was **£11,003**, and the claims paid during the year amount to **£627**. In view of the difficulty of gauging the value of the unexpired risks on existing Sickness and Aircraft Policies it has been decided to retain the whole of the General Branch Fund of **£38,244** in reserve against liabilities.

[B] The assets of the Company, in all branches, as shown in the balance sheet, are **£107,283,371**, which after reduction of the balance of **£5,487,500** owing in respect of the advance from our Bankers for purchase of War Loan shows an increase of **£4,672,125** over 1916.

In the Ordinary Branch the surplus shown is **£1,584,540**, including the sum of **£218,240** brought forward from last year. Out of this surplus the Directors have added **£400,000** to the Investments Reserve Fund, which stands as at 31st December, 1917, at **£2,400,000**, and **£178,412** has been carried forward.

During the past two years an interim bonus of **£1** per cent. per annum has been paid on all participating policies which became claims either by death or maturity, and the Directors feel that the existing policyholders are equitably entitled to a bonus of equal amount on any distribution of profit. The Contingency Fund, which stands at **£1,500,000**, was set up for the purpose of safeguarding the rights of holders of participating policies. The Directors now propose to transfer **£1,000,000** from this fund,

which, together with the amount available from the profits of the year, will enable them to allocate a reversionary bonus in respect of the years 1915, 1916 and 1917 of **£1** per cent. per annum on the original sums assured under all participating policies which were in force on the 31st December, 1917.

The bonus so allotted will not for the present carry the option of surrender for cash, but facilities will be afforded enabling policyholders who desire to obtain National War Bonds by means of our special War Bond Policies to apply such portion of the bonus as may be available towards payment of the necessary premiums. For this purpose the rate of discount adopted will be the British Offices' Table of Mortality, with interest at  $4\frac{1}{2}$  per cent.

In the Industrial Branch the surplus shown is **£616,260**, including the sum of **£184,530** brought forward from last year. Out of this surplus the Directors have added **£335,623** to the Investments Reserve Fund, which, after deducting **£35,623**, representing realised loss on investments, stands as at 31st December, 1917, at **£1,700,000**, and **£92,470** has been carried forward.

The total surplus of the two branches, as shown by the valuation, is **£2,200,800**, and **£1,000,000** will be transferred from the Ordinary Branch Contingency Fund, thus increasing the surplus to **£3,200,800**. Of this amount **£400,000** has been added to the Investments Reserve Fund of the Ordinary Branch, and **£335,623** has been added to the Investments Reserve Fund of the Industrial Branch, **£1,794,295** will be allocated to participating policies in the Ordinary Branch and **£400,000** to the shareholders in accordance with the Articles of Association of the Company, leaving **£270,882** to be carried forward, namely **£178,412** in the Ordinary Branch and **£92,470** in the Industrial Branch.

The provisions of the Courts (Emergency Powers) Act continue to affect the Company's resources adversely, and the Special Reserve has been maintained at **£350,000**. The large increase in the outstanding premiums in the Industrial Branch is partly due to the inclusion of premiums outstanding on policies still in force by reason of the Courts (Emergency Powers) Act. It is impossible to estimate what portion of these outstanding premiums will be eventually received, and the fund of **£350,000** is in the first place necessary to cover any loss which may be sustained on account of non-payment. The fund, however, is also necessary to provide for future contingencies, which include the payment of claims and the continued non-payment of premiums on all policies which may come under the Act. During the past year the losses due to the operation of the Act have been very considerable.

The Company has also had to face the severe depreciation in the value of investments, and has continued to make up the difference between the Service and civilian pay of all members of the staff who are serving in His Majesty's forces.

Apart from the Ordinary Branch Contingency Fund, and in addition to the reserves held against the liabilities shown by the valuation, an amount exceeding **£4,720,000** has been reserved or carried forward, and is available to meet depreciation or other contingencies.

The Balance Sheet includes over **£27,250,000** in British Government Securities; this represents an increase over last year of about **£9,500,000**.

The four Prudential Approved Societies have during the year paid to their members at their own homes benefits amounting to **£1,303,380**, making a total amount of **£7,044,956** paid in this way since the commencement of our National Insurance work. A striking feature of the year has been the large number of women admitted to membership, the number being **232,787** as compared with **92,298** males.

**BALANCE SHEET OF THE PRUDENTIAL ASSURANCE COMPANY, LIMITED,**

Being the Summary of all Branches, on December 31, 1917.

[illegible]

The values of Stock Exchange securities are determined, under the Articles of Association of the Company, by the Directors. Due allowance has been made for accrued interest, and the book value of these securities as set forth in the Balance Sheet stands considerably below cost price. A careful investigation as to the actual saleable value on 31st December, 1917, compared with the book value, shows that the Investments Reserve Funds are much more than sufficient to meet any depreciation of the permanent securities. Terminable securities have been valued on a basis which, with Sinking Funds already established, provides for the equalisation of the book values and the redemption values at the date of maturity.

We certify that in our belief the Assets set forth in the Balance Sheet (having regard to the standards indicated) are in the aggregate fully of the value stated therein less the Investments Reserve Funds taken into account, and make ample provision for all the liabilities of the Company. No part of any fund has been applied directly or indirectly for any purpose other than the class of business to which it is applicable.

A. C. THOMPSON, *General Manager.*

J. BURN, *Actuary.*

THOS. C. DEWEY, *Chairman.*

W. EDGAR HORNE,

W. T. PUGH,

*Directors*

We report that with the assistance of the Chartered Accountants as stated below we have examined the foregoing accounts and have obtained all the information and explanations that we have required, and in our opinion such accounts are correct and the foregoing Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company. No part of any fund has been applied directly or indirectly for any purpose other than the class of business to which it is applicable.

PHILIP SECRETAN, Auditors.

W. H. NICHOLLS,

We have examined the Cash transactions (receipts and payments) affecting the accounts of the Assets and Investments for the year ended December 31st, 1917, and we find the same in good order and properly vouched. We have also examined the Deeds and Securities, Certificates, &c., representing the Assets and Investments set out in the above account, and we certify that they were in possession and safe custody as on December 31st, 1917.

19th February, 1918.

DELOITTE, PLENDER, GRIFFITHS & Co., *Chartered Accountants.*

## Letters to the Editor.

W. CORY AND SON, LTD.

DEAR SIR,—Some few months back the directors sent out a circular stating some friends of theirs were willing to purchase the holdings of shareholders at a price slightly above the quoted market value, and *recommended* the shareholders to accept same. Perhaps some of your readers will be good enough to explain why the directors should have made the recommendation, seeing that the price of the shares to-day is nearly £1 above the figure offered, and which, unfortunately for us, we accepted, believing the directors had the shareholders' interests at heart, as they ought to have done. On the surface it looks as if some explanation at least is required.—Yours faithfully,

March 6, 1918.

FAIR PLAY.

It is interesting to put on record the fact that an aerial mail service will start between New York and Washington on April 15. A new stamp of 24 cents, or about 1s., will be issued for this service, and, added to the ordinary letter postage, will make the cost of air service transmission of a letter 27 cents, or 1s. 1½d. It is hoped that the journey between New York and Washington will be made in two hours. For a time, however, the aerial mail will call at Philadelphia *en route*.

A Melbourne message tells us that the number of war pensions now in force in Australia is 88,299, involving an annual liability of £2,925,175, and in the recruiting scheme it is now proposed to pay 10s. per recruit into the fund of the district recruiting committees. These will allocate the money as they think best.

## Answers to Correspondents.

**\* A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.**

**Deposits against future queries may be lodged with the Publisher.**

A. B. Z.—We rather fear they will.

S. E. N.—(1) This looks rather tempting, and might make a move on the change of Government policy. (2) Also a fair speculation.

Civis.—Both should be perfectly good and secure.

Jeffs.—Intrinsically yes; but you should wait a while.

G. J. L.—They should be worth attention some day, but not yet. Wait.

Wiser.—(1) Purely as a speculation; they seem likely to rise. (2) For the present high enough. You must not forget that profits are inflated by war conditions.

F. V.—(1) It is a pity you did not sell a week ago. They are still fairly high, but may recover a little of the recent drop. If they rise about three points sell. (2) These it seems a pity to clear out of now, but if they improve it would be as well to sell, as the future is rather uncertain.

A. G. H.—There is no good achieved in doing so. If you have some more savings presently, use them.

R. P. S.—(1) They have risen on the report; you might hold a little longer. (2) Having done well, better leave them alone; the outlook is not very clear.

G. E. W.—The company is quite a good one, and likely to expand in time, but there seems no hurry to buy just now.

France.—We believe so. Probably your broker would help you.

A. S. B.—The sale when completed should mean a good bonus. There is no hurry to sell.

In these days, when wide circulation of papers through the post is impossible, we rely on newspaper advertisement to remind our friends that we look to them to do what they can to make the merits of the Society known in their own circles.

The Clerical's strong 2½ per cent. Valuation, unbroken Bonus record, and attractive rates of premium, carry great weight with everyone who is selecting an office in which to assure his life in these hazardous times.—A. D. BESANT, General Manager and Actuary, Clerical, Medical and General Life Assurance Society, 15, St. James's Square, S.W. 1, London.

## SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

**ASSETS exceed £11,000,000.**

FIRE (INCLUDING LOSS OF PROFITS), LIFE, ACCIDENT, ILLNESS, ANNUITIES, PENSIONS, LEASEHOLD, BURGLARY, CLASS BREAKAGE, TRANSIT OF SECURITIES, FIDELITY, PROPERTY OWNERS' LIABILITIES, HORSE DRIVING ACCIDENTS, MOTOR CAR RISKS, THIRD PARTY, EMPLOYERS' LIABILITY AND MARINE INSURANCES EFFECTED ON THE MOST FAVOURABLE TERMS.

Edinburgh: 35, St. Andrew Square.

London: 5, Walbrook, E.C. 4, and 4, St. James' St., S.W. 1.

## PHENIX ASSURANCE COMPANY LIMITED.

ESTABLISHED 1782.

Head Office: PHENIX HOUSE, KING WILLIAM STREET, LONDON, E.C. 4.

Total Assets Exceed £17,000,000.

Claims Paid Exceed £95,000,000.

Chairman—Rt. Hon. LORD GEORGE HAMILTON, P.C., G.C.S.I.

**FIRE. LIFE. ACCIDENT. MARINE.**

Loss of Profits following Fire, Workmen's Compensation, Fidelity Guarantee, Burglary, Trustee and Executor, &c.

Prospectuses and Proposal Forms may be obtained on application to any of the Branch Offices or Agencies, or to the Head Offices.  
General Manager — SIR GERALD H. RYAN.

## ROYAL EXCHANGE ASSURANCE.

Incorporated A.D. 1720.

Governor: Vivian Hugh Smith, Esq.

**FIRE. LIFE. SEA. ACCIDENTS. MOTOR-CAR. PLATE GLASS. BURGLARY. ANNUITIES. FIDELITY GUARANTEES. EMPLOYERS' LIABILITY. LIVE STOCK. THIRD PARTY. LIFT, BOILER AND MACHINERY. TRUSTEE AND EXECUTOR BUSINESS.**

Apply to The Secretary. } Head Office—ROYAL EXCHANGE, LONDON, E.C. 3.

## THE LIVERPOOL & LONDON & GLOBE INSURANCE CO., LTD.

**FIRE. LIFE. ACCIDENT. MARINE.**

Total Assets exceed - - - £14,800,000

Total Claims Paid over - - - £26,000,000

Head Office: 1, Dale Street, Liverpool.

London Chief Office: 1, Cornhill, E.C. 3.

## The Investors' Review.

### Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

The Money Market has shown wonderful placidity this week. Tremendous pressure has been brought to bear, on London especially, and throughout the country, to obtain massive subscriptions to the National War Bonds, and many millions have been gathered in every day of the week, but the Money Market goes on as usual, as if nothing were happening, and sometimes there was more money in the street than borrowers wanted, so that day-to-day loans now and then hung around 2½ per cent. Practically, however, the quotations for call and seven-day loans may

be given respectively at 3 and 3½ per cent., and towards the end of the week more borrowers seemed to be about. The Bank of England, in the beginning of the week, announced that it would charge to its own customers 4 per cent. for advances instead of 5½ per cent. Discounts were steady in a manner all week at a bare 3½ per cent. for all usances up to four months in remitted bills, and at 3½ per cent. steady for similar bills of six months' currency. But the week, altogether, was remarkably quiet.

Glancing at the Bank return, one would suppose that the Government had raised £11,000,000 odd in order to turn it all over and £1,000,000 beyond from its own deposits to the other deposits. That is how it appears in the figures, and no doubt the Bank had to continue raising the means to pay by temporary loans a large proportion which found their way directly into the pockets of the public, and thence back to the Bank. Other deposits, in fact, are £12,948,000 up, while Government securities were £11,387,000 down, and Public deposits also £1,628,000 lower. The reserve has risen by £392,000, and is now £30,944,000. Coin and bullion, however, rose by £732,000 to £60,085,000, which is £6,075,000 more than it was at this date last year, and it was the expansion of £340,000 in the note circulation which prevented the increase in the reserve from being larger. Its proportion to liabilities has gone down 1 per cent. to 17½ per cent., because of the nett increase of over £11,100,000 in the liabilities on deposits.

The present series of National War Bonds, which mature on October 1, 1922, 1924, and 1927, will be withdrawn from sale on March 30, and at the beginning of April a new series will be issued, redeemable on April 1, 1923, 1925, and 1928. In all other respects the new issue will be the same as the present. By the end of this month the existing issue will be six months old, and the average annual value of the premiums payable on redemption will have been correspondingly increased. It is obvious that the bonds could not be offered for sale indefinitely, since the yield automatically increased by a fraction every day. Hence the decision to issue a new series with the date of redemption extended by six months. The new series of bonds will be less valuable than the old, and consequently the price of the latter should rise to a premium. It is an excellent arrangement, thoroughly endorsed in the City, for it will have the effect of stimulating sales of the bonds between now and the end of the month.

Mr. Bonar Law announced the other day that Lord Colwyn has consented to act as chairman of the committee appointed to inquire into the question of bank amalgamations. The other members will be:—Lord Cunliffe, Captain H. Keswick, M.P., the Hon. Rupert Beckett, the Hon. Herbert Gibbs, Sir Arthur Haworth, Bart., Sir Richard Vassar-Smith, Bart., Mr. E. Manville, Mr. H. McGowan, Sir John Purcell, K.C.B., Mr. John Rae, and Mr. Douglas Vickers. The terms of reference are: "To consider and report to what extent, if at all, amalgamations between banks may affect prejudicially the interests of the industrial and mercantile community, and whether it is desirable that legislation shall be introduced to prohibit such amalgamations or to provide safeguards under which they might continue to be permitted."

Italy's new war loan has been a great success. None of the earlier issues produced more than 3,000 million lire (£120,000,000), but this present loan exceeds double that sum. This shows how Italy has been roused and knit together by adversity. Bravo Italy!

The great Herr Gwinner, or von Gwinner, we believe he is now, the managing director of the Deutsche Bank, is on the stump on behalf of the eighth German War Loan. In the course of a long article published in the *Norddeutsche Allgemeine Zeitung*, he boasts that German credit is on the mend, and cites the rise in the German rate of exchange on foreign markets as proof, bold man that he is. London, he says, has "lost its position as an international monetary centre,"

and—inferentially, we presume—he would have us believe that Berlin has taken, or is about to take, its place. For the German people appear capable of pinning their faith on any, the most impudently conceived, of illusions. He went on further to “bless the British blockade,” which has taught Germany to find substitutes for imported commodities—such, say, as wool, cotton, leather, and steel, we suppose—which it has, we are glad to know, so effectually deprived her of. No wonder the German people is presenting “a united front to the enemy,” and will prove its spirit by making the eighth loan a great success. So be it, and after all, Herr von Gwinner is in taking this view but little more braggart in his attitude than our own loan “boosters.” The more is the pity, for we are not yet reduced to paper boots and shirts or to sawdust bread. But what did the German Empire get in the way of new money out of its seventh loan?

The eighth German War Loan, amount whatever can be raked together, will be open for subscription from March 18 to April 18, and will be in two denominations, 5 per cent. bonds and  $\frac{1}{2}$  per cent. Treasury bonds, both to be sold at 98. Terms of redemption to be the same as for the sixth and seventh loans. Terms of conversion into this loan for previous issues of the same styles of debt will be also as before. Will the loan be on sale in Russia?

The outstanding movement in the foreign exchanges this week has been a further marked depreciation in the sterling value of the lira, the quotation being 42.70½ lire to the pound, as against 41.65 lire last week. An improvement is looked for in the Italian exchange shortly in connection with the operation of what Signor Nitti, the Italian Finance Minister, described as a national system of exchanges, which will come into force on March 11, but it would be unwise to look for any very sudden improvement. The Madrid exchange has fallen further to 19.40 pesetas to the pound; apparently the efforts to arrange a Spanish credit for the Allies have not been immediately successful. A further advance has occurred in the Scandinavian exchanges, Stockholm being quoted at 14.80 kr., Christiania at 15.40½ kr., and Copenhagen at 15.77½ kr.

#### SILVER.

Nothing is doing in silver, the price of which remained at 42½d. per oz., but at the close it rose to 42¾d., and Mocatta's circular says that some large shipments of the metal have recently been made from San Francisco to China. The inference is that should these purchases continue, a slight improvement in the price may easily be seen. From Montagu's circular we learn that the Shanghai exchange has a firm tendency, and that the native speculative position, hitherto a source of weakness, has been reduced by more than half. In Bombay the stock of silver on February 8 amounted to 3,200 bars, and in Shanghai on the 2nd inst., it consisted of about 29,650,000 ozs. in sycee and \$13,400,000, an increase of 550,000 ozs., and \$400,000.

Applications for the Rs. 60,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,19,55,000. Of these Rs. 55,49,000 were allotted in deferred transfers, and Rs. 4,51,000 in immediate transfers. Tenders for bills and deferred transfers at rs. 4 29-32d., and for immediate transfers at rs. 5d. received about 27 per cent.

#### BANK OF ENGLAND

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, March 6, 1918.

#### ISSUE DEPARTMENT.

Notes Issued	£	Government Debt..	£
.. ..	77,525,000	Other Securities ..	11,015,100
		Gold Coin and Bullion ..	7,434,900
		Silver Bullion ..	59,075,000
	£77,525,000		£77,525,000

#### BANKING DEPARTMENT.

Proprietors' Capital	£	Government Securities ..	£
Reserve .. ..	14,553,000	Other Securities ..	67,736,782
Public Deposits (including	3,571,104	Notes .. ..	98,101,457
Exchequer, Savings		Gold and Silver Coin ..	29,934,205
Banks, Commissioners			1,009,721
of National Debt, and			
Dividend Accounts) ..	41,021,875		
Other Deposits .. ..	137,715,291		
Seven Day and other Bills	10,895		
	£196,872,165		£196,872,165

Dated March 7, 1918.

J. G. NAIRNE, Chief Cashier.

#### BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year, Mar. 7.		Feb. 27, 1918.	March 6, 1918.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,583,662	Rest .. ..	3,561,621	3,571,104	8,083	
120,880,462	Pub. Deposits ..	42,640,718	41,021,875		1,627,843
123,164,615	Other do. ..	124,767,163	137,715,291	12,948,128	
27,317	7 Day Bills ..	10,219	10,895	676	
	Assets.			Decrease.	Increase.
31,965,781	Gov. Securities.	56,350,082	67,736,782		11,386,700
196,029,100	Other do. ..	98,641,366	98,191,457	449,909	
34,223,215	Total Reserve ..	30,551,673	30,943,926		392,253
				13,406,796	13,406,796
				Increase	Decrease.
£	Note Circulation	£	£	£	£
38,236,720	.. ..	47,251,225	47,590,795	339,570	
54,009,935	Coin and Bullion	59,352,898	60,034,721	731,823	
14 p.c.	Proportion ..	18½ p.c.	17½ p.c.		9 p.c.
5½	Bank Rate ..	5	5		

#### LONDON BANKERS' CLEARING.

Date.	1918.	1917.	Increase.	Decrease.
January	2,073,224,000	1,865,125,000	208,099,000	
February 6	44,563,000	4,022,000	10,338,000	
" 13	383,794,000	440,039,000		56,245,000
" 20	395,545,000	474,857,000		79,312,000
" 27	385,732,000	434,403,000		48,671,000
March 6	73,249,000	56,512,000	16,737,000	
Total ..	3,452,107,000	3,701,161,000	235,174,000	184,228,000

#### CURRENCY NOTES.

Return of Currency Notes for the week ended March 6, 1918.

	Issued.	Cancelled.	Outstanding.
£1 notes .. ..	4,968,520	2,906,920	167,355,296
10s. notes .. ..	1,431,420	1,231,251	37,024,027
Note certificates .. ..	50,000	30,000	22,310,000
Previous total .. ..	843,022,716	624,613,180	218,109,536
	84,147,266	62,783,333	22,569,323

Ratio of gold held against notes, this week, 14.37 p.c.; last week 14.53 p.c.

#### PUBLIC INCOME AND EXPENDITURE. (For 7 days ended March. 2.)

REVENUE.	EXPENDITURE.
Customs .. ..	£
Excise .. ..	£
Estate, &c., Duties ..	£
Stamps .. ..	£
Land Tax and House Duty	£
Property and Income Tax	£
Excess Profits Tax ..	£
Land Values .. ..	£
Post Office .. ..	£
Crown Lands .. ..	£
Sundry Loans .. ..	£
Miscellaneous .. ..	£
Bullion advances repaid ..	£
For Treasury Bills for Supply	£
5% Exchequer Bonds, 1922..	£
6% Exchequer Bonds 1920..	£
Nation 1 War Bonds ..	£
War Savings Certificates ..	£
4% War Loan, 1929-1942 ..	£
5% War Loan, 1929-1947 ..	£
Other Debts created under	£
War Loan Act, 1915, and	£
Finance Act, 1916 ..	£
Telegraph Money Act, 1913	£
Under Post Office Rly. Act,	£
1913 .. ..	£
Under Military Works Act,	£
1897-1903 .. ..	£
Under Public Buildings ..	£
Under Housing Act .. ..	£
Repayment of Advance for	£
Interest on Exchequer	£
Bonds .. ..	£
China Indemnity .. ..	£
East Africa Loan repay-	£
ments .. ..	£
Suez Canal Drawn Shares ..	£
Ways and Means Advances	£
Decrease in Exchequer	£
balances .. ..	£
	£164,818,724
	£164,818,724
National Debt Service ..	£
Inter st. &c. on War Debt	£
Development & Road Impvt	£
Payments to Local Taxation	£
Other Consolidated Fund	£
Charges .. ..	£
Supply Services .. ..	£
Bullion Advances .. ..	£
For Advance for Interest	£
on Exchequer Bonds under	£
Capital Expenditure	£
(Money) Act, 1904 .. ..	£
For Treasury Bills .. ..	£
War Loan and Exchequer	£
Bonds .. ..	£
Other Debt under War Loan	£
Acts, 1914-16 .. ..	£
For Exchequer Bonds under	£
Section 61 of Finance Act,	£
1916, and Section 34 1917	£
Under Telegraph (Money)	£
Act, 1913 .. ..	£
Under Post Office (London)	£
Railway Act, 1913 ..	£
Under Military Works Acts	£
Under Housing Act, 1914..	£
Public Buildings Expendi-	£
ture Act, 1903 .. ..	£
Old Sinking Fund, 1907-8..	£
Sinking Fund, 1914 ..	£
China Indemnity .. ..	£
East African Loan .. ..	£
Canard Agreement Act ..	£
Expenditure Certificates ..	£
Depreciation Fund .. ..	£
Suez Canal Drawn Shares ..	£
Temporary Advances Repaid	£
Increase in Exchequer	£
balances .. ..	£

\*Excluding sales through banks which have not yet been brought to account

#### NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Mar. 2, 1918.	Feb. 23, 1918.	Feb. 16, 1918.	Mar. 3, 1917.
Loans	£	£	£	£
Reserve held in own Vaults ..	855,291,000	850,020,000	839,664,000	700,853,000
Reserve held in Fed. Res. Bk.	3,302,000	3,272,000	3,302,000	100,714,000
Cash in own Vaults .. ..	98,262,000	99,170,000	103,290,000	39,360,000
Reserve held in Other Depos.	19,840,000	19,730,000	19,918,000	
Net Demand Deposits .. ..	1,628,000	1,640,000	1,590,000	11,335,000
Net Time Deposits .. ..	—	715,160,000	737,158,000	716,432,000
Circulation .. ..	39,722,000	40,294,000	40,226,000	34,994,000
Excess Legal Reserve .. ..	6,924,000	6,854,000	6,834,000	5,744,000
	8,176,000	8,748,000	10,996,000	33,572,000

Legal Reserve consists of 18% of the Demand Deposits and 50% of the Time Deposits.

## FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Feb. 1, 1918	Jan. 25, 1918.	Feb. 2, 1917.
Gold coin and certificates ..	93,951,800	91,402,400	61,392,800
Gold Settlement Fund ..	78,724,800	77,042,000	42,592,200
Gold with foreign agencies ..	10,500,000	10,000,000	—
Total gold held by banks ..	183,176,600	182,544,400	103,985,000
Gold with Federal Res. Agent ..	156,333,400	158,765,800	54,814,800
Gold Redemption Fund ..	3,894,400	3,091,200	367,000
Total gold reserves ..	343,404,400	345,301,400	159,166,800
Legal tender notes, silver, &c. ..	11,687,000	11,750,400	2,437,000
Total reserves ..	355,091,400	356,551,800	161,603,800
Bills discounted—Members' ..	121,355,600	125,518,400	2,941,400
Bills bought in open market ..	57,961,000	54,782,400	18,622,400
Total bills on hand ..	179,316,600	180,314,800	21,563,800
U.S. Gov. long-term sec. ..	10,746,800	10,105,000	6,110,000
U.S. Gov. short term sec. ..	15,779,600	14,513,800	3,729,400
Municipal warrants ..	761,000	980,400	2,566,400
Loans on gold coin and bullion ..	—	—	—
Total earning assets ..	206,604,000	205,934,000	33,969,600
Due from other Fed Res. banks ..	8,812,200	6,501,000	2,537,400
Uncollected items ..	64,308,800	64,740,600	25,324,200
Total deductions from gross dep. ..	73,290,000	71,241,600	27,859,600
5% Red. Fund ag Fed. Res. banks ..	107,400	107,400	80,000
All other resources ..	111,800	40,200	2,597,000
Total resources ..	635,204,600	633,850,000	226,110,000
Capital paid in ..	14,524,000	14,487,800	11,145,000
Surplus ..	226,800	226,800	—
Government deposits ..	26,558,000	27,138,200	4,666,600
Due to members—Res. account ..	295,728,800	296,148,600	137,975,600
Due to non-memb.—clearing ac. ..	—	—	—
Members' bank deposits—net ..	38,256,600	38,991,400	20,246,400
Collection items ..	10,353,800	7,510,400	—
Total gross deposits ..	370,897,200	369,817,200	162,888,600
F.R. notes in actual circulat'n ..	247,210,200	246,086,800	52,006,000
F.R. bank notes in circ.—net liab. ..	1,600,000	1,600,000	—
All other liab. in for Gov. crds ..	736,400	736,400	70,400
Total liabilities ..	635,204,600	633,875,000	226,110,000
Gold res. ag. net deposit liab. ..	—	61.5%	—
Gold res. ag. F.R. nts in act circ ..	—	63.9%	—
Ratio of gold res. to net dep. ..	63.3%	63.3%	85.1%
Ratio of total res. to net dep. ..	63.3%	63.3%	85.1%
Ratio of total res. to net liab. ..	63.3%	63.3%	85.1%
Ratio of total res. to net liab. ..	63.3%	63.3%	85.1%

## NEW YORK STATE BANKS &amp; TRUST COMPANIES (dollar at 4s.).

	Mar. 2, 1918.	Feb. 23, 1918.	Feb. 16, 1918.	Mar. 3, 1917.
Loans ..	174,874,000	173,304,000	170,334,000	151,741,000
Specie ..	3,590,000	3,170,000	3,634,000	13,426,000
Deposits ..	172,828,000	170,216,000	170,082,000	160,800,000
Legal Tenders ..	16,976,000	16,710,000	16,594,000	2,276,000

## BANK OF FRANCE (25 francs to the £).

	Mar. 7, 1918.	Feb. 28, 1918.	Feb. 21, 1918.	Mar. 8, 1917.
Gold in hand ..	133,205,000	133,241,520	133,184,720	128,409,520
Silver in hand ..	10,243,520	10,197,040	10,136,600	10,733,560
Bills discounted ..	44,916,040	51,498,370	50,114,920	24,668,480
Advances ..	47,432,520	46,815,320	48,501,080	49,847,720
Note circulation ..	986,001,080	972,332,280	959,451,480	731,251,380
Public deposits ..	1,161,360	2,089,080	771,760	1,549,240
Private deposits ..	105,228,320	103,249,000	104,321,880	99,379,640
Foreign Bills ..	389,200	350,000	8,5400	85,040

Proportion between bullion and circulation 21.82 per cent., against 23.13 per cent. last week. Advances to the State £534,000,000, increase £16,000,000. The adjusted payments of drafts in Paris on account of the moratorium, £19,574,680, decrease £34,920, and at the branches £24,930,320, decrease £45,480.

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	Feb. 28, 1918.	Feb. 23, 1918.	Feb. 15, 1918.	Feb. 28, 1917.
Total Coin & Bullion ..	126,181,450	126,169,150	126,112,900	127,145,950
Treasury Notes ..	65,653,150	62,713,500	61,466,300	77,128,500
Bills discounted ..	652,446,500	617,794,750	643,775,150	449,241,250
Advances ..	431,600	300,150	351,450	652,390
Note circulation ..	565,541,400	556,123,550	554,885,500	405,358,100
Deposits ..	324,501,550	303,460,900	310,792,100	203,820,550

Clearing House return during February £420,879,905, against £478,428,170 in January.

## BANK OF SPAIN (25 pesetas to the £).

	Feb. 23, 1918.	Feb. 16, 1918.	Feb. 9, 1918.	Feb. 24, 1917.
Gold ..	79,555,541	79,498,101	79,138,368	54,779,031
Silver ..	28,407,129	28,301,819	28,265,027	29,915,563
Foreign Bills ..	3,558,108	3,498,959	3,486,003	3,533,175
Discounts and Short Bills ..	31,236,108	31,057,719	28,270,097	25,946,604
Treasury Account, &c. ..	25,063,901	25,450,316	26,991,740	26,240,603
Notes in Circulation ..	113,335,219	113,279,761	114,037,296	95,933,363
Current Accounts, Deposits ..	34,776,066	36,245,163	38,767,452	30,400,507
Dividends, Interests, &c. ..	1,814,105	1,872,994	1,751,065	1,702,518
Government Securities ..	6,469,713	6,081,300	6,051,886	1,185,806

## NETHERLANDS BANK (12 Florins to the £).

	Mar. 2, 1918.	Feb. 23, 1918.	Feb. 16, 1918.	Mar. 3, 1917.
Gold and Silver ..	60,915,500	60,164,418	60,301,250	49,836,750
Bills and Advances ..	13,188,083	12,899,916	14,321,666	15,458,916
Note circulation ..	74,721,600	70,676,313	71,394,666	62,274,000
Deposits ..	5,747,200	6,768,756	7,345,250	7,274,333

## SWISS NATIONAL BANK (25 francs to the £).

	Feb. 23, 1918.	Feb. 15, 1918.	Feb. 7, 1918.	Feb. 23, 1917.
Gold and silver ..	16,936,708	16,787,109	16,721,652	15,869,920
Bills ..	8,034,840	7,203,664	10,185,452	6,561,596
Note circulation ..	24,516,484	24,429,070	24,811,716	19,446,512
Current and deposit accounts ..	3,584,900	2,963,916	5,469,702	4,801,024

## BANK OF SWEDEN (18 kroner to the £).

	Feb. 9, 1918.	Feb. 2, 1918.	Jan. 26, 1918.	Feb. 10, 1917.
Gold ..	13,100,000	13,105,000	13,125,000	10,589,000
Balance abroad and Foreign Bills ..	7,476,000	7,416,000	7,196,000	8,794,000
Swedish and Foreign Govt. Securities ..	2,881,000	2,881,000	3,436,000	3,815,000
Discounts and Loans ..	12,247,000	12,268,000	11,989,000	4,406,000
Notes in circulation ..	29,105,000	29,408,000	27,869,000	20,831,000
Deposits at notice ..	6,663,000	6,640,000	8,143,000	5,332,000

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	Mar. 5, 1918.		Mar. 7, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	10.55	10.60	10.48	10.51
" ..	Three months' bills ..	—	—	—	—
Paris ..	Cable transfers ..	27.17	27.22	27.17	27.22
" ..	Three months' bills ..	27.57	27.62	27.57	27.62
Switzerland ..	Cable transfers ..	21.23	21.33	21.20	21.30
" ..	Three months' bills ..	21.58	21.68	21.55	21.65
Petrograd ..	Cable transfers ..	nom.	nom.	nom.	nom.
Genoa, &c. ..	Cable transfers ..	42.60	42.70	42.20	42.30
Spain ..	Cable transfers ..	19.40	19.50	19.25	19.35
" ..	Three months' bills ..	57 1/2	58 1/2	57 1/2	58 1/2
Lisbon and Oporto ..	Cable transfers ..	29	30	29	30
Copenhagen ..	Cable transfers ..	15.72	15.82	15.70	15.80
Christiania ..	Cable transfers ..	15.45	15.55	15.43	15.53
Stockholm ..	Cable transfers ..	14.85	14.95	14.80	14.90

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22 1/2	27.18 1/2	20.20 1/2
Amsterdam, cheques ..	Florins to £1 ..	12.107	10.59	10.49
Italy, sight ..	Lire to £1 ..	25.22 1/2	42.02	41.55
Madrid, sight ..	Pesetas to £1 ..	25.22 1/2	19.57 1/2	19.30
Lisbon, sight ..	Pence to milreis ..	53 1/2	29 1/2	28 1/2
Switzerland, sight ..	Francs to £1 ..	25.22 1/2	21.22 1/2	21.29
Christiania, sight ..	Kroner to £1 ..	18.159	15.40	15.48
Stockholm, sight ..	Kroner to £1 ..	18.159	14.72 1/2	14.92 1/2
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.40 1/2	15.78
Petrograd, sight ..	Roubles to £10 ..	94.57	nom.	nom.
Alexandria, sight ..	Piastres to £1 ..	97 1/2	97 1/2	97 1/2
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Hong Kong, T.T. ..	Sterling to dollar ..	—	2/11 1/2	2/11 1/2
Shanghai, T.T. ..	Sterling to tael ..	—	4/2 1/2	4/3
Singapore, T.T. ..	Sterling to dollar ..	—	2/11 1/2	2/11 1/2
Yokohama, T.T. ..	Sterling to yen ..	24.58d.	2/11 1/2	2/11 1/2
New York, cable ..	Dollars to £1 ..	4.86 1/2	4.76 1/2	4.76 1/2
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	50 1/2	50 1/2
Valparaiso, 90 days ..	Pence to peso ..	—	14 1/2	14 1/2
Montevideo, T.T. ..	Pence to dollar ..	51d.	59 1/2	59 1/2
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13 1/2	13 1/2

## OPEN MARKET DISCOUNT.

	Last week.	This week.
Thirty and sixty day remitted ..	3 1/2	3 1/2
Three months ..	3 1/2	3 1/2
Four months ..	3 1/2	3 1/2
Six months ..	3 1/2	3 1/2
Three months fine inland bills ..	4 1/2	4 1/2
Four months ..	4 1/2	4 1/2
Six months ..	4 1/2	4 1/2

## BANK AND DEPOSIT RATES.

	Last week.	This week.
Bank of England minimum discount rate ..	5	5
short loan rates ..	—	—
Bankers' rate on deposits ..	3	3
Bill brokers' deposit rate (call) ..	3	3
7 and 14 days' notice ..	3 1/2	3 1/2
Current rates for 7 day loans ..	3 1/2	3 1/2
for call loans ..	2 1/2	3 1/2

## The Week's Stock Markets.

Apart from the intensive culture of War Bond subscription by means of the Tank campaign, the principal factors affecting the Stock markets have been the proposed intervention of Japan to neutralise German designs on Siberia, and the adhesion of Argentina to the cause of the Allies. So far as the Tank campaign is concerned, it has naturally withdrawn a considerable amount of investment business which would otherwise have gone through the Stock Exchange, but as it has been in progress for several weeks up North, where most of the money seems to be, the effect of the London visitation might easily be exaggerated. All the same, it cannot be doubted that it has made an appreciable difference to the amount of dealings brought to the floor of the House. Japanese stocks have suffered rather severely from that country's offer, thoroughly unselfish as we believe it, to pull the Siberian chestnuts out of the fire for the Allies. Modern war is a very expensive affair, and if, as may

	Last Week	This Week		Last Week	This Week
Consols.....	54 1/2	54 x	N.S.W. 4 1/2 % 5 yr. bds.....	99 1/2	99 1/2 x
War Loan 3 1/2 %.....	86 1/2	86 1/2	" 4 1/2 %, 1922-7.....	92	92
" 4 1/2 %.....	100 1/2	100 1/2	" 5 %, 1921-3.....	97 1/2	97 1/2
" 5 %, 1929-47.....	93 1/2	93 1/2	" 5 1/2 %, 1920-2.....	98	98 1/2
" 4 %, 1929-42.....	102	102	New Zealand 4 %, 1929.....	86 1/2	86 1/2
India 3 %.....	55 1/2	54 1/2 x	Queensland 4 %, 1920-5.....	80 1/2	79 1/2 x
" 3 1/2 %.....	64 1/2	63 1/2	" 4 1/2 %, 1920-5.....	94	92 1/2 x
Australian 5 1/2 %, 1920-22.....	98 1/2	98 1/2	Union of S. Africa 4 1/2 %, 1920-5.....	92 1/2	92 1/2
Canada 4 %, 1940-60.....	81 1/2	80	Victoria 4 1/2 %, 1920-5.....	94	92 1/2 x
" 4 1/2 %, 1920-5.....	93 1/2	93 1/2	Westn. Aus. 4 %.....	79 1/2	79 1/2
N.S.W. 4 %, 1933.....	82 1/2	82 1/2	French War Loan, 5 %.....	78 1/2	76 1/2
Argentine 4 %, 1900.....	67 1/2	67 1/2	Japan 4 1/2 % (1st), 1905.....	98	93
Belgian 3 %.....	62 1/2	62 1/2	" 5 %, 1907.....	93	87
Brazil, 1913.....	70	70	Mexican 5 %, 1899.....	58	57
" 5 %, 1914.....	80 1/2	81	Russia 4 %.....	34 1/2	34 1/2
Chinese 1896.....	94	92	" 4 1/2 %, 1909.....	37 1/2	37 1/2
" 1912.....	82 1/2	79	" 5 %, 1906.....	47 1/2	47 1/2
Egypt Unified 4 %.....	86	86	London and N.-W.....	88 1/2 x	89 x
Caledonian defd.....	8 1/2	8 1/2	London and S.-W. defd.....	22 1/2 x	22 1/2 x
Gt. Central pf.....	13	13	Do red. pf. 1914.....	95 x	95 x
Gt. Eastern.....	34	34 1/2	Metropolitan.....	21 1/2 x	21 1/2 x
Gt. Northern defd.....	34 1/2	34 1/2	Do. 5 % pf.....	74 1/2 x	74 1/2 x
Gt. Western.....	82 1/2	83 1/2	Met. District.....	15 1/2	15
Lancs. and Yorks.....	64	63	Midland defd.....	55 x	55 1/2 x
London Brighton defd.....	55 1/2 x	55 1/2 x	Nth. British defd.....	13 1/2 x	13 1/2 x
London Chatham ord.....	8 1/2	8 1/2	Nth.-Eastern.....	93 1/2 x	93 1/2 x
			Sth.-Eastern defd.....	27 1/2 x	27 1/2 x
Canadian Pacific.....	160 1/2	161	Chesapeake.....	58	58
E. Indian Guar. 4 1/2 % debts.....	84	84	Erie.....	20 1/2	19 1/2
Grand Trunk ord.....	8 1/2	8 1/2	Southern.....	26 1/2	26
Do. 1st pf.....	53	53			
Do. 3rd pf.....	21 1/2	21	Cent. Argentine ord.....	56 1/2	57
Antofagasta defd.....	133	133	Leopoldina.....	38	38
Brazil Common.....	5	5	Mexican ord.....	19	19
B. A. & Pacific.....	38 1/2	38 1/2	San Paulo (Brazilian).....	18 1/2	18 1/2
B. A. Gt. Southern.....	71	70 1/2	United of Havana.....	74 1/2	75 1/2
B. A. Western.....	69	68	London City & Midland.....	8	8
Anglo-South American.....	7 1/2	7 1/2	London County & West.....	15 1/2	15
Bank of Australasia.....	120	119	London Joint Stock.....	29	28 1/2
Bank of N.S. Wales.....	36	36	Nat. Prov. of Eng. (£10 pd).....	26 1/2	26 1/2
Barclay & Co. "A".....	78 1/2	78 1/2	Do. (£12 pd).....	29 1/2	29 1/2
Do. "B".....	12	11 1/2	Parr's.....	32 1/2	32
Capital & Counties.....	25 1/2	25 1/2	Standard of S.A.....	11 1/2	11 1/2
Chartered of India.....	72 1/2	72 1/2	Union Discount.....	10 1/2	10 1/2
Hongkong & Shanghai.....	83 x	83 x	Union & Smiths.....	26	26
Lloyds.....	23 1/2	23 1/2			
London & Brazilian.....	25	25 1/2	Kynochs.....	37 1/2	40 1/2
Armstrong, Whitworth.....	42 1/2	42	Mond Nickel ord.....	3 1/2	3 1/2
Birmingham Small Arms.....	57 1/2	56	South Durham Steel.....	42 1/2	42 1/2
Cammell-Laird.....	7	6 1/2	Thornycroft.....	40 1/2	41
Cargo Fleet.....	25 1/2	26 1/2	Vickers.....	43 1/2	44 1/2
Dorman, Long.....	39 1/2	39 1/2	Fine Cotton Spinners.....	35 1/2	35 1/2
Associated Cement.....	38 1/2	38 1/2	Forestral Land.....	48 1/2	48 1/2
Borax defd.....	40 1/2	39 1/2	Furness, Withy.....	67 1/2	66 1/2
Bovril.....	20 1/2	20 1/2 x	Harrods Stores.....	2 1/2	2 1/2
Brazil Traction.....	44 1/2	44 1/2	Hudson's Bay.....	7 1/2	7 1/2
British Amer. Tobacco pf.....	18 1/2	18 1/2	Imperial Tobacco 'C' pf.....	33 1/2	33 1/2
British Aluminium.....	33 1/2	33 1/2	Lever Bros. 'C' pf.....	20 1/2	20 1/2
British Oil & Cake.....	32 1/2	32 1/2	Lyons, J.....	31 1/2	31 1/2
Brunner, Mond.....	1 1/2	1 1/2	Marconi.....	24 1/2	24 1/2
Castner-Kellner.....	37 1/2	37 1/2	Maypole Dairy defd.....	19 1/2	19 1/2
Coats.....	6 1/2 x	6 x	National Steam Car.....	16 1/2	16 1/2
Courtaulds.....	7 1/2	8 1/2	Pears, A. & F.....	18 1/2	18 1/2
Cunard.....	48	47 1/2	P. & O. defd.....	34 1/2	33 1/2
Dennis Bros.....	35 1/2	35 1/2	Royal Mail.....	123	123
Eastern Telegraph.....	152 1/2	151 1/2	Underground Inc. Bds.....	80 1/2	80 x
Eastmans.....	9 1/2	11			
English Sewing Cotton.....	55 1/2	54 1/2	North Caucasian.....	8 1/2	8 1/2
Anglo-Egyptian "B".....	37 1/2	35 1/2	Roumanian Cons.....	9 1/2	9 1/2
Baku (10s).....	1 1/2	1 1/2	Shell.....	58 1/2	58 1/2
Burmah.....	7 1/2	7	Spies (10/-).....	5 1/2	5 1/2
Lobitos.....	1 1/2	1 1/2	Ural Caspian.....	2	2
Maikop Pipeline.....	2 1/2	2 1/2			
Mexican Eagle pf.....	63 1/2	63 1/2	Perak 2/-.....	7 1/2	7 1/2
Allagar 2/-.....	3 1/2	3 1/2	Port Dickson 2/-.....	4 1/2	4 1/2
Anglo-Java Rub. 2/-.....	6 1/2	6 1/2	Rub. Estates Johore £1.....	42 1/2	42 1/2
Anglo-Malay 2/-.....	14 1/2	13 1/2	Rub. Estates Krian 2/-.....	4 1/2	4 1/2
Ayer Kuning £1.....	48 1/2	43 1/2	Rubber Trust £1.....	28 1/2	26 1/2
Batang Malaka 2/-.....	47 1/2	45	Sampang (Java) 2/-.....	2 1/2	2 1/2
Bekoh 2/-.....	43 1/2	41 1/2	Sapumalkande £1.....	26 1/2	25 1/2
Brit. N. Borneo Trust £1.....	17 1/2	17 1/2	Seaport £1.....	26 1/2	25 1/2
Bukit Clob 2/-.....	5 1/2	5 1/2	Selangor.....	33 1/2	32 1/2
Bukit Kajang £1.....	74 1/2	71 1/2	Sengat 2/-.....	3 1/2	3 1/2
Bukit Mertajam 2/-.....	4 1/2	4 1/2	Seremban £1.....	42 1/2	40 1/2
Bukit Sembawang 2/-.....	3 1/2	3 1/2	Shelford £1.....	37 1/2	36 1/2
Carey United £1.....	43 1/2	43 1/2	Shalang £1.....	64 1/2	59 1/2
Ceylon Para 2/-.....	9 1/2	9 1/2	Singapore Para 2/-.....	4 1/2	4 1/2
Chersonese.....	3 1/2	3 1/2	Singapore United 2/-.....	3 1/2	3 1/2
Chevi 2/-.....	5 1/2	5 1/2	Soember Ajos 2/-.....	2 1/2	2 1/2
Dalkeith 2/-.....	2 1/2	2 1/2	Stagbrook £1.....	33 1/2	33 1/2
Eastern Invest. Trust £1.....	25 1/2	25 1/2	Straits Bertam 2/-.....	6 1/2	6 1/2
Grand Central £1.....	27 1/2	27 1/2	Sumatra Para 2/-.....	8 1/2	8 1/2
Gula Kalumpung £1.....	35 1/2	35 1/2	Sungei Bahr £1.....	37 1/2	37 1/2
Highlands £1.....	58 1/2	55 1/2	Sungei K-par 2/-.....	11 1/2	10 1/2
Java Investment £1.....	28 1/2	26 1/2	Sungei Kruit £1.....	49 1/2	49 1/2
Java Para £1.....	3 1/2	3 1/2	Taipung 2/-.....	4 1/2	4 1/2
Johore Rubber Lands £1.....	33 1/2	30 1/2	Tali Ayer £1.....	34 1/2	34 1/2
Kamunin 2/-.....	3 1/2	3 1/2	Tanjong £1.....	8 1/2	8 1/2
Kinta Kellas 2/-.....	4 1/2	4 1/2	Tanjong Malim £1.....	31 1/2	31 1/2
Kuala K. bu 2/-.....	2 1/2	2 1/2	Tebrau £1.....	63 1/2	60 1/2
Labu 2/-.....	9 1/2	9 1/2	Telodogedjo £1.....	42 1/2	41 1/2
Langen Java £1.....	42 1/2	41 1/2	Tempeh 2/-.....	2 1/2	2 1/2
Linggi 2/-.....	26 1/2	25 1/2	United Serdang 2/-.....	10 1/2	10 1/2
London Asiatic 2/-.....	8 1/2	7 1/2	United Sumatra 2/-.....	8 1/2	8 1/2
Malacca £1.....	5 1/2	5 1/2	Val d'Or 2/-.....	3 1/2	3 1/2
Malayalam £1.....	38 1/2	37 1/2	Vallambrosa 2/-.....	22 1/2	22 1/2
Melinau 2/-.....	5 1/2	5 1/2	Way Halim 1/8 pd.....	—	—
Padang Jawa 2/-.....	3 1/2	3 1/2			
Pataling 2/-.....	42 1/2	42 1/2	Gt. Boulder (2/-).....	13 1/2	13 1/2
Abbottakoon (10/-).....	4 1/2	4 1/2	Kysht m.....	6 1/2	6 1/2
Bechuanaaland Exp.....	7 1/2	7 1/2	Mashonaland Agency.....	5 1/2	5 1/2
Brakpan.....	5 1/2 x	5 x	Meyer & Charlton.....	5 1/2	5 1/2
Brok-n Hill Prop. (8/-).....	3 1/2 x	3 1/2 x	Modder "B".....	8 1/2 x	8 1/2 x
Cam & Motor.....	11 1/2	11 1/2	Mysoor.....	7 1/2	7 1/2
Central Mining (£12).....	6 1/2	6 1/2	R. and Mines (5/-).....	2 1/2	2 1/2
Chartered.....	15 1/2	15 1/2	Rio Tinto (£3).....	6 1/2	6 1/2
City Deep.....	3 1/2	3 1/2	Ru-so-A-si tie.....	2 1/2	2 1/2
Cons. Gold Fields.....	36 1/2	36 1/2	Spring Mines.....	3 1/2	3 1/2
Cons. Langlaagte.....	13 1/2	13 1/2	Iai ganyika.....	3 1/2	3 1/2
Crown Mines (10/-).....	14 1/2	14 1/2	Canalyk.....	3 1/2	3 1/2
De Beers defd. (£2 10s).....	12 1/2	12 1/2	Van Kyn Deep.....	3 1/2 x	3 1/2 x
East Rand.....	6 1/2	4 1/2			
Gold.....	2 1/2 x	2 1/2 x			
Gov Areas Mod.....	3 1/2 x	3 1/2 x			

easily happen, Japan is committed to a serious effort westwards from Vladivostok, most of the financial benefit she has derived from the war would quickly be wiped out. Argentina's decision to join the United States and the other Allies is all to the good. She can not only help materially with food and other supplies, but it may be hoped that the hands of the Government will be strengthened to stop those recurrent railway strikes which have done so much to disorganise the business and arrest the prosperity of the country. The passing of the interim dividends by several of the leading companies must be a nasty blow to many holders, but it was inevitable in the circumstances. Among Industrial securities Explosive shares have again come into prominence on the expectation of a combine of the principal concerns. We understand that provisional terms have been actually arranged, but we believe there is no prospect of the scheme being allowed to go through until after the war, and that will naturally make a considerable difference to its attractiveness.

With the Tank campaign in full swing in London the Stock Exchange scarcely expected to have much business coming its way, and, indeed, it has been patriotically supporting the Government without the remotest hope of putting anything into its own pocket by the process. As a matter of fact, business has been of the smallest description almost throughout the week, and in many sections dealings have been almost a negligible quantity. Consols opened with a slight gain, but it was quickly lost, and the rest of the gilt-edged market was dull and uninteresting. Colonials were almost entirely neglected, and the one or two fractional movements that took place had no significance. In the Foreign market the outstanding factor has been the possibility of Japan entering the war. This in itself would be welcome to the Allies from many points of view, but it is recognised that Japanese finances might be seriously disorganised by an expensive campaign, and with political jealousies in addition the market was not particularly comfortable about the outlook. Consequently the stocks known here fell heavily, and Chinese also were weak in case of complications arising from Japan's interposition. Russian bonds also continued to recede owing to the chaos still existing in the condition of affairs from which there seems to be no escape. Spanish Fours were particularly well supported and secured a substantial advance, but Uruguays and Peruvian Corporations followed the general tendency.

Home Railways recovered slightly from the severe depression of recent times, but afterwards relapsed into complete dullness, and the movements have been quite trifling on balance. Americans were dull and neglected, with International Mercantile Marine showing conspicuous weakness. Canadian Pacifics managed to keep steady in spite of the poor monthly statements, but Trunks gave way on the disappointing traffic. Argentines did not gain much for a few excellent returns, and although the strike difficulty appears to be easier the passing of the interim dividend by several of the leading companies, although not unexpected, has naturally caused a feeling of depression. It is hoped that the adhesion of Argentina to the Allied cause will presently improve the situation, but that is not a factor of immediate importance. Mexican Rails were heavy, but business in them has come to almost a standstill.

Very little happened among Bank shares, and movements were of small importance. Bank of Australasia fell a point, while Bank of British North America gained to a similar extent on the excellent report of Barclays, and one or two others lost a small fraction, but the conditions were as dull as could be imagined. Breweries have been decidedly flat, with Guinness losing as much as 1 point and City of London 5. Watneys and several others also displayed weakness, and the only share that was apparently supported was Barclays. Egyptian securities have been persistently weak on profit-taking, and in the Gas and Electric section South Metropolitan have lost a point or two. Iron and Steel shares were generally firm, with William Cory conspicuously strong, and Explosive shares also showed more vitality than of late. Canadian Car and Otis advanced several points on very small business. Among Land shares, Hudson's Bays were weak, while Nigers and Pahangs received a good deal of support. Nitrates as a rule were dull, and where movements occurred, they were mostly adverse. In the Shipping section, Indo-China and Court Line both gained appreciably, but P. and O. gave way rather sharply. Miscellaneous Industrials generally were fairly firm, but Courtaulds, after a sharp advance on the bonus announcement, dropped back, and closed little better than 8.

Oil shares generally have been weak, but Ural Caspians, Venezuelan Concessions, and North Caucasians have shown a certain amount of strength, although business has been on an extremely small scale. Rubber shares have not attracted much attention, and although the market as a whole has been fairly steady, dealings have been on a very small scale, probably owing to the fact that in several cases interim dividends which were confidently expected have had to be passed owing to the incidence of the excess profits duty.

## LONDON PRODUCE MARKETS.

**SUGAR.**—No change resulted in official quotations during the week.

**COFFEE.**—General stability again governed this market, and a good steady inquiry predominated. A fair assortment catalogued in auction mostly found buyers. Of East Indian, fine bold Mysore, sold, 130s.; Nairobi, good bold greenish to hard grey, 118s. to 135s. 6d., with peas up to 162s.; Uganda, good to fine bold, 107s. to 117s.; Costa Rica, 132s. 6d. to 133s. 6d.; Salvador, 115s. 6d.; long-berry Mocha, 116s. to 116s. 6d.; washed Dumont, very small to medium, 92s. 6d. to 105s.; and Santos, on quay terms, 71s. to 78s. 6d. For future delivery a dull and inactive state of affairs ensued.

**COCOA.**—Market remains in a dull condition, and in auction only

CURRENT PRICES OF CHIEF ARTICLES.  
WEEK ENDING MARCH 8, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 14l. 98% polarisation	£ s. d.	£ s. d.	<b>Wool</b> —per lb. ©	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granulated, first marks	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	New Zealand	nom.	nom.
German Cubes f.o.b.	nom.	nom.	(scoured) Merino	nom.	nom.
French Cubes	nom.	nom.	Greasy Crossbred	nom.	nom.
Crystallised, West	2 6 9	2 6 9	Cape snow white	nom.	nom.
India ..	nom.	nom.	<b>Indian rubber</b> p. lb.		
Best, 88% f.o.b.	nom.	nom.	Plantation, Spot	0 2 5½	0 2 5½
<b>Tea</b> —per lb., duty	s. d. s. d.	s. d. s. d.	<b>Coal</b> —per ton		
1½ lb.			Durham, best ..	nom.	nom.
Indian Pekoe ..	nom.	nom.	Seconda ..	nom.	nom.
Broken ..	nom.	nom.	East Hartlepool ..	nom.	nom.
Orange ..	nom.	nom.	Seconda ..	nom.	nom.
Broken ..	nom.	nom.	Steamers, best ..	32 6	32 6
Pekoe Souchong	nom.	nom.	Seconda ..	29 6	29 6
Ceylon Pekoe ..	nom.	nom.	<b>Lead</b> —per ton.	£ s. d.	£ s. d.
Broken ..	nom.	nom.	English Pig ..	nom.	nom.
Orange ..	nom.	nom.	Foreign soft, net	£298-£283	£298-£283
Broken ..	nom.	nom.	<b>Quicksilver</b> —per		
Pekoe Souchong	nom.	nom.	bottle firsthand	nom.	nom.
<b>Cocoa</b> —per cwt., duty 6d. per lb.	s. d. s. d.	s. d. s. d.	<b>Tin</b> —per ton		
Trinidad—per cwt.	87 0-99 0	87 0-99 0	English Ingots	£323-£325	£320-£324
Grenada ..	85 0-50 0	82 0-88 0	Do. bars ..	£324-£325	£321-£325
West Africa ..	62 0-70 0	62 0-70 0	Standard cash ..	£319	£319
Ceylon Plantation	77 0-94 0	77 0-94 0	Tin Plates, per box	nom.	nom.
Guayaquil Arriba ..	109/-112/-	110/-112/-	<b>Copper</b> —per ton.		
<b>Coffee</b> —per cwt., duty 42/- per cwt.			English, Tough,	nom.	nom.
East India ..	110 0 131 0	110 0 131 0	per ton ..	nom.	nom.
Jamaica ..	79 0 51 0	79 0 51 0	Best Selected ..	£119-£123	£119-£123
Costa Rica ..	110 0 134 6	110 0 134 6	Sheets ..	£149	£149
<b>Provisions</b> —			Standard ..	£110-110½	£110-110½
Butter, per cwt.			<b>Jute</b> —per ton.		
Australian finest	252/-	252/-	Native firsts for	nom.	nom.
Argentine ..	252/-	252/-	shipment	nom.	nom.
Irish Creameries	nom.	nom.	<b>Oils</b> —		
Dutch ditto ..	nom.	nom.	Linseed, per ton ..	£58-£63	£58
Russian finest	nom.	nom.	Rape, crude ..	£66	£66
Paris baskets ..	nom.	nom.	Cott'n Seed, crude ..	£60	£60
Danish finest ..	nom.	nom.	<b>Petroleum Oil</b> , per		
Brittany rolls ..	nom.	nom.	8 lbs.	1/7½	1/7½
doz. lb. ..	nom.	nom.	Water White ..	1/8½	1/8½
<b>Bacon</b> —per cwt.			Oil Seeds, Linseed	—	—
Irish ..	172/-	172/-	Calcutta—per ton		
Continental ..	172/-	172/-	Spot	29 15 0	29 15 0
Canadian ..	171/-172/-	171/-172/-	Rape ..	£29-10/6 30	£29-10/6 30
American ..	171/-180/-	171/-180/-	<b>Iron</b> —per ton		
<b>Flams</b> —per cwt.			Cleveland Cash ..	nom.	nom.
Irish ..	203/-	203/-	<b>Tobacco</b> —duty,		
Canadian ..	162/-165/-	162/-165/-	unmanufactured		
American ..	125/-165/-	125/-165/-	7/4 to 8/6 per lb.		
<b>Cheese</b> —per cwt.			Maryland & Onno.		
Dutch ..	129/6-160/-	129/6-160/-	per lb. bond	0 8-2 1	0 8-2 1
Canadian ..	nom.	nom.	Virginaleat ..	0 7-0 11	0 7-0 11
English Cheddar	142/-	142/-	Kentucky leaf ..	2 0-5 0	2 0-5 0
Willis loaf ..	nom.	nom.	Latakia ..	1 6 6 6	1 6 6 6
New Zealand ..	nom.	nom.	Havana ..	nom.	nom.
<b>Rice</b> —per cwt.	s. d.	s. d.	Manilla ..	nom.	nom.
Japan ..	nom.	nom.	Cigars, duty 10/6		
Rangoon 2 stars ..	26 3	26 3	per lb. ..	2/ upds.	2/ upds.
<b>Eggs</b> —per 120.			<b>Timber</b> —Wood.		
English ..	40 0-42 6	36 0-39 0	Pitch Pine ..	800/-400	800/-400
Irish ..	37 0-38 0	34 0-35 0	Indian Teak ..	880/-700	880/-700
Danish ..	39 0-41 0	nom.	<b>Turpentine</b> —		
<b>Spelter</b> —			American Spot ..	124/-	124/-
G.O.B. as to position	54 0-50 0	54 0-50 0	<b>Copra</b> —per ton		
<b>Flour</b> —per sack.			Malabar ..	46 0 0	46 0 0
Country Straight			Ceylon ..	46 0 0	46 0 0
Runs ex Mill ..	44/3	44/3	F.M.S. Singapore	45 15 0	45 10 0
			F.M. Straits ..	45 10 0	45 10 0

restricted proportion of the 7,186 bags brought forward found buyers. Good red Jamaica, 87s.; Ceylon, 84s. to 90s.; ditto native, 80s. to 84s.

**SPICE.**—Pepper market remained firm, and fair black Singapore, on spot, sold, 1s. 2½d.; Tellicherry, 1s. 3½d.; Aleppy, 1s. 3d.; Muntok, 1s. 1½d. Cloves firmer. Fair Zanzibar, spot, sold, 2s. 3d. to 2s. 4d. Tapioca firm. Fair flake, spot, changed hands at 7½d. per lb.; fair Penang seed pearl, 72s. 6d.; and medium, 70s. In auction, West Indian nutmegs ruled firm. Size 62, sold, 2s. 1½d.; 77, at 2s. 1d. to 2s. 4d. Mace quiet and easier.

**SHELLAC.**—Market quiet and unsettled. Fair free second orange, spot, sold, 440s. to 420s. and 445s.; May, done at 445s.

**RUBBER** irregular, with a moderate demand. Crepe, spot, sold, 2s. 5½d. to 2s. 4½d.; 2s. 5d.; 2s. 5½d.; April-June, 2s. 6d. to 2s. 5½d. and 2s. 6d.; July-December, 2s. 7d. to 2s. 6½d. and 2s. 7d. Standard ribbed smoked sheet, spot, sold, 2s. 5d. to 2s. 4½d. and 2s. 5d. Fine hard Para, spot, 2s. 8d.; soft fine, 2s. 4d.; and ball, 1s. 7d.

**CORN** (Mark Lane).—A steady tone was maintained in all sections this week, business being quiet and prices without material change. Wheat: English remains at 75s. 6d. per qr. (504 lbs.). Of imported descriptions, No. 1 Northern Manitoba was placed at 81s. 6d., and No. 2 ditto at 80s. Place rules at 81s. 9d.; Australian nominal at 83s. 6d. Flour: Canadian export patents, 51s. 9d., landed; English, 44s. 3d. per sack, ex mill. Barley nominal, and maize stationary as of late. Maize meal: White, 64s. 6d., yellow ruling at 63s. 6d. Oats: American white clipped No. 2 changed hands at 61s. 6d., landed.

**COTTON** (from our Manchester correspondent).—The market has again been dearer, and producers have held very firmly for higher prices. Although fluctuations have occurred in raw cotton rates, sentiment remains bullish. The position of spinners and manufacturers has been strengthened by the decision of the Control Board to cut down production to a greater extent, and owing to the smaller output there seems to be little prospect of lower values. In view of the large requirements of the Government and the home trade it does not require very much export business to support makers. The inquiry in cloth for India has been on rather broader lines, but most of the offers have been unworkable. Buying has chiefly been in light fabrics, such as dhooties, and in printing cloths. Advances have been received from our dependence of considerable congestion on the railways. China has put out a few more bids, but progress in the way of fresh business has been disappointing. Shipments to Egypt recently have been on a freer scale, and buyers have been rather more disposed to give out fresh orders. Some useful lines have been booked for South America. Printing, dyeing, and finishing cloths have attracted more attention than grey staples. The undercurrent of demand for the home trade has again been healthy, especially for goods to be sent in quickly. American yarns for home use have been put up in price, and spinners remain in a strong position. Buying has been rather irregular, but the turnover has been of very fair dimensions. Further operations have transpired in fine yarns for India, and some producers are sold up to the end of the year. Egyptian spinners have been difficult to deal with, and some substantial contracts have been arranged in the higher counts.

## The Week in Mines.

The Mining markets have been in a rather chastened mood this week. Heavy rains on the Rand have so flooded the mines as to seriously interfere with production, and this has caused a general cessation of purchases of the "Kaffir" group. West Australian shares have been flat on news of further labour troubles, which have since been settled, and the reduction in the Ivanhoe profits, and diamond shares have been on offer on the prospects of a diminishing sale of stones while the war lasts.

## SOUTH AND WEST AFRICANS.

In the South African market many of the leading shares have been marked ex dividend, but New Modderfonteins have risen ½ to 23½ xd., and Rand Selections at 4½ show a slight recovery of the dividend. Following the raising of the dividend from 22½ to 30 per cent. Consolidated Mines Selections have risen 1s. 3d. to 31s., and Springs have advanced ½ to 3 23-32. Transvaal Gold Mining Estates have recovered 1s. to 16s. 6d., but Gold Fields have relapsed 2s. 3d. to 35s., and Modder Leases have declined ½ to 3½ on news that the Select Committee has reported against the amendment of the sliding scale profit arrangement with the Union Government. Gold Trusts declined 6d. to 29s. 3d., despite the raising of the dividend from 1s. 6d. to 2s. per share. Among Rhodesian shares Gaikas have risen 3-32 to 1 1-32, and Shamvas ¼ to 1½. Chartered have been steady at 15s. 3d.; the underwriters of the tax free debentures have been left with about 30 per cent. of the issue. West African shares have been active, notably Gold Coast Amalgamateds, which have risen 2s. 9d. to 22s. in view of the company's interests in the American Trona Corporation. It is now confirmed that the excess profits duty datum line for West African gold companies has been fixed at 22½ per cent.

## COPPER AND MISCELLANEOUS.

In the copper group Namaquas have risen ½ to 2½. Tin shares have been active and strong on the high price which is ruling for the metal. Tin Areas of Nigeria have risen 2s. to 7s. 9d. in anticipation of a good report, and Pahangs have advanced 1s. to 13s. 6d., Tin Fields of Northern Nigeria ½ to 1½ on a maiden dividend of 10 per cent., Renongs ¼ to 2½, Ropps 1s. to 10s., and Anglo-Continental 1s. to 15s. 3d. On the other hand, East Pools have relapsed 1s. to 24s. 9d. on profit-taking, Dolcoaths 1s. to 12s. 6d., while Tronohs on the reduced profit for last month are ½ lower at 14½. Broken Hill shares have been bought on Colonial account, but a certain amount of profit-taking has been effected in Proprietarys, which are 6d. lower at 68s., ex dividend, after having touched 73s. The company is now rapidly increasing its production, and it is considered not improbable that the Commonwealth Government may take a direct interest in the concern in connection with its shipbuilding programme.

A surprising feature of the week has been the unwonted strength of Russian descriptions, which is attributed partly to the news that an influential committee has been appointed here

to protect British financial and mining interests in Russia. Russo-Asiatics have risen  $\frac{1}{4}$  to  $2\frac{1}{2}$ , Irtysh Corporations  $\frac{1}{8}$  to  $1\frac{1}{2}$ , Kyshtims 5-32 to 1-1-32, and Tanalyks 5-32 to 1-1-32. In the West Australian group Ivanhoes have been flat, and on balance are  $\frac{1}{2}$  lower at  $1\frac{1}{2}$ . Golden Horse Shoes have fallen  $\frac{1}{8}$  to  $2\frac{1}{2}$ , and Sons of Gwalia 2s. 3d. to 9s. 6d.

### MINING NEWS.

**NATAL NAVIGATION COLLIERIES.**—The report for the year ended June 30 last shows that the output amounted to 344,667 tons, against 352,432 tons in 1916. Profits rose from £79,955 to £108,668; the dividend is maintained at  $7\frac{1}{2}$  per cent.; £17,795, against £15,528, is written off for depreciation, and £125,874, against £98,552, is carried forward. Liquid assets exceed liabilities by £148,103, an increase of £33,132. Investments in war stocks have been increased from £20,000 to £43,773. The appropriation account has been provisionally debited with £30,000 for income-tax and excess profits tax, but the actual amount of this liability has yet to be determined.

**RHODESIAN MINERAL OUTPUT.**—The production of gold in January declined sharply, the total showing a decline of £16,809 on December, and of £42,306 on January, 1917. The following table shows the production since January, 1914:—

MONTH.	1914.	1915.	1916.	1917.	1918.
January .....	£ 249,012	£ 293,133	£ 318,586	£ 266,113	£ 253,807
February .....	259,888	286,789	313,769	289,734	—
March .....	271,236	299,686	331,368	300,183	—
April .....	295,997	318,541	319,386	297,977	—
May .....	29,062	318,898	323,793	299,271	—
June .....	306,421	321,473	313,079	302,195	—
July .....	320,670	336,565	324,365	288,731	—
August .....	316,172	344,493	338,001	294,319	—
September .....	309,98	321,085	312,035	291,367	—
October .....	337,241	339,967	325,608	289,958	—
November .....	311,711	313,160	317,135	275,830	—
December .....	309,669	334,376	306,205	270,616	—
Totals.	3,580,707	3,823,166	3,895,311	3,495,353	253,807

The number of producers was 161, or 31 less than in December, and the output of other metals was 16,215 ounces of silver, 45,740 tons of coal, 308 tons of copper, 400 tons of asbestos, 4,463 tons of chrome ore, and 1 ton of wolframite and scheelite.

**WEST AFRICAN GOLD OUTPUT.**—In January the production of gold was £122,602, a decrease of £23,802. The following table shows the monthly production since January, 1914.

MONTH.	1918.	1917.	1916.	1915.	1914.
Jan. ..	£ 107,863	£ 131,665	£ 140,579	£ 143,649	£ 128,862
Feb. ..	—	101,892	137,739	144,034	123,169
Mar. ..	—	158,727	150,917	131,770	131,92
Apr. ..	—	121,825	135,976	149,978	131,697
May ..	—	121,104	132,976	142,121	145,227
June ..	—	114,489	127,117	131,280	147,289
July ..	—	142,017	128,574	140,190	15,921
Aug. ..	—	130,278	127,143	139,364	150,386
Sept. ..	—	127,168	127,138	135,744	154,316
Oct. ..	—	126,95	132,577	141,771	159,410
Nov. ..	—	12,915	130,101	122,138	151,674
Dec. ..	—	122,612	146,419	158,323	147,699
Totals	107,863	1,529,977	1,615,306	1,706,473	1,727,044

**SONS OF GWALIA.**—A further demonstration of the growing difficulties attending gold-mining companies is the passing of the usual quarterly dividend by this Australian mine. The directors explain that this is rendered necessary by the greatly increased cost of stores and materials and higher wages. The consideration of any distribution is therefore deferred till the end of the half-year in June.

**NORTH BROKEN HILL.**—During the half-year ended December 31 the mill treated 64,030 tons of ore and produced 11,459 tons of concentrates, as compared with 111,290 tons and 22,045 tons respectively in the first half of the year. Working costs rose from 22s. 5d. per ton to 26s. 6d., a figure which includes development expenses. On working account the nett profit was £209,838, against £175,834. To this is added £7,300 transferred from debenture sinking fund reserve on account of debentures cancelled, making a total of £217,138. This has been appropriated as follows:—£120,000 for dividends; debenture sinking fund reserve, £6,666; provision for new plant, £30,000; equalisation fund, £60,472 against £49,167. Liquid assets exceed liabilities by £558,143, against £483,350. The tailings contract with the Amalgamated Zinc (De Bavays), Ltd., has, on account of strikes, war, and other causes, been extended to April 30, 1919, on which date the agreement will be determined absolutely. Strikes were the cause of the diminished output, but the effect of these was fully offset by the higher price realised for silver.

**GEORV TUN.**—During the year ended December 31 the tonnage crushed by this mine decreased from 23,754 to 21,521, and the production declined from 370½ tons to 339½ tons. But owing to the higher price of the metal, the amount realised was £7,801 more at £44,553.

**HOLLINGER CONSOLIDATED.**—The gross profits for 1917 were \$2,009,549, and after writing off \$100,000 the nett profit comes to \$1,720,314, equivalent to about 7 per cent. on the issued capital. There were crushed 508,000 tons of ore, yielding \$4,373,635, but the ore reserves have, nevertheless, been increased from \$35,185,535 to \$40,231,435. This means that approximately \$10,300,000 of new ore has been exposed during the year.

### DIVIDENDS ANNOUNCED.

Anglo-Java Rubber and Produce Co.—Interim of 5 per cent. (actual), less tax, for 1917, to be paid on March 27.

Browett, Lindley and Co., Engineers, Manchester.—Final 3 per cent. (actual) on the preference shares, and also an additional  $4\frac{1}{2}$  per cent. on account of arrears, making  $10\frac{1}{2}$  per cent. for year. 6 per cent. (actual) is recommended on the ordinary shares.

Bank of Australasia.—14 per cent. per annum, and bonus of 12s. per share, together £3 8s. per share, equal to 17 per cent. per annum, tax free; £30,000 to reserve; £123,309, against £122,663, forward.

Bolckow, Vaughan and Co.—Interim of 4 per cent., less tax, on the ordinary shares.

Bournemouth and Poole Electricity Supply Co.—Final on ordinary shares at rate of 7 per cent. per annum, less tax, for half-year ended December 31, making 6 per cent. for the year, the same.

British Insulated and Helsby Cables.—Final  $7\frac{1}{2}$  per cent., together with a bonus of 10 per cent.

Buenos Ayres Great Southern Railway Co.—A year ago the dividend was 2 per cent.

Borax Consolidated.—2s. per share on deferred ordinary shares, less tax, making 15 per cent. for the year, the same as last year.

Buenos Ayres Western Railway.—A year ago an interim of 2 per cent. was paid.

Brazilian Traction, Light and Power Co.—Quarterly  $1\frac{1}{2}$  per cent. on fully-paid cumulative preference shares, payable on April 1.

Chino Copper Co.—\$1.50, payable March 30.

County of London Electric Supply Co.—Final on ordinary shares at rate of 9 per cent. per annum, less tax, for half-year, making 7 per cent. for year, the same.

Consolidated Gas, Electric Light and Power Co. of Baltimore.—Regular quarterly \$2 per share, or at rate of 8 per cent. per annum, on capital stock, payable April 1.

Court Line.—Final of 7 per cent., making, with interim of 3 per cent. already paid, 10 per cent. for year 1917. For 1916 the dividend was 20 per cent.

Canadian General Electric Co.—Quarterly 2 per cent. to March 31, being at rate of 8 per cent. per annum on common stock, the same as a year ago.

Coliseum Syndicate.—Final of  $12\frac{1}{2}$  per cent. (actual), less tax.

Dominion Steel Corporation, Limited.—At rate of  $1\frac{1}{2}$  per cent. on common shares, payable on April 1, against 1 per cent. a year ago.

Dimbula Valley (Ceylon) Tea Co.—Final 3 per cent. for half-year to March 31 on preference shares.

Eastmans, Limited.—5 per cent. on ordinary shares for 1917, against nil.

Festiniog Railway Co.—Final at rate of 5 per cent. per annum on 5 per cent. preference shares (making 5 per cent. for year).

General and Commercial Investment Trust.—At rate of 7 per cent. per annum on deferred stock for six months, making a distribution for year of  $5\frac{1}{2}$  per cent., the same as a year ago.

Hackney and Shepherd's Bush Empire Palaces.—Final  $2\frac{1}{2}$  per cent. (actual), less tax.

Imperial Tobacco Co. of Canada.—Interim of  $1\frac{1}{2}$  per cent. on issued ordinary shares, payable on March 28, the same as a year ago.

Lambert Brothers.—Interim of 5 per cent. on ordinary shares, the same as a year ago.

Leeds and Liverpool Canal.—On preference stock for year 1917 at rate of  $3\frac{1}{2}$  per cent.

Leicester Palace Theatre.—Final of 5 per cent. (actual), less tax.

Molsons Bank, Montreal.— $2\frac{3}{4}$  per cent., being at rate of 11 per cent. per annum, for current quarter, payable by Parr's Bank on April 2.

Middle West Utilities Co.—\$.50 cash and \$1 in common stock per share, payable on April 1 to common stockholders. Cash covering quarter to February 15 and stock covering half-year to February 15, 1918.

Manchester Hippodrome and Ardwick Empire.—Interim 5 per cent. (actual), less tax.

Manchester Royal Exchange, Ltd.—5 per cent., less tax, the same as last year.

North British Locomotive Co.—8 per cent., free of tax, on ordinary shares for year 1917. The previous was  $7\frac{1}{2}$  per cent. paid out of reserve for the year 1916.

New Tamarugal Nitrate Co.—Final 10 per cent., less tax, making a total of 15 per cent. for year. Income bond interest at 4 per cent. per annum, and drawn bonds will be paid on March 22.

Notting Hill Electric Lighting Co.—3s. per share, less tax, on ordinary shares.

Oroville Dredging Co.—Interim (No. 16) 6d. per share, less tax, payable on March 25, the same as a year ago.

Pearson and Knowles.—Interim  $3\frac{1}{2}$  per cent.

Pennsylvania Water and Power Co.—Regular quarterly \$1½ per share, or at rate of 5 per cent. per annum, on capital stock, payable April 1.

Rav Consolidated Copper Co.—\$1.00, payable March 30.

River Plate Trust, Loan, and Agency Co.—Further 11 per cent. on A shares and bonus of 1s. per share (both less tax), making with interim 22 per cent. for the year, the same. Further 4 per cent. on B shares and bonus of 1s. per share (both less tax), making 8 per cent. for year, the same as for 1916.

St. Augustine's Parade Hippodrome, Bristol.—Final 5 per cent. (actual), less tax.

Salt Union.—15 per cent., the same as last year.

Shamva Mines.—Interim 1s. per share, less tax, for the current quarter, being the first interim for year to December 31, 1918, payable on April 12. A year ago 1s. 6d. was paid.

South African Gold Trust.—2s. per share, free of tax, for year 1917, against 1s. 6d. for 1916.

Sephinjuri Bheel Tea.—Third quarterly 10 per cent., less tax; the same as a year ago.

Stewarts and Lloyds, Ltd.—For the year ending Dec. 31 last: 2s. per share and a bonus of 6d. per share on deferred shares; £100,000 to general reserve, £20,000 to employees' benefit reserve, and £100,000 forward.

Toronto Railway Co.—On ordinary shares 1 per cent. for quarter ending March 31, payable on April 1.

### American Business Notes.

A dispute has arisen in the United States between Congress and the President. Some echoes of it are to be found in Press messages from New York, but not enough to make us understand its significance. Briefly stated, the President has caused a Bill to be introduced in the Senate giving him the power of a dictator. It is entitled "A Bill Authorising the President to Co-ordinate and Consolidate the Executive Bureaus, Agencies, Offices and Officers, and for other purposes in the Interest of Economy and the More Effective Administration of the Government." Should this measure be carried unmodified, the President will be constituted unchallengable despot of the whole administration of the United States during the war and for a year after the war ends. On him will devolve the duty of co-ordinating or consolidating any executive agency and the personal control of every office or officer. He may transfer from one Department to another functions and individuals without question or hindrance. Naturally, a sweeping measure of this kind is bitterly opposed by many members of the Senate, and Senator Hitchcock has declared that "there is not a ghost of a chance of the measure to pass, not at all. I doubt if it ever gets out of the Judiciary Committee, but if it does, Congress may be depended upon to kill it, for if this Bill were passed the President would have autocratic powers such as no other man on the face of the earth has to-day. His will would be absolute, and," he added, "no such power

ought to be given any executive. It is too drastic and entirely contrary to America ideas." Another senator called the Bill "an astonishing assumption of the rights of Congress." It is not for us to intervene in a dispute of this kind, but our own experience in this war sometimes inclines us to wish that we also had a dictator, if we could find the man, and that his powers were great enough to enable him to co-ordinate and consolidate our bewildering multiplicity of Departments, many of them overlapping Departments. Indeed, as it is we do live under a sort of dictatorship, unacknowledged, without legal sanction, but also irresponsible and no wise effectually checked by Parliament.

That President Wilson has encountered the same kind of multiplication, sub-division, and overlapping of executive departments in organising America's share in the war is probably only too true, and, that being so, it is natural for a strong man to desire to elevate himself into a position where he could act at once upon his own initiative; but it is not altogether true that he could make himself really irresponsible to the democracy by this or any other means. When the war is over, the nation will resume its rights in every respect, and amongst these rights will be the liberty to investigate the conduct of the supreme executive officer during his term of dictatorship. Still, the proposal goes against the democratic sense of the nation, and we shall not be at all surprised if the Bill is rejected, for, after all, President Lincoln, to whom one's mind goes back more and more in this time of crisis, had to dominate and carry through the most tremendous and awful convulsion any country ever encountered, and to conduct the Civil War to a successful conclusion without possessing any such power as President Woodrow Wilson now demands. Already President Wilson has had far greater powers given to him than Abraham Lincoln ever had, and if he is really the strong man in action which he seems to be in words, it ought to be possible for him to bring harmony and concentration of purpose into the conduct of his subordinates without the help of a law so essentially revolutionary and subversive of rights as this one appears to be.

## REFUGE ASSURANCE COMPANY, LTD.

Chief Office: OXFORD STREET, MANCHESTER.

EXTRACT FROM THE ANNUAL REPORT, for the Year Ending 31st December, 1917.

**ORDINARY BRANCH.**—The number of Policies issued during the year was 35,753, assuring the sum of £3,094,371 16s. 8d., and producing a yearly renewal Premium Income of £207,836 8s. 3d. The single Premiums amounted to £101,249 8s. 0d. as compared with the sum of £596,757 7s. 0d. received in respect of single Premiums during the previous year. The Premium Income for the year was £1,409,359 15s. 8d. The increase in the Premium Income—excluding single premiums—amounted to £33,166 15s. 4d., when contrasted with the previous year. The amount paid in respect of Claims was £792,098 11s. 11d.

**INDUSTRIAL BRANCH.**—The Premium Income for the year amounted to £2,474,116 12s. 11d., being an increase of £137,028 14s. 8d. over the previous year. The amount paid in respect of Claims was £1,230,176 3s. 8d. These figures include the corresponding transactions in respect of the Sickness Assurance Account.

The aggregate Premium Income of both Branches for the year was £3,883,476 8s. 7d. The Premium Income in respect of both Branches—excluding single Premiums—represents an increase of £170,195 10s. 0d., when contrasted with the previous year.

The total amount of Claims paid in both Branches since the establishment of the Company is £25,976,259 3s. 9d.

The total funds of the Company amount to £14,768,113 0s. 9d., representing an increase during the year of £1,039,276 3s. 6d.

General Balance Sheet of the Refuge Assurance Company, Ltd., for the Year ending 31st December, 1917.

LIABILITIES.		ASSETS.—continued.	
Shareholders' Capital, paid up	£300,000 0 0	Foreign Government Securities	373,755 5 6
Ordinary Branch Assurance Fund	10,526,455 15 6	Do. Provincial do.	10,466 2 6
Ordinary Branch Investments Reserve Fund	395,000 0 0	Do. Municipal do.	158,746 15 2
Industrial Branch Assurance Fund	3,446,657 5 3	Railway and other Debentures and Debenture Stocks—Home and Foreign	3,060,212 8 8
Industrial Branch Investments Reserve Fund	100,000 0 0	Railway and other Preference and Guaranteed Stocks	387,007 10 4
	£14,768,113 0 9	Do. and other Ordinary Stocks	35,196 2 6
ASSETS.		Rent Charges	18,242 18 0
Mortgages on Property within the United Kingdom	£1,997,164 8 4	Freehold Ground Rents	9,812 12 3
Loans on Parochial and other Public Rates	688,993 16 11	House and Office Property	934,276 0 1
Do. Life Interests	8,000 0 0	Agents' Balances	52,283 5 4
Do. Reversions	10,000 0 0	Outstanding Premiums £391,205 4 0—Less Abatement to provide, in <i>ratia</i> , for Loss of Revenue occasioned by the operation of the Courts (Emergency Powers) Act, 1914 £237,564 19 8	155,640 4 4
Do. Stocks and Shares	15,750 0 0	Do. Interest, Dividends, and Rents (less Income Tax)	1,915 16 10
Do. Company's Policies within their Surrender Values	1,360,137 0 0	Interest accrued but not payable (less Income Tax)	69,223 10 2
INVESTMENTS:—		CASH:—	272,500 0 0
Deposit with the High Court (£25,000 3 per cent. India Stock)	20,786 12 6	On Deposit	140,006 1 10
British Government Securities	3,554,345 12 8	In hand and on Current Account	47,767 3 4
Municipal and County Securities, United Kingdom	284,886 18 8	Furniture and Fixtures	£14,768,113 0 9
Indian and Colonial Government Securities	538,865 16 8		
Do. Provincial do.	152,752 9 2		
Do. Municipal do.	347,386 9 0		

PHILIP SMITH, } Managing  
JAMES S. PROCTOR, } Directors.  
ROBERT MOSS, Secretary.

J. PROCTOR GREEN, } General  
W. H. ALDCROFT, F.I.A. } Managers.

R. WM. GREEN, Chairman.  
HENRY THORNTON, } Directors.  
JNO. T. SHUTT,

We report that we have audited the foregoing Balance Sheet and have obtained all the information and explanations we have required. In our opinion the said Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us, and as shown by the Books of the Company.

We have examined the Cash transactions (Receipts and Payments) affecting the Account of the Company's Assets and Investments for the year ending 31st December, 1917, and we find the same in good order and properly vouched. We have also examined the Deeds and other securities representing the Assets and Investments stated in the foregoing Balance Sheet, and we certify that they remained in the Company's possession and safe custody on the 31st of December, 1917.

Manchester, 19th February, 1918.

(WALTON, WATTS, & Co., Chartered Accountants)

## COMPANY MEETINGS.

PRUDENTIAL ASSURANCE COMPANY,  
LIMITED.

YEAR'S TOTAL INCOME NEARLY £20,000,000.

TOTAL PAYMENTS TO POLICYHOLDERS OVER £9,700,000.

WAR CLAIMS ALREADY PAID, £3,456,000.

RESULTS OF THE VALUATION.

OVER £100,000,000 INVESTED FUNDS.

SUPPORTING THE GOVERNMENT LOANS.

"THE INHERENT STRENGTH OF THE COMPANY."

The annual general meeting of the shareholders of this company was held on Thursday at 142, Holborn Bars, under the presidency of Sir Thomas Dewey, Bt., the chairman of the company.

The Secretary (Sir G. E. May, K.B.E.) read the notice convening the meeting, and the auditors' certificate.

## HELPING FORWARD THE WAR SAVINGS MOVEMENT.

The Chairman, who was received with cheers, said: Ladies and Gentlemen,—The third year of the war has passed—indeed, we are now well advanced into the fourth—and, although victory has not yet been attained, we are all proud to feel that, as a nation, we are still more determined to spare no effort in order to attain such victory. During the past year this company has taken no inconsiderable part in matters relative to the war, both as regards the shouldering of war burdens and affording active support to the Government in every possible way. As everyone is aware, this is Business Men's Week, and a special endeavour is being made to increase the sale of War Bonds and War Savings Certificates. I feel sure that the shareholders will be pleased to know that the Prudential has consistently used every endeavour to help forward the war savings movement. Our outdoor staff have rendered constant assistance. Our actuary, Mr. Burn, has been a member of the Central Committee from the first, and has spent a large portion of his time in active work of a most important nature. (Hear, hear.)

Our statistical and actuarial departments have, and are still, undertaking, free of all cost to the Government, an amount of work in connection with the accounts of over 40,000 War Savings Associations throughout the country, which, we believe, would astonish some Government Departments. Our own War Savings Association in the Head Office is, I understand, the largest in existence, considerably over 100,000 Certificates having already been purchased. Recently we have instituted a kiosk in this building, which is doing good work. Many of our staff skilled in accountancy are voluntarily giving their spare evenings to the work of auditing the accounts of other War Savings Associations. However, notwithstanding our activities in connection with War Savings, as well as other national objects, we have still been able to carry on our work with a degree of success which, in the circumstances, is most gratifying.

## INCREASED INCOME.

The total income of the year was only a little short of 20 million pounds, the actual figure being £19,880,500, which is an increase of £1,179,366 over that for the previous year. (Cheers.) Of this increase, £403,382 is due to interest, and £754,371 to premiums. There has been an increase in the premiums credited in all three branches. In the General Branch the increase was £10,201, in the Ordinary Branch it was £265,035, and in the Industrial Branch it was £497,135. I must, however, point out that to some extent the increase in the Industrial Branch is due to the fact that our accounts are made up to the Monday in each week, and in 1917 there were 53 Mondays to take into account.

## RECORD INCREASE IN THE ORDINARY BRANCH BUSINESS.

The new business in the Ordinary Branch shows a record increase. The new premium income—namely, £567,472—was much in excess of that for any previous year. Some considerable portion of this increase was due to our National War Bond policy, under which the policy-holder is enabled to purchase his War Bonds by instalments on very favourable terms. During the year our system of dealing with proposals on under-average lives has received careful consideration, and it has been decided to offer suitable terms to practically all proposers, however poor their physique or general state of health. Since June we have issued a number of policies to persons who would previously have been considered uninsurable, on terms mutually satisfactory both to the assured and ourselves.

## CLAIMS AND OTHER PAYMENTS.

On the other side of the account the claims paid exceed £9,200,000, and the total payments to our policyholders exceed £9,700,000, or more than £31,000 for each working day. The war claims for the year have again been exceedingly heavy, and, as in previous years, have fallen mainly on the Industrial Branch. The amount paid was £1,507,625 on 70,488 claims, of which 65,665 were in the Industrial Branch, representing claims of £1,100,240, and 4,823 were in the Ordinary Branch, representing claims of £408,385. The total war claims paid up to the present time amount to nearly £1,500,000.

## THE GENERAL BRANCH: AIRCRAFT PERSONAL INSURANCE POLICIES.

In the General Branch the large increase is mainly due to our aircraft personal insurance policies, which, we believe, will become still more popular when their very favourable terms are more generally known. We all hope that we have seen the worst of the air raids, but I think any prudent person who is in any way subject to this risk will agree that the ex-

penditure of 20s. for a policy of £1,000 is a wise expenditure.

It will also be observed that the company is now transacting trustee and executor business. The many advantages to settlers and to testators of appointing a corporation of undoubted integrity such as the Prudential to act as trustee and executor are becoming more widely recognised, and we anticipate a very considerable expansion in this class of business in the near future.

## THE VALUATION: SURPLUS OF THE ORDINARY BRANCH.

Turning to the results of the valuation, the surplus of the ordinary branch amounts to £1,584,540, which is an increase of £166,300 over the figure for the previous year. For the years 1915 and 1916 you will remember that the directors did not distribute any surplus among the policyholders and shareholders from this branch. During the two years £1,000,000 was added to the investments reserve fund, and £1,500,000 was carried to a contingency fund. This contingency fund was set up for the purpose of safeguarding the rights of the holders of participating policies in the Ordinary Branch. In order to prevent any hardship or inequity, an interim bonus of £1 per cent. was paid on those policies which became claims by death or maturity. The question which the directors have had to consider was whether the position of the Ordinary Branch justified them in withholding a similar bonus from the other policyholders. After taking all possible contingencies into account, the directors considered that they could with safety allocate a bonus at the same rate as the interim bonus—namely, £1 per cent. on the sums assured for each year's premium paid since the last declaration.

## NATIONAL WAR BOND POLICIES.

In order to do this, we have transferred £1,000,000 from the contingency fund, which will, therefore, stand at £500,000. In view of the special conditions now prevailing, the directors consider that it would be inadvisable to allow this bonus to be cashed, and in these circumstances it has been decided to withhold for the present the usual cash option. In those cases, however, where it is desired to utilise the bonus for the purpose of paying the premiums on our National War Bond policies, facilities will be afforded wherever possible. These policies can only be issued for a limited time, dependent on the issue of National War Bonds. The cashing of the bonus where required for National War Bond purposes must result in further assisting the Government. Additional War Bonds will thus be purchased, and at the same time the policy-holder will be afforded an opportunity for a favourable investment, which will not be available when the present issue of War Bonds is withdrawn. Of the remainder of the surplus, £400,000 has been added to the investments reserve fund, which now stands at £2,400,000, and £178,412 has been carried forward.

## SURPLUS OF THE INDUSTRIAL BRANCH.

In the Industrial Branch the surplus disclosed by the valuation is £616,260, including the sum of £184,530 brought forward; this compares with a surplus of £1,000,892 for 1916. Of this surplus £300,000 was transferred to the investments reserve fund, which now stands at £1,700,000, and £92,470 has been carried forward. It will thus be seen that in respect of the profits earned during the year the position of the Industrial Branch is very different from that of the Ordinary Branch. The Industrial Branch has had to bear the strain of the war in a much greater degree than is the case in the Ordinary Branch. Apart from the question of depreciation, which is common to both branches, the Industrial Branch has, as I have already stated, suffered more severely on account of war claims, and in addition has had to bear a considerable burden on account of the Courts (Emergency Powers) Act.

The premiums on many of the policies under the Courts (Emergency Powers) Act have been unpaid for two or three years, and this accounts in part for the large increase in the amount of outstanding premiums shown in our balance-sheet. During 1918 alone we may expect that the unpaid premiums under the Act will exceed £250,000—indeed, with any considerable alteration of the present conditions of employment, this figure may be greatly exceeded. We have also to take into account the future, which includes the transition period at the close of the war, when our difficulties, if the Act is still in force, are likely to be greatly increased. In these circumstances we had no option but to retain the reserve of £350,000.

## THE ANTICIPATED GREAT DEVELOPMENT AFTER THE WAR.

Apart from the duty of getting on with the war, which must come first of all, one of the most encouraging signs of the times is the manifest desire of our great financial and commercial institutions to render their organisations as efficient as possible in order that they may be in a position to meet, to assist, and even to guide the great development which we all anticipate will be vouchsafed to this nation and Empire after the declaration of peace. (Hear, hear.)

In view of the magnitude of our invested funds, it is clear that our financial responsibilities must be proportionately serious, and no trouble has been spared in order that the best results may be secured. Every investment made by the company is in the first place investigated and reported on by one or more of our expert officers, and afterwards forms the subject of constant attention and consideration. The Government, as you know, turned to the Prudential when they wanted for the regulation of the American exchange a man to control the purchase and deposit of American securities, and the honour of Knight of the Order of the British Empire

which the King bestowed upon our secretary, Sir George May, early in this year was a fitting recognition of the services he was able, with the cordial consent of the company, to render to the nation. (Cheers.) When making our investments it is not merely, nor, indeed, mainly, a question of obtaining a slightly higher rate of interest which is the preoccupation of your directors, though it is of course incumbent upon them to make the best possible use of the money; in the view of the board, their responsibility does not end there. We endeavour, not only at the time of investment, but subsequently, to be and to remain acquainted with the use to which our capital is put and to take a sustained interest in the administration of those States, corporations, companies, or individuals to whom we entrust it.

#### "THE MOST STRIKING FEATURE OF THE BALANCE-SHEET."

As you may imagine, at the present time, our interest is principally directed to our own country, for the most striking feature of the balance-sheet is the increase in our holding of Government securities of no less than £9,500,000 during the year—(cheers)—the net increase in our funds, after deducting the balance of the advance obtained from our bankers, being over £4,500,000. As I said in my speech last year, we have chosen the path of supporting Government loans with all our available resources, and shall continue to do so as long as the necessities of the country demand it. (Hear, hear.) To carry out this policy involved the obtaining of an advance from our bankers of £5,000,000, which at the end of the year had been reduced to £3,487,500, and has by now been further reduced to under £3,000,000. It is necessary to go back over 60 years in the history of the Prudential in order to find an item in the balance-sheet representing a loan obtained by the company. (Laughter.) The present borrowing is one we are glad to place on record—(hear, hear)—for it was effected in response to the request made by the Chancellor of the Exchequer that we should support the War Loan by all the means in our power. It was possible for us to have reduced the loan by a much greater sum, but we felt, when National War Bonds were issued, that the interests of the nation demanded we should purchase these bonds rather than further reduce the loan. By the end of the year we had bought practically £1,000,000 of War Bonds, and since that date have continued to purchase them at the rate of over £70,000 per week. We confidently anticipate much larger weekly purchases in the near future. (Cheers.)

#### THE PRESENT SYSTEM OF GOVERNMENT BORROWING.

In this connection I should like to say a word in praise of the present system of Government borrowing. In spite of the protracted duration of the war, it is encouraging to note that the rate of interest paid by the Government on National War Bonds is no greater than that paid on the Five per Cent. War Loan when it was issued in February, 1917. This fact, coupled with the statement of the Chancellor of the Exchequer, made early last year, that it was not the intention of the Government to issue loans at any higher rate than that then paid, has undoubtedly had the effect of steadying the prices of investments and checking depreciation. (Hear, hear.) This, in itself, is of enormous importance to a company holding over £100,000,000 invested funds. Moreover, the practice of issuing War Bonds in a steady stream, rather than making a huge issue at one time, not only avoids dislocation of the Money Market, but is particularly suitable to a company like ourselves, with a large income flowing in week by week. We are doing, and will do, all in our power to support National War Bonds, and, in the words of the manifesto issued by the War Savings Committee, which you may have seen in the papers, "You cannot do better than follow the Prudential." (Cheers.)

I am glad to say that the fall in the values of our securities has been much less this year than in any year since the commencement of the war, and had it not been for the effect of the news from Russia, in which country we hold securities representing, I am pleased to say, only about 1½ per cent. of our funds, our further depreciation this year would have been relatively very small. We considered, however, that the policy of safety we have followed consistently during the war should be continued.

#### THE COMPANY'S INVESTMENT RESERVE FUNDS.

Our investment reserve funds have now reached the magnificent total of £4,100,000. If to this we add the sum of over £5,000,000 written off our Stock Exchange securities in the six years preceding the war, we have a total of over £9,000,000 which has been applied to meet depreciation. It would be difficult to find a more striking example of the inherent strength of the company, or a more happy augury for the future. The financial reputation of the nation is being tried by a period of anxiety as intense as it is unparalleled, and you will agree that the maintenance of our policy of sound and careful administration of our funds is more than ever incumbent on the directors of the Prudential. The question as to whether any part of these investment reserve funds should be employed in writing down the value of investments was again considered by the directors. It was, however, decided that in view of the impossibility of gauging the ultimate values of securities after the war it was better to leave the fund in the form of a reserve until more settled conditions prevail.

#### A CHEQUE FOR £628,000.

Each year since the commencement of the war the Prudential has been able to chronicle some great financial transaction. Last year in addressing you I referred to the application for £25,000,000 War Loan, although it did not immediately concern the period then under review. This is by far the largest

sum that has ever been the subject of a single application, and quite eclipses our earlier efforts in the previous War Loans. It was rendered possible by the utilisation of our large liquid assets in the shape of Treasury Bills which had been accumulated during 1916 in anticipation of some such call on the company's resources. The dividend on this War Loan fell due last December, and the directors decided that it should be invested in National War Bonds. At that time a Tank was in Trafalgar Square, and we suggested to the War Savings Committee that if the Tank would call at Holborn Bars we would make a record subscription. (Laughter and cheers.) The Committee gladly fell in with the suggestion, and after a somewhat adventurous voyage, due to internal troubles, a Tank arrived at the head office about two hours late.

As you may imagine, the arrival of the monster and the ceremony of handing to the War Savings representative a cheque for £628,000 attracted a considerable gathering of sightseers in front of these offices, and I was able to take the opportunity of addressing them from the top of the Tank, and urging them to invest in War Bonds. (Hear, hear.) This being the first voyage of the "Wandering" Tank, the occasion was considered a matter of such public interest that cinematograph films were taken by several of the leading firms and shown in England and the Colonies during the following weeks. The idea of the Wandering Tank thus initiated, was taken up enthusiastically in other parts of the metropolis, with great advantage to the sale of War Bonds.

During a period of the year under review there prevailed exceptionally favourable rates of exchange to sellers of Scandinavian securities. We were able to take advantage of these conditions, and sell a considerable portion of our holdings of these securities at very high prices. The funds thus obtained have been reinvested, with the result that we have obtained securities which we value more highly, and which yield much more remunerative rates of interest.

#### INDUSTRIAL ASSURANCE COMPANIES AND SOCIETIES.

Many of the questions with which we are concerned are naturally common to other assurance companies, but there are some problems which specially affect industrial assurance companies and societies. In the former class the mortality rate is an instance in point, and in the latter class the relationship between the company, its staff, and the policyholders. Dealing with the subject of mortality, our business is so vast and our 22½ millions of policies are so evenly distributed throughout the length and breadth of the land that it is not surprising that our mortality experience very closely follows that of the general population. In the past I have often called your attention to the fact that whenever and wherever an accident of any magnitude has occurred, involving loss of life, it has invariably been found that a considerable proportion of the victims were insured in the Prudential. It is therefore in no way surprising that the war claims which we have paid, more particularly in the Industrial Branch, have been almost exactly proportionate to the total casualties suffered by the British Navy and the British Army.

#### MORTALITY RATES.

You have in your hands a diagram which I feel sure will prove very interesting. Two of the six lines represent the rates of mortality as shown by the latest Census Table and by the third English Life Table used for purposes of our valuation. The other four lines represent the rates of mortality experienced by the whole of our male industrial policyholders during the years 1913, 1915, 1916, and 1917. You will at once see that before the war—namely, in 1913—our mortality experience almost exactly reproduced that of the latest Census Table, particularly at the military ages. During the years 1915, 1916, and 1917, however, the mortality experience has been abnormal to a degree which it is difficult to realise. Thus, for example, at about age 21 the mortality rate in 1915 was five times that of our pre-war experience, for 1916 it was nine times, and for 1917 about 12 times that of our pre-war experience. You must understand that these rates are calculated upon the whole of our experience, and thus represent an average on all policyholders, whether on active service or at home on civil duties. In endeavouring to estimate the strain on the company's resources which the payment of these claims has involved, it must be remembered that at the younger ages only small reserve values are held.

I am proud to think that the Prudential has so far been able to pay these claims on the lives of our brave defenders without asking for any additional premiums or making any deduction from the sum assured in the case of all policies effected before the war. (Cheers.) You may be able to form some idea of what this means by looking at the diagram, and noticing that in 1917 the rate of mortality at about age 20 was equal to that at about age 64. If you will look at the premium rates payable at age 20 and age 64 you will perhaps still more clearly realise the nature of the burden which the company has borne. There are several other features of interest which the diagram discloses, one of which is that although the war claims have been so high at the actual fighting ages of 20 and over, there is a falling off at the training ages below 20. This point is still more closely shown by a comparison of actual and expected claims.

#### CHILD WELFARE AND THE SAVING OF INFANT LIVES.

I might also draw your attention to the fact that at the infantile ages the rates of mortality amongst children assured in the Prudential are lower than those experienced by the general population at the same ages. (Hear, hear.) At the present time attention is very properly being given to child welfare and the saving of infant lives. I am convinced that a

great deal of useful work is possible in this direction, more particularly at the present time, when, owing to the necessity of food control, there is increased danger to the health of mothers and infants. Our own experience of the infantile rates of mortality has, I am glad to say, shown an almost constant improvement year by year. For 1917, however, a slight retrograde movement was shown, although, with the exception of 1916, it is still much the best on record. During the two months of the present year our records show a somewhat increased rate as compared with the corresponding period of last year. The weather conditions have not, in our opinion, been such as to cause this increased rate. It is not for me to say whether the increase has been due to the difficulty of milk supply, but it is quite evident that every possible available means should be taken for safeguarding the health of our future population. (Hear, hear.)

#### INDUSTRIAL ASSURANCE.

Now as regards the relationship between the company, its staff, and the policyholders. From the time the Prudential embarked upon its industrial assurance in the year 1854, there has been ample evidence that, to use a hackneyed expression, it "supplied a long-felt want," and it should be remembered that while we transact a large and increasing Ordinary Branch business with clients in more affluent circumstances, the bulk of our business, even in the Ordinary Branch, is on the lives of persons of limited means. Our annual premium income has reached a total of £14,892,571, and in this fact and in our increasing volume of new business may be found the most conclusive indications that we enjoy the full confidence of the public. (Hear, hear.) In our view, there are two main principles which ought to be, and must be, observed in the conduct of industrial assurance. They are the necessity for the strictest economy in administration and the equitable distribution of profit.

By far the largest item of expenditure in connection with industrial assurance is occasioned by the cost of collecting the premiums weekly from millions of policyholders at their own doors, and an improved organisation of these collections was experimentally undertaken in 1913, in order that waste of time and effort might be eliminated. At that time our premium income of £12,619,555 was grouped in 17,611 agencies, and, in spite of previous efforts towards concentration, many of our representatives were making calls in the same streets and houses with all the useless sacrifice of labour which such duplication of work must entail. It was then decided to adopt the block system of collection, so that, as time and opportunity permitted, all our collections in a given area should come into the hands of one representative of the company. When the experimental stage of the work was completed in the year 1914, the movement was extended throughout the country, and at the close of 1917 nearly one-half of our total premium collection had been organised under the new system. This concentration of effort has rendered it unnecessary for us to increase the number of our staff in proportion to the growth of our business, and has enabled us to abstain from replacing a large number of men who have left our service on account of age or to engage in other attractive employment which they are specially qualified to perform. Such new appointments as we have made are for the most part of a temporary character, for the purpose of "carrying on" until our men on active service make their triumphant return on the conclusion of the war, the company having undertaken to give re-employment not less advantageous than that which they relinquished to all who are able to resume work for us after peace shall be declared. (Hear, hear.)

#### THE COLLECTION OF THE PREMIUM INCOME.

Our premium income, which, as I have said, now reaches £14,892,571, is grouped in 13,107 agencies, showing that, as compared with 1913, the annual income requiring collection has increased by £2,273,016, while there has been a reduction of 4,504 in the number of agents employed. The actual result is that the collections are made at a rate which is appreciably reduced, while the individual salaries of the agents have been substantially increased. The economy has not, therefore, been won at the expense of our men, and I may repeat what I told you at a previous meeting—that those agents who prefer to go on working under their old agreements have been left undisturbed. The value of the system does not end with the agency staff; it has already simplified the work of supervision and reduced the difficulties attending investigations and reports. The full advantage of a gradual reform cannot be gained during the period of transition, but the strain on our supervisory and clerical staffs has already been relieved in a marked degree. I have no hesitation in saying that when we are relieved of the extremely heavy burdens which have been imposed upon us by the war there will be a reduction in our expense ratio which will enable us to give greater benefits to the policyholders, as well as increasing remuneration to the staff, without disregard of the legitimate interests of the shareholders. (Hear, hear.)

#### WAR EFFECTS ON THE COMPANY'S PROFIT-EARNING CAPACITY.

The war has played sad havoc with our profit-earning capacity. In 1913, the last pre-war year, the profit distributed represented about 17 per cent. of our premium income; in round figures, 12½ per cent. went to the policyholders and outdoor staff of the company, and the remaining 4½ per cent. went to the shareholders. The war temporarily brought about the practical withdrawal of bonuses, and is responsible for the very large reduction which has taken place in the shareholders' dividend. In 1916 this dividend had fallen from 4½ per cent. to

less than 3 per cent. of the premium income, and for 1917, the year with which we are dealing to-day, your dividend is little more than 2½ per cent. of that total. Much as we regret that the profit-sharing scheme is for the time being inoperative, much as we should like to do more to help our staff in this period of high cost of living, the directors do not think they would be justified in asking you to make further sacrifices while the company is bearing voluntarily heavy burdens outside of the contracts to which it is a party—burdens which to a large extent are being borne in the interests of the State—burdens exactly comparable with others which the State has recognised as her own, and which are being borne partly or entirely by contributions from the public funds.

#### EARNINGS OF THE AGENCY STAFF.

I am happy to say that the earnings of our agency staff have not only not suffered reduction during recent years, but have, on the other hand, shown a considerable increase. In the year 1912 the average earnings were £2 per week, and in the year 1917 they had risen to £2 18s. 7d. weekly. We have invited any whose earnings are insufficient to meet the needs of their dependents to apply for assistance, and in some hundreds of cases we have made, and are making, compassionate allowances to tide them over the difficulties of the situation. You will realise, as we have done, that, in spite of the increase in the average earnings to which I have referred, the remuneration is, in present circumstances, less adequate than in normal times, and you will share our regret that we do not feel able to respond to the request which has been put forward on behalf of the agency staff for the payment of a war bonus.

The agents find it difficult to understand that an institution with 100 millions of invested funds is yet limited in its capacity to meet any demand which may be made upon it, and especially a demand which, from their point of view, is not unreasonable. The Government, which is deeply, and perhaps unavoidably, committed to the system of war bonuses, and is able to meet such increased expenditure from a purse which, though not inexhaustible, is much longer than ours, is anxious that an influential body of men visiting the homes of the great masses of the people should not develop a condition of mind which might spread disappointment or discontent throughout the country. The Minister for Labour, to whom the question was referred, invited the company to submit it to arbitration, but, on further consideration, recognised that there were valid objections to that method of dealing with the difficulty. As an alternative to arbitration, he proposed that an expert committee—to consist of a judge, a prominent actuary, and a prominent accountant—should inquire and report as to the ability of industrial assurance companies and societies, having regard to their commitments, to meet this further charge, and your board had no hesitation in agreeing to submit its case to that committee, whose report will doubtless be made in due course.

#### THE COMPANY'S SPECIAL BURDENS THROUGH THE WAR.

I have more than once made clear to you the nature of the special burdens which the company has been carrying throughout the war. Of two of these the depreciation in investments and the allowances to members of the staff on active service, all I need say is that the first is recognised as unavoidable in a time of national crisis, and, regarding the second, I am sure I can say on your behalf that there is no expenditure which needs less justification. (Hear, hear.) I have previously explained to you the inequitable burden imposed upon us by the Courts (Emergency Powers) Act, and it is right that you should clearly understand that but for the burden which that Act imposes upon us and for the burden which the company has voluntarily undertaken in payment of war claims, there would have been nothing to prevent the distribution of a yearly bonus to the shareholders, the policyholders, and the outdoor staff as large as, or even larger than, the bonus given in 1914.

#### PEACE CONTRACTS OF LIFE ASSURANCE.

I spoke of the voluntary undertaking by the company, for, as regards the great majority of our contracts, the risk of the assured engaging in hostilities as a combatant was specifically excluded. During August, 1914, the Government were concerned as to the probable attitude of the industrial companies and societies in respect of their peace contracts of life assurance with those of the wage-earning classes on active service, and the then President of the Local Government Board was informed, in response to an inquiry, that the companies and societies were desirous of meeting such claims without deduction while their resources permitted them to do so. It was stated that the war claims in the South African campaign, in which only one arm of the Service was largely engaged, cost the Prudential over £170,000, and it was pointed out that our loss in connection with the present war might easily approach or perhaps exceed £2,000,000. It was observed that this would inflict a serious loss on millions of other policyholders, and would be equivalent to enforcing a compulsory levy on the majority of our clients for the benefit of the relatives of those engaged in active service at a risk for which no premium had been paid. It was clearly stated that any calamity on a large scale might render necessary an immediate reconsideration of the decision arrived at, and it was intimated that we should not feel justified in meeting this strain without free title to reconsideration.

#### WAR CLAIMS AND THE COMPANY.

The view was expressed that the Government might not unreasonably be asked to consider the advantage of authorising the full payment of war claims on the understanding that the Treasury would make good to the offices the ascertained extra strain arising through the war. Our war claims up to date are no less than £3,456,220. The amount of £2,000,000 contemplated in August, 1914, has therefore been largely exceeded,

and while we were anxious to afford any and every help which patriotism could suggest, especially during the period of voluntary enlistment, it was felt that the extreme limit of our capacity had been indicated in August, 1914, and that the burden must fall on the broader shoulders of the State when, or even before, this limit had been reached. The right to undertake, voluntarily, additional risks, which could only be met by the sacrifice of other interests, could be justified only if its exercise were kept within reasonable bounds, and it is certain that there could be no right to jeopardise the stability of the company in any circumstances whatever. Our war claims have been met chiefly by the temporary suspension of our profit-sharing scheme.

#### THE DIVIDEND AND THE PROFIT FROM THE INDUSTRIAL BRANCH: THE SHAREHOLDERS' SACRIFICE.

You will remember that in the year 1907 the shareholders voluntarily decided that after the payment of a fixed dividend on the shares, all profit from the Industrial Branch, in excess of the sum so required, should in future be divided into six parts, four of which parts should go to the Industrial Branch policyholders, and one each to the shareholders and to the outdoor staff of the company. This action or renunciation represented a sacrifice on the part of the shareholders which I believe to be without precedent, and it gives the lie to those who would urge that commercial undertakings are necessarily devoid of heart or soul. (Cheers.) In my judgment, it presented commerce in its highest form, inasmuch as it freely recognised and safeguarded the wider interests of our staff and our policyholders by granting them a share in the prosperity of the Prudential not contemplated in their contracts with the company.

The Prudential has once more justified its reputation by raising the business of industrial assurance to a higher plane. During the years 1908-1915, under this scheme, no less a sum than £2825,000 was allocated for distribution amongst the policyholders and the outdoor staff of the company, and this distribution would undoubtedly have been continued but for the burdens borne by the company in respect of the war. Those who in normal circumstances would have continued to benefit under the scheme have therefore contributed the following sums in the proportions named:—Industrial Branch policyholders, £1,400,000; shareholders, £650,000; outdoor staff, £300,000. The sum contributed by the shareholders is £300,000 in excess of that contributed by the staff, because the shareholders have not only suffered in common with the others, by the suspension of the bonus, but have, in addition, relinquished in respect of the three years, including 1917, £100,000 in each year of their fixed dividend.

#### NO HELP ASKED BY THE COMPANY FROM THE TREASURY.

Your board wish it to be clearly understood that any help which the State may be willing to give will go for the benefit of the policyholders on active service, no help will be asked for the company from the Treasury; they have exercised the powers they possess with the desire to afford the utmost assistance to the nation in the crisis in which she is so deeply involved, and to help those who have made the supreme sacrifice in her hour of need, and who, under pre-war conditions, made such provision as they felt they could afford for the maintenance of their dependents. The directors are proud that the company has been able to make this enormous contribution for the purposes described, and they believe that those who have participated in the monetary sacrifice for the most part share that pride. (Hear, hear.) No attempt to disguise the sacrifice which this action has involved could, however, be justified, and I have endeavoured to place the situation before you so that you may understand exactly what has been done, and why it has been done. The question is continually before the board, and the position may well demand not only reconsideration but rectification in the immediate future.

I feel sure you will agree that this report is a wonderful record of the accomplishments of our staff, who have proved that there is no difficulty which they are unable to surmount. (Cheers.) There is also ample evidence of the extraordinary stability of the company in the way it has borne enormous burdens during nearly four years of this world-war, and I am able to assure you that the capacity of the company to discharge its manifold responsibilities and liabilities has suffered no diminution. (Cheers.)

#### THE STAFF AND THE COMPANY.

In conclusion, may I say that the scheme inaugurated by the company to enable the staff to take up further amounts of War Loan by instalments spread over a number of years was greatly appreciated, 1,540 applications having been received from outdoor staff and 667 from indoor staff? The amount advanced by the company under that scheme was £210,015, in respect of £236,250 War Loan purchased, and, as an encouragement to the staff, the company charged 43½ per cent. only for the advance. Up to the present over 215 loans, representing £63,069, have been repaid.

We are still continuing to ensure that no member of our staff serving with the Colours shall be prejudicially affected, either in position or pay, through his enforced absence from our employ, and the thousands of letters we receive from our soldiers, sailors, and airmen testify to their appreciation of the generosity of the company. At the present time nearly 8,000 of our staff are actually serving, and I regret to say 470 have made the great sacrifice. The amount paid last year in respect of allowance to those serving is no less than £472,400.

Our Red Cross detachments, although reduced in numbers,

still carry on their useful work, and remain an important unit of the London Ambulance Column.

With tenacity and enthusiasm that no difficulties can daunt, our depleted but devoted staff of men and women still maintain the efficiency of the company, of which we are so proud. I have no hesitation in saying that "come what may," they will be found equal to the task, and will continue to meet all emergencies until victory finally crowns the banners of our beloved country. (Cheers.)

I now beg to move "That the report of the directors and accounts certified by the auditors be received and adopted, the statutory report of the auditors having been previously read to the meeting," and I will ask our deputy-chairman, Mr Horne, to second the resolution.

#### INVESTMENTS IN TERMINABLE SECURITIES.

The Deputy-Chairman (Mr. W. Edgar Horne, M.P.): Ladies and Gentlemen,—I think you will agree with me that the chairman's speech has practically covered every point connected with the history of the company during the past year. There is one small point which he left out, because, perhaps, he thought I might like to mention it, if I wish to follow in my father's footsteps. He mentioned that last year there were 53 weeks in the year, but he did not mention that last year we also had 14 months. (Laughter.) I will leave other people to explain how it was done. There is one point in the accounts which I should like to bring to your notice, and that is the increasing percentage of the funds which are invested in securities terminable at fixed dates and for fixed amounts. It means that, as long as our debtors are solvent, we shall always be able to get the money back at fixed times, and that our actuary will not have any difficulty in making his plans, because, of course, his figures are also for fixed dates and for fixed amounts, and we shall not have those very heavy sums for depreciation which have upset many of our plans in the past. In this connection, the railway stocks that we hold have to be considered, and I think it will be a question in the future as to how far stocks which are liable to depreciation of an unknown amount are suitable investments for insurance companies. The present moment, however, is not the one to go into that. The future of railways is also unknown, but I venture to think that that is a question which we shall not be able to disregard in the future. With those words, I am pleased to second the adoption of the report. (Cheers.)

The resolution was carried unanimously.

#### STATEMENT BY SIR WILLIAM PLENDER.

Sir William Plender, at the request of the chairman, then addressed the meeting. He said: Mr. Chairman, Ladies and Gentlemen,—I have so often referred at previous general meetings to the precautions and safeguards which are exercised in controlling the securities of the company, and the businesslike order in which they are preserved and placed before my firm for verification, that it is unnecessary to emphasise this fact again. The salient feature in the balance-sheet, next to the large total of its figures, is that the company holds British Government securities of over £27,000,000. The company has thus more than complied with the wish expressed by the Chancellor of the Exchequer to life assurance companies to invest in the new issues 20 per cent. of the total assets to assist the nation in financing the war. I may, perhaps, add, what is not apparent on the face of the accounts, that the company is contributing to the steadiness of the quotation for war stock by the practice of taking over at issue price—namely, 95 per cent.—the holdings of those subscribers who find it necessary to realise, provided they insure their lives with your company, thus shielding them from possible loss in having patriotically taken up more stock than they are able to hold permanently. (Cheers.)

The Chairman, in moving the election of Mr. Alfred C. Thompson as a director of the company, said that after the last annual meeting Mr. Thompson was appointed by the board, and he had already proved himself to be a very great acquisition. During the past year the directors had been called upon to decide many important and difficult questions, and it had been most helpful to have had the general manager, who was so intimately in touch with the outdoor staff of the company and with the insurance world generally, one of themselves, and, therefore, in closer association with every member of the board. (Hear, hear.) On two occasions recently Mr. Thompson had been elected to a high position in the insurance world. The shareholders would realise more how his ability was recognised outside the office when he (the chairman) told them that on each occasion the electors were the chief officials of the principal insurance offices in the City of London. (Cheers.)

Sir John H. Luscombe seconded the motion, which was carried with cheers, and Mr. Thompson briefly acknowledged his election.

On the motion of the Deputy-Chairman, seconded by Mr. James Moon, Sir William Lancaster, Mr. W. T. Pugh, and Mr. D. W. Stable were re-elected directors of the company.

Mr. Pugh returned thanks on behalf of his colleagues and himself.

Mr. A. W. Willey proposed the re-election of the auditors, Mr. Philip Secretan and Mr. W. H. Nicholls, and, in doing so, congratulated the chairman on the remarkable lucidity with which he had put the position of the company before the shareholders, and added that he had certainly shown that the Prudential was not only a useful, but a national institution. (Hear, hear.) Seeing that there were two members of Parliament on the board, he thought it would not be out of place to suggest that the time had arrived when the courts (Emergency

Powers) Act should, at any rate in regard to industrial insurance, be suspended. (Cheers.) In these days of marvellously inflated wages in every sphere of life, it seemed to him unfair to industrial companies such as the Prudential that an Act should remain in force which was a deliberate encouragement to those who wanted to shirk their real responsibility. (Hear, hear.)

Mr. C. Willis seconded the motion, which was unanimously adopted.

#### VOTE OF THANKS TO THE CHAIRMAN AND DIRECTORS.

SIR WILLIAM H. DAVISON, K.B.E., moved a hearty vote of thanks to the chairman and directors for the services they had rendered during the past year. The statement which the chairman had made on the present occasion, he said, showed not only what remarkable assets the company possessed, but also what a great asset the Prudential itself was to the nation. (Cheers.) He referred in eulogistic terms to the patriotism of the staff and to the financial support which the Prudential had constantly given to national finance. Throughout the present national crisis the directors had shown that they recognised that a company in which millions of the population were interested must be run on patriotic lines. (Hear, hear.)

Mr. I. H. A. MARCHAND, in seconding the motion, referred to the active interest which the company's agents were taking in the War Savings Campaign, and said there could be no doubt that the staff, from the highest to the lowest member of it, was inspired by the example of the board. (Hear, hear.) He remarked that he had listened for a number of years to the chairman's annual orations. They had always been extraordinarily interesting, but might he say that his pre-war orations were nothing like so interesting and inspiring as those to which the shareholders had listened since the outbreak of the war. They were enthralled by the magnitude of the figures in the past. In those days of peace they were pleased to come and find the dividend and the bonus increasing, but since the war started it seemed that the Prudential had got on a very much higher plane. They did not derive the same benefit financially from the company that they did previously, but he, personally, was prouder than ever of being a shareholder in it. If any corporation in the country was "doing its bit," it was *par excellence* the Prudential Assurance Company, and it was the chairman and directors who set the tone and the pace. (Hear, hear.) Long might Sir Thomas Dewey and his colleagues live to direct the company's affairs! (Cheers.)

The motion was carried unanimously.

SIR PHILIP GREGORY acknowledged the vote on behalf of the board, who, he said, highly appreciated the kind way in which it had been moved and seconded and received by the shareholders. It would probably have been noticed that one member of the board was absent—Dr. Boswell—on account of illness, and he was sure they would allow him to send a message of sympathy to Dr. Boswell and an expression of their hope for his recovery, which they were now beginning to feel thoroughly assured about. (Hear, hear.) Dr. Boswell's services were of the utmost value to them, not only on account of his great medical experience, but also because he was the personification of common sense, and on all occasions they recognised that in him they had a wise and useful colleague. (Cheers.)

#### SIR WILLIAM LANCASTER ON THE WORK OF THE STAFF.

SIR WILLIAM LANCASTER said that the chairman had done him the honour of placing in his hands the next resolution. As an old member of the working staff, he need not say what great pleasure it gave him to move that the best thanks of the meeting be given to the management and the indoor and outdoor staff of the company for the manner in which they had performed their respective duties. The subject matter of the resolution had been very ably touched upon by previous speakers, but before he went further he desired to take the opportunity of congratulating his successor in the office of deputy-chairman, which he himself last year felt impelled to relinquish on account of increasing deafness. Mr. Horne was a most able man, who had held several very prominent public positions; he was an old Prudential man, and came of an old Prudential stock; and he could be relied upon to do justice to the position of deputy-chairman. (Hear, hear.) The resolution referred to a very great staff, comprising agents, district office clerks, assistant superintendents, inspectors, messengers, domestic servants, clerks, sub-managers, assistant managers, actuaries, secretaries, culminating in the last and greatest of them all, the general manager. (Hear, hear.) The staff numbered rather more than 17,000 persons, and he would therefore not take up time by going into their individual merits—(laughter)—but would deal with them collectively. He asked the shareholders very sincerely to pass this vote of thanks, because during the past year the work had been of a most exceptional character, and it had been carried through in a manner which commanded the admiration of the board and must be very gratifying indeed to all who were connected with the company. (Hear, hear.) He would not like to forget the large number of temporary clerks who were filling the places of those who had been called up for military service.

#### THE ACTUARY, SECRETARY, AND GENERAL MANAGER.

But while they were thanking the entire staff, one naturally whittled them down to those men in whom the management of the company was really centred—the actuary, Mr. Burn, the secretary, Sir George May, and the general manager, Mr. Thompson. (Cheers.) Mr. Burn was one of those men who were not only finished actuaries. Sometimes men of the highest mathematical ability were not far-seeing in commercial knowledge, and were not always able to see the

defects and dangers of an investment which might possibly fulfil all the conditions of a mathematical formula. Mr. Burn was a man in whom was centred the greatest possible mathematical ability, and who also presented a combination of general commercial instinct and knowledge, and who could grasp the effect of any question with the greatest possible ease and with great benefit to the company. (Hear, hear.) He was also possessed of a very taking and courteous manner. He could not only deal with abstruse mathematical questions, but could address local War Savings Association meetings as a member of that most useful Committee since its inception; he could, as he did a few days earlier, address a large meeting from the top of a Tank; and he could convince a superintendent of the easiest way in which to deal with the difficulties of a War Bond policy. (Hear, hear, and laughter.) In Mr. Burn they had a man who was indeed a very valuable servant of the company. (Hear, hear.) In Sir George May the company was very fortunate in having a secretary who, lent to the Government, was able to carry successfully through the great work of dealing with American securities, which formed a highly important part of the financial affairs of the country. Sir George May dealt with that business so successfully that the Secretary of State for War himself personally asked the chairman to allow the Government the services of Sir George May for the purpose of putting in order the great work of the military canteens of the country, and he was now engaged upon that work. (Cheers.) It might be added that Sir George was unfortunately stricken down by illness for three months, but the three men he took with him from the Prudential carried on the work most successfully, and the chief of them, he was glad to say, had been suitably rewarded by the Government. (Hear, hear.) There had been four secretaries of this company. In the forties he believed there was another secretary, but no one ever heard of him. (Laughter.) Only four were recognised, or were known to any of the directors now living, and three of them had been honoured by their Sovereigns. (Hear, hear.) Coming to the last and most important member of the management, he had to refer to the general manager, Mr. Thompson, who was a very remarkable man. (Hear, hear.) He was one of those genial souls who commanded the respect, and even the affection, of those over whom they were placed and of their *clients* all through the country. Mr. Thompson was not afraid to speak his mind, but remembered Sam Slick's description of the proper method of treating women and horses: "Encourage the timid; be gentle with the fractious; but leather the lazy ones like blazes." (Laughter.) Mr. Thompson not only bore the highest reputation on their staff, but his great ability had been recognised also, as the chairman had said, by the managers of the other insurance companies of London and of England, who had elected him vice-chairman of the great association which had lately been promoted by the different companies for the purpose of considering all matters affecting insurance companies. It was a very great honour indeed, not only to Mr. Thompson, but to the Prudential, that he should have been selected for such a prominent position. (Hear, hear.)

#### THE STAFF AND MILITARY SERVICE.

He (Sir W. Lancaster) desired to add one or two words to what had already been said by other speakers with regard to members of the company's staff who had undertaken war service. From the chief office 1,126 had gone into his Majesty's Forces; more than half of them had become officers, and 38 decorations had been gained. Unhappily, 92 had been killed. Of the outdoor staff 7,129 had been serving; 357 had been killed in action, and 26 had gained decorations. In the Voluntary Aid (Red Cross) Detachments they had 100 officers and men, and among the ladies 130 officers and sisters. They were present at the head office all day and all night, and were liable to be called up at any hour of the night. They had met 3,165 trains, involving the detrainment of 264,692 British and 2,878 Germans. In this connection he might make the sorrowful statement that the board had suffered very materially indeed in this great war. They had lost seven sons, they had three sons in hospitals at present, and one was a prisoner of war, while six sons and grandsons were still fighting. He prayed God they might come home safely. (Hear, hear.)

Mr. F. Schooling said he had pleasure in seconding the resolution, and he fully endorsed all that Sir William Lancaster had said. Knowing, as he did, the difficulties and trials of working this enormous company in this time of war, he was lost in admiration and wonder at the administrative ability and business capacity with which the indoor and the outdoor staff had looked after affairs. (Hear, hear.) He was extremely glad that those serving at the front were included in the vote, and he trusted that it might also be considered as one of sympathy for the relatives of those who had lost their dear ones—who had made the great sacrifice for King and Country, Justice and Honour.

The motion was unanimously agreed to.

#### MR. BURN'S REPLY FOR THE STAFF.

Mr. J. Burn, responding on behalf of the whole staff, said that the vote would be highly appreciated by them all. As regarded the outdoor staff, the chairman had already explained how very valuable their assistance had been, how loyally they had worked during the past year, and he was sure that, in tendering their thanks to the shareholders for the vote, they would wish him also to assure them of their determination to continue to merit the confidence reposed in them. The company had been particularly indebted to the lady staff during the past year, and he wished to say how greatly he had appre-

ciated their devotion, especially during periods of air raids. He thought in this connection it was as well that some instances of their devotion should be more generally known, and he would give one which stood out particularly in his memory. They received at the office a preliminary warning of an air raid. At the time they were very busy—he believed principally owing to the large amount of extra work being done in connection with War Savings accounts—and when the warning was received the ladies were at once told they might return home. Instead of doing so, one after the other said, "Oh, we are much too busy to bother about air raids"; or they said, "We are not suffering anything like the risks that our brothers are suffering night and day. Let us get on with the job." (Cheers.) He thought that was splendid. (Hear, hear.)

The Chairman announced that that concluded the business.

Mr. Deputy Millar Wilkinson proposed a cordial vote of thanks to the chairman, remarking that they were all thoroughly proud of him, and regarded him as the "right man in the right place." (Hear, hear.)

Mr. Cyprian Webb seconded the motion, and it was carried with acclamation.

The Chairman having briefly acknowledged the compliment, the proceedings terminated.

## UNITED SERDANG RUBBER.

### THE PROPOSED RESTRICTION OF OUTPUT.

#### NECESSITY FOR CLOSER CO-OPERATION AMONG PRODUCERS.

The tenth annual ordinary general meeting of the United Serdang (Sumatra) Rubber Plantations, Ltd., was held on Wednesday in the Council Room of the Rubber Growers' Association, 38, Eastcheap, E.C., Mr. George Croll (the chairman) presiding.

Mr. J. Mitchell Thom, representing the secretaries (Messrs. Harrisons and Crosfield, Ltd.), having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—We regret the delay in sending out the accounts this year, but it was quite unavoidable, owing to circumstances over which we had no control. Our issued and paid-up capital remains at £250,000. The amount standing at the credit of premiums on shares account is £170,141 7s. 5d., and at reserve account £75,000, both amounts being the same as at the end of August, 1916. If you agree to our recommendation to transfer £10,000 from last year's profits to reserve account, the total sum at the credit of premiums and reserve accounts will be £255,141 7s. 5d., which is equal to £26 3s. 4d. per planted acre. After allowing for depreciation, the net capital expenditure for the year amounted to £22,531 3s. 7d. After deducting the amount at credit of premiums and reserve accounts, including the £10,000 from the profits of the year under review, the net book cost of the 9,750½ acres planted at the end of the financial year was £25 14s. 4d. per acre, which makes no allowance for the area of approximately 4,390 acres of good plantable reserve land. At the end of August last we had a deficit on capital account of £10,769, and we have to meet during the current year an estimated capital expenditure of £29,018. To meet this we have the £10,000 which we propose placing to reserve account out of last year's profits, plus the free carry forward of £32,000 and the depreciation, which we shall recover during the year, so that the capital position is quite satisfactory. With regard to further capital expenditure required beyond the current year to complete our present programme—to which I will refer later—I may say that it is estimated that we shall require £16,000 for 1918-19 and for the succeeding five years an average of £6,000 per annum, so that in so far as capital requirements are concerned, it will not be necessary to draw to any appreciable extent on the profits earned by the company.

#### CROP HARVESTED.

The crop of rubber harvested for the financial year was 3,269,210 lbs., against an estimate of 3,265,000 lbs. This represents an increase of 240,686 lbs. on the previous year's total. The crop was harvested from an average bearing area of 8,887½ acres, or about 91 per cent. of the total planted area, against an average area in bearing for the previous year of 8,106 acres. The yield was at the rate of 367.8 lbs. per acre, or 4.15 lbs. per tree. The yield per acre was slightly lower, and per tree slightly higher, than in the previous year. The trees actually in tapping at the end of August last showed a decrease of 25,512 as compared with the number in tapping at the beginning of the year. After allowing for the number of trees which we brought into tapping for the first time during the year, the net decrease is accounted for by the number of trees which have been thinned out and to which I shall refer later. The "all-in" cost of the crop was 1s. 3.96d. per lb., as against 1s. 0.60d. per lb. for the previous year. The increase in cost of 3.36d. per lb. was mainly accounted for by higher freight, war risk insurance, and cost of factory materials. It was all due to war conditions. The crop realised a gross average of 2s. 7.32d. per lb. London equivalent, against 2s. 5.33d. per lb. for the previous year, the net decrease in profit as against the previous year being 1.37d. per lb. At the end of the financial year approximately 911 acres were in course of preparation for planting, and of this area 110 acres had actually been planted at the end of August, and

we have since been advised that this has been increased to 891 acres. As I mentioned in my speech last year, our programme is to carry out extensions to a total of 1,500 acres, as opportunity offers, and when this programme is completed we shall have a planted acreage of 11,140 acres, costing, in round figures, £22 per acre.

#### CONDITION OF THE PROPERTY.

The estates were kept in a clean weeded condition throughout the year at the very low cost of 5.70d. per acre per month, as against 6.45d. for the previous year. This very low figure is in itself an indication of the excellent condition in which the property has always been maintained. The labour force, which was sufficient for all ordinary requirements, numbered, at the end of the financial year, 4,859, and provision is being made during the current year for the usual replacement of expired contracts, and for supplementing the force to meet the needs of the new clearings. The health, both of the European and native labour, has been very good during the year, and although the death rate among the latter was slightly higher than in the previous year, it amounted to only 7.2 per thousand—a figure which reflects great credit on the medical attention given at the Central Hospital at Petoemboekam belonging to the Serdang Doctor Fonds, of which each of the estates of the company is a member. I referred last year to our decision to lay down a light railway on the Bergerpang and Lantassan divisions, and expressed the hope that this work would be completed during the last financial year. Owing, however, to war conditions, which have delayed the delivery of a portion of the material necessary, it has not been possible to complete this work. We hope, however, that the balance of the material will be delivered shortly and enable this very desirable improvement in the transport facilities to be completed.

#### THINNING OUT.

The work of thinning out in the older areas was continued, and some 75,000 trees in the bearing area, and approximately 15,000 trees in the immature area were eliminated. This work was carried out in a very thorough and systematic manner, each block being considered separately on its own merits, and each individual tree selected. Where this work has been done, it is reported to have had a very beneficial effect on the bark renewal and general health of the remaining trees. The usual attention to the necessary upkeep of roads, bridges, and drains was carried out at a reasonable cost during the year. No new disease of any kind was reported, and we have no cause for any anxiety under this heading. The company's estates all over are reported to be in first-class condition, and can certainly be reckoned among the very best groups of estates on the east coast of Sumatra. In regard to the current year, I have already mentioned that our capital expenditure is estimated at £29,018; this is divided approximately as to £10,554 for buildings and machinery, £2,400 for the upkeep of immature areas, £14,228 for new clearings, and £1,836 for the proportion of labour engagement expenses chargeable to capital. Our managers have estimated for a crop of 3,395,000 lbs. of rubber to be harvested from an average bearing area of 9,267, which is equal to about 95 per cent. of the present planted area.

#### RESTRICTION OF OUTPUT.

This estimated crop is, however, subject to the limitation entailed by our having assented to the scheme put forward by the Rubber Growers' Association for the restriction of the output for the calendar year 1918. This scheme provides for the crop to be collected in the calendar year 1918 being limited to 80 per cent. of that collected in the calendar year 1917, or in any previous year showing a greater yield. By agreeing so to restrict our output, the crop which we shall be entitled to harvest for the current financial year will be approximately 2,750,000 lbs. Out of the current year's crop we have sold under forward contract 810,880 lbs. at an average of 2s. 7.64d. per lb., London equivalent. This scheme of restriction arose out of the necessity for restricting imports in order to release as much tonnage as possible for the most urgent requirements of the Allies. The scheme has received the necessary support to make it binding on the assenting companies, but as this only provided for 70 per cent. of the area represented by the Rubber Growers' Association, and the association represents about 50 per cent. of the whole planted area in the Middle East, it does not affect more than one-third of the total planted area. I should like to add a few words generally upon the subject of the restriction of output of rubber, the necessity for closer co-operation among producers for the promotion of their interests, and the advisability of increasing the membership of the representative body of the industry, the Rubber Growers' Association. Rubber is almost the only commodity in great demand for war purposes the average price of which has been lowered during the war, and recent advices show that stocks have accumulated or are accumulating in the East, in Brazil and in other parts of the world. The price of the commodity, f.o.b. Singapore, has fallen to about 1s. 4½d. to 1s. 5d. per lb. The Shipping Controller has recently withdrawn all shipping facilities for rubber from the East to the United Kingdom until May next, and the storage accommodation for rubber in the East is very limited. Contemporaneously with the abnormal situation created by the war there has taken place a large increase in the production, owing to the considerable areas planted in 1910, 1911, and 1912, which have recently come, or are now coming, into bearing.

**A DIFFICULT SITUATION.**

These facts establish that the rubber industry is faced with a difficult situation, and justify the proposals for restriction of output and for combined action to meet the situation if producers desire to avoid in the near future what for many of them may be a serious situation. If a manufacturer were producing in excess of the demand, he would promptly restrict the supply. The same course of conduct would recommend itself to anyone who had the monopoly of the production of rubber, and it is therefore reasonable that producers generally should combine for such a purpose. The obvious signs of over-supply are to be seen in the increase of stocks and the fall in price. With restriction the price may be maintained above cost, and in any case will be higher than if no restriction were in force, but without restriction it is probable that the price will fall below the average cost of production. The scheme adopted provides for the Association being able to suspend the restriction at any time should shipping facilities and the demand justify it. An incidental advantage of restriction will be that many of the trees will improve by resting or by reduced tapping, and the estates can be made more valuable by the temporary diversion of labour and energy to improvements which will reduce the future cost of maintenance and production.

**CRITICISMS FOUNDED ON MISAPPREHENSION.**

The proposals for restrictions and that Governments in the East should be asked to assist in enforcing it on all producers have been criticised upon two grounds—firstly, that a shortage of rubber for the war purposes of the Allies may result, and, secondly, that interference by the local Governments in the industry is undesirable. Both these criticisms are, in my opinion, founded on misapprehensions. None of the leaders of the industry wish to inflate artificially the price of rubber, but what they desire is to prevent its falling to an unremunerative level, which might prove serious to the industry as a whole. That there will be no shortage for war purposes may be assumed from the fact that the price is steadily falling, the stocks are accumulating, and in so far as this country is concerned facilities for shipment have been withdrawn for two months. Further, if any shortage were threatened, the price would rise at once, and the Rubber Growers' Association have the power then immediately to lift the restriction, and no doubt would do so. The objection raised to the industry asking for Government assistance in enforcing restriction probably is based upon the widespread objection—with which I am in complete sympathy—to Government or official interference in the practical management of any industry. This, however, is not involved in the proposal, which is that a general order shall be made affecting all producers, and which need not bring any official interference with the actual administration of the estates. The rubber industry has assumed such proportions and has invested in it such large amounts of British capital as to make it a great national asset, and one which has proved to be valuable in the war. Further, the present position is partly accounted for by Government regulation of the rubber manufacturing industry, and of shipping, which, of course we realise are necessary at the present time. I think, therefore, the restriction of output and Government assistance in enforcing it are justified, especially as in our opinion it is in the national interest that the industry should not go through a disastrous period of unremunerative prices.

**APPEAL TO PRODUCERS.**

Unfortunately there are many British companies which are not members of the Rubber Growers' Association, and which have not given the scheme their support, and I would appeal to them and to all shareholders in such companies not to adopt the selfish policy of endeavouring to climb out over the backs of those who have voluntarily taken upon themselves the obligation of helping the industry through the present difficult times. On wider grounds also than the exigencies of the present abnormal position I would strongly recommend for the consideration of these companies the advisability of all British producers joining and loyally supporting the Rubbers Growers' Association. No doubt you are all aware of the very extensive and far-reaching steps Germany is now, and has for some time been, taking for the voluntary and compulsory syndication of many of her industries, some of which she has compelled by law to combine to restrict their outputs or alter the classes of their products. Further, there has been issued recently in America a long and remarkable report by the Federal Trade Commission upon the need for co-operation in the American export trade. In our own country the tendency towards combinations or co-operation in various industries is becoming more emphasised, and in years to come I fear that our industry will suffer seriously if it does not also effectively combine for its protection and for collective action in its interests. If each producing company insists upon acting in isolation, the industry as a whole will be weakened and will suffer in times of difficulty. If, however, all will combine for collective action for the good of the whole industry all must benefit by it. I, therefore, appeal not only to companies outside the Rubber Growers' Association to agree to restriction, but I also appeal to them to join the Rubber Growers' Association, and to all directors and shareholders of rubber companies to take what action they can to extend its membership, influence, and power.

**FUTURE OF THE INDUSTRY.**

I have dealt at length upon this matter, because the near future of the industry is obscure, and, in my opinion, full of possibilities of more or less serious difficulties.

I want, however, in closing to emphasise my belief that the abnormal times and the heavy increase in bearing areas are responsible for the difficulties with which we are faced, and that if we combine and our collective action is guided by intelligence and reasonable foresight, the industry has an enormous future before it. No doubt the demand will again overtake production and restriction of output will sooner or later become unnecessary. I am convinced, however, that with normal times the demand, based upon the known uses of rubber alone, will be increased enormously in all civilised countries, and I am confident this increase will be accelerated by the discovery of further uses for our product and that the present planted area ultimately will be found insufficient to meet the world's requirements. The nett profit for the year's working amounted to £216,765 15s. 3d., which has to be added the nett carry forward from 1916-17, which amounted to £20,352 19s. 10d. This gives us a total of £237,118 15s. 10d., from which falls to be deducted the interim dividend of 20 per cent paid in June, 1917, absorbing £50,000, and leaving a balance of £187,118 15s. 10d. to be dealt with to-day. The proposal which we put before you is that a final dividend of 20 per cent. be paid, making 40 per cent. for the year, that the sum of £10,000 be placed to reserve account, and that the balance of £177,118 15s. 10d. be carried forward to 1917-18. This carry forward is subject to the amount of excess profits duty payable for the year ended August 31, 1917, which is estimated at £95,000. Our estimated liability under the excess profits duty up to the end of the year under review has now amounted to £226 689 12s., which, in round figures, is 90 per cent. on our total capital. During the year we granted donations to the St. Dunstan's Hostel for Blinded Sailors and Soldiers, King George's Fund for Sailors, and the Y.M.C.A. of 100 guineas, £100, and 100 guineas respectively. These grants were made in response to appeals supported by the rubber industry generally, and I have no doubt our having done so will meet with your approval. I should like, however, to suggest that some shareholder move that 500 guineas out of last year's profits be placed at the disposal of the directors for the purpose of making contributions to war funds, such sum to include the grants to which I have already referred. I now beg to move: "That the directors' report and statement of accounts in respect of the financial year ended August 31, 1917, be and the same are hereby adopted."

Mr. C. E. Morrison seconded the resolution.

After the Chairman had answered questions by shareholders, the resolution was put, and carried unanimously.

**THE DIVIDEND.**

The Chairman then moved: "That a final dividend of 20 per cent., making 40 per cent. for the year, be paid in respect of the financial year 1916-17; that the sum of £10,000 be placed to reserve account, and that the balance of £177,118 15s. 10d. be carried forward to 1917-18, subject to excess profits duty for the year to August 31, 1917, estimated at £95,000."

Mr. H. W. Morrison seconded the resolution, and it was unanimously agreed to.

The Chairman announced that the dividend warrants would be sent out with the report of the proceedings of the meeting.

On the motion of the Chairman, seconded by Mr. Charles Milne, Mr. C. E. Morrison was re-elected a director, and, on the motion of Mr. A. Bryce Chalmers, seconded by Mr. George Wragge, Messrs. McAuliffe, Davis and Hope were reappointed auditors.

Dr. H. A. Powell moved that a sum of 500 guineas be voted out of last year's profits to be devoted to war funds, the amount to include the donations already made by the directors; that is, St. Dunstan's Hostel for Blinded Sailors and Soldiers 100 guineas, King George's Fund for Sailors £100, and Y.M.C.A. 100 guineas.

The motion was carried unanimously.

Mr. G. L. Moore, in proposing a vote of thanks to the chairman, the directors, agents, and staff in the East for their services during the year, said that at the present time it required very great attention on the part of the directors and staff to carry on the business of the company. The chairman had given the shareholders a very lucid statement of the facts and his own views, which were of the greatest value to them. He was sorry the chairman had not been able to give them a forecast of the future, as it looked rather gloomy.

The vote was unanimously accorded.

The Chairman, in thanking the meeting, said he had not intended to be in the least pessimistic. He thought the present position was such that he should say what he really thought as to the position of the rubber industry. If all producers would combine with a view to tiding over what undoubtedly was a difficult period, he had every possible confidence in the future. But if a considerable number of companies did not see their way to fall in with the proposals of the Rubber Growers' Association, they could not possibly get the result which was required to meet the present circumstances. The trees were a very good warehouse, and there was a good deal of work which could be done which would benefit the estates in the future, and enable them to produce more cheaply afterwards.

The proceedings then terminated.

For the first eight months of the Australian fiscal year 1917-18, the Customs revenue has been £9,160,000, or £1,579,000 less than that of the previous year. The Post Office revenue is up £184,000 to £3,752,000.

## INDIAN RAILWAYS.

NAME.	Week ending	GROSS TRAFFIC FOR WEEK			Wk.	GROSS TRAFFIC TO DATE		
		Amount	In. or dec. on last year.	Rs.		Amount	In. or dec. on last year.	Rs.
Assam Bengal ..	Jan. 12	1,45,247	—	32,218	19	19,37,741	—	23,156
Barel ..	Jan. 19	97,800	—	2,300	19	6,74,807	—	18,700
Bengal & N.W. ..	Jan. 12	4,78,790	—	8,394	19	51,75,511	—	6,10,614
Bengal Nagpur ..	Jan. 19	19,13,100	—	28,000	19	4,31,25,161	—	34,10,084
Bombay, Baroda ..	Feb. 23	15,50,000	—	63,700	19	2,98,21,000	—	4,77,400
Calcutta ..	Dec. 1	4,34,871	—	36,671	19	35,81,221	—	1,03,650
Delhi Umballa ..	Feb. 23	75,200	—	3,800	19	18,51,226	—	2,29,605
East Indian ..	Jan. 23	25,22,000	—	1,84,000	19	4,66,22,000	—	15,81,000
Gr. Indian Penin. ..	Jan. 23	24,73,000	—	1,62,600	19	4,66,22,000	—	15,81,000
Lucknow-Bareilly ..	Jan. 12	48,676	—	2,438	19	7,09,319	—	90,515
Madras and S. ..	Jan. 19	9,50,000	—	79,295	19	1,49,77,643	—	10,02,977
Nizam's Grd. (Broad)	Dec. 8	1,25,301	—	2,924	19	11,91,381	—	47,914
North Indian (Metre)	Dec. 8	1,08,008	—	1,828	19	7,42,831	—	21,088
Robilkund ..	Jan. 12	20,478	—	9,63	19	6,21,474	—	54,436
Kumond ..	Jan. 12	5,66,196	—	4,08	19	1,02,41,921	—	6,12,36

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Rs.	Wk.	Amount	In. or dec. on last year.	Rs.
Dublin United ..	Feb. 22	7,266	—	1,178	19	54,501	—	9,731
Hastings and Dist. ..	Mar. 4	904	—	75	19	8,377	—	491
Isle of Thanet ..	Feb. 23	17	—	52	19	3,587	—	1,612
Lancashire United ..	Jan. 27	2,655	—	867	19	20,747	—	6,481
Provincial ..	Jan. 2	2,479	—	729	19	3,424	—	5,519
York & West Riding	Mar. 1	2,496	—	634	19	21,110	—	5,031

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last year.	Rs.	Wk.	Amount	In. or dec. on last year.	Rs.
Alabama Power ..	Dec. 8	120,303	—	2,797	12	1,300,64	—	351,017
Argentine Electric ..	Mar. 26	56,938	—	4,802	19	480,083	—	29,771
Auckland Electric ..	Dec. 26	22,308	—	800	19	42,115	—	7,832
Br. Indian Traction ..	Dec. 26	312,000	—	7,570,000	12	8,545,000	—	7,315,000
Brisbane Elec. Inv. ..	Oct. 23	33,180	—	820	10	32,420	—	2,00
British Columbia ..	Dec. 8	11,733	—	30,975	19	5,999,797	—	6,000,000
B. A. Lacrosse ..	Jan. 5	38,000	—	760	7	269,377	—	340
Burma Electric ..	Mar. 5	Rs. 5,429	—	Rs. 1,617	—	Rs. 144	—	Rs. 144
Calcutta ..	Mar. 2	Rs. 75,266	—	Rs. 6,266	—	Rs. 59,613	—	Rs. 21,288
Carthagen and ..	Feb. 8	4,031	—	806	—	8,042	—	837
Herrera ..	Feb. 8	4,031	—	806	—	8,042	—	837
Coroiba Light ..	Dec. 5	13,496	—	1,081	9	122,121	—	1,051
P. & T. ..	Jan. 5	12,246	—	857	—	12,246	—	858
Hongkong ..	Jan. 5	4,711	—	396	12	48,961	—	1,873
La Plata ..	Feb. 28	22,519	—	5,211	1	22,519	—	5,211
Manila Electric ..	Aug. 8	Rs. 33,553	—	Rs. 5,042	—	Rs. 149,144	—	Rs. 5,257
Manila Electric ..	Aug. 8	65,467	—	4,667	8	547,492	—	70,625
Mexico ..	Nov. 1	215,256	—	108,600	—	3,197,227	—	1,97,227
Singapore ..	Feb. 8	5,662	—	1,057	—	1,023	—	1,75
Singapore Electric ..	Dec. 29	13,201	—	1,173	—	6,688,805	—	11,901
Toronto ..	Nov. 1	42,556	—	8,751	11	15,32,77	—	239,133
United of Monte V. ..	Nov. 1	34,573	—	2,269	—	131,774	—	1,0,201
Vera Cruz ..	Nov. 1	46,030	—	10	—	567,000	—	—
Winnipeg ..	Nov. 1	86,886	—	14,744	10	874,976	—	327,782

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Rs.	Wk.	Amount	In. or dec. on last year.	Rs.
Alcoyand Gandia ..	Feb. 23	Ps. 11,000	—	—	19	Ps. 72,500	—	Ps. 11,570
Antofagasta (Chili) ..	Dec. 24	32,115	—	2,665	—	291,250	—	6,115
Arauco ..	Dec. 31	14,500	—	2,000	—	132,000	—	23,200
Argentine N.E. ..	Mar. 2	9,100	—	1,600	—	290,100	—	5,98
Bilbao R. and Canta ..	Jan. 5	5,100	—	1,099	—	5,108	—	1,099
Bolivar ..	Nov. 2	12,000	—	444	2	79,736	—	23,89
Brazil ..	Nov. 2	M. 7,160,000	—	M. 661,39	—	M. 453,530	—	M. 523,897
Brazil Gt. Southern ..	Oct. 2	11,542,000	—	M. 1,900	—	4,427,477	—	M. 5,207
B. Ayres & Pacific ..	Mar. 2	74,000	—	6,000	—	2,837,000	—	211,000
Do. Central ..	Jan. 2	29,421	—	8,949	2	75,667	—	4,155
Do. Gt. Southern ..	Mar. 3	154,000	—	16,000	—	3,688,705	—	265,549
Do. Western ..	Jan. 3	72,000	—	32,000	—	1,615,000	—	18,100
Central Argentine ..	Jan. 2	160,000	—	70,000	—	3,401,200	—	3,820,000
C. Uruguay of Mts V. ..	Jan. 2	19,115	—	3,501	—	625,932	—	172,987
Do. East'n Ex. ..	Jan. 2	5,869	—	338	—	169,993	—	8,023
Do. North'n Ex. ..	Jan. 2	3,429	—	151	—	108,758	—	28,209
Do. West'n Ex. ..	Jan. 2	2,422	—	908	—	7,657	—	9,723
Cordoba Central ..	Jan. 2	40,100	—	10,050	—	949,81	—	25,380
Costa Rica ..	Jan. 5	2,257	—	3,397	—	76,472	—	59,994
Cuban Central ..	Feb. 23	37,796	—	8,818	—	551,694	—	110,908
Dorada Extension ..	Jan. 2	8,301	—	900	—	8,301	—	900
Egyptian Delta ..	Mar. 20	10,289	—	3,687	—	223,436	—	51,724
Entre Rios ..	Mar. 2	19,300	—	7,700	—	501,700	—	94,100
French Sante Fé ..	Aug. 2	132,000	—	29,099	8	900,336	—	173,429
Gr. South. of Spain ..	Feb. 23	Ps. 32,402	—	Ps. 69,008	—	Ps. 218,733	—	Ps. 550,172
Gr. West. of Brazil ..	Mar. 2	19,100	—	7,200	—	170,100	—	43,150
Havana Central ..	Feb. 23	11,079	—	3,208	—	280,549	—	51,497
Inter. of C. Amer. ..	Jan. 2	23,424	—	8,199	—	23,424	—	8,199
La Guaira and Car ..	Feb. 2	5,500	—	3,500	—	13,500	—	4,230
Leopoldina ..	Mar. 2	31,556	—	4,929	—	295,929	—	82,923
Midland Uruguay ..	Jan. 2	10,638	—	3,355	—	91,815	—	7,355
Mogiana ..	Nov. 2	M. 2,12,000	—	M. 2,24,400	—	M. 216,600	—	M. 47,712
N.W. of Uruguay ..	Jan. 2	28,000	—	4,700	—	139,000	—	1,545
Nitrate ..	Feb. 15	34,097	—	3,269	—	107,791	—	8,713
Paraguay Central ..	Mar. 2	3,120	—	400	—	100,790	—	13,70
Paulista ..	Nov. 2	M. 3,506,000	—	M. 589,750	—	3,065,000	—	M. 142,618
Peruvian Corp. ..	Feb. 2	S. 925,410	—	S. 80,640	—	8,203,000	—	S. 917,618
Salvador ..	Jan. 23	11,112	—	1,015	—	85,555	—	86,350
State of Bahia S.W. ..	Jan. 2	M. 114,000	—	M. 5,000	—	M. 114,000	—	M. 0,000
S. Paulo (Brazilian) ..	Mar. 3	8,518	—	7,143	—	325,006	—	118,64
Sorocabana ..	Dec. 2	M. 2,107,000	—	M. 224,206	—	M. 16,900	—	M. 173,520
Tatara ..	Jan. 2	31,552	—	12,600	—	181,985	—	51,556
United of Havana ..	Mar. 2	92,742	—	32,029	—	1,751,815	—	415,876
West of Havana ..	Jan. 2	12,890	—	6,129	—	201,430	—	74,626
Zaira and Havana ..	Jan. 2	10,923	—	782	—	10,923	—	782

\* Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Rs.	Wk.	Amount	In. or dec. on last year.	Rs.
Beira ..	Oct. 2	67,63	—	9,760	12	753,445	—	13,927
Canadian Northern ..	Feb. 28	715,600	—	51,300	—	27,263,100	—	8,40,400
Canadian Pacific ..	Jan. 23	2,472,000	—	35,000	—	20,109,000	—	306,000
Gr. Trk. Main Line ..	Jan. 23	186,88	—	499	—	1,23,083	—	10,523
Gr. Trk. Western ..	Jan. 23	34,015	—	1,411	—	246,932	—	14,304
Detroit G. H. & M. ..	Jan. 23	11,443	—	310	—	84,652	—	5,606
Gr. Trk. Pacific ..	Nov. 2	22,037	—	5,513	—	195,767	—	57,311
Manitoba ..	Nov. 2	56,698	—	1,486	—	56,698	—	1,486
Mid. of Westn. Aus. ..	Dec. 2	9,959	—	2,107	6	43,221	—	3,211
New Cape Central ..	Jan. 26	2,317	—	212	—	6,750	—	614
Rio de Janeiro ..	Nov. 2	9,491	—	3,34	—	9,491	—	3,364

\* Months. † July 1. † Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME		NETT EARNINGS FOR MONTH			No. of Mths.	NETT EARNINGS TO DATE.		
		Month.	Amount.	In. or Dec. on last year.		Month.	Amount.	In. or Dec. on last year.
			Dols.	Dols.		Dols.	Dols.	
Atobison T. & S. P.	Nov.	4,100,000	—	1,62,000	11	14,286,000	—	1,48,800
Atlantic Coast Line	Dec.	2,30,000	—	470,000	12	12,026,000	—	607,000
Baltimore & Ohio ..	Nov.	1,81,000	—	1,165,000	12	30,586,000	—	3,415,000
Canadian Northern ..	Nov.	65,300	—	758,500	6	3,335,000	—	2,911,000
Canadian Pacific ..	Jan.	1,168,000	—	1,263,000	1	1,161,000	—	1,263,000
Chesapeake & Ohio ..	Nov.	1,221,000	—	132,000	11	12,861,000	—	1,414,000
Chicago & N.W. ..	Nov.	2,711,000	—	10,000	12	27,015,000	—	1,534,000
Chicago Burl. & Q. ..	Nov.	1,42,000	—	2,01,000	11	31,281,000	—	3,952,000
Chicago G.W. ..	Nov.	294,000	—	159,000	11	3,488,000	—	995,000
Chicago Mil. & S. F. ..	Dec.	84,000	—	1,718,000	12	22,026,000	—	9,338,000
Chicago, Rock I. & P. ..	Nov.	1,835,000	—	57,000	11	16,461,000	—	2,534,000
Colorado & Southern ..	Nov.	414,000	—	213,000	11	5,320,000	—	37,000
Cuba ..	Dec.	362,716	—	310,191	6	1,16,273	—	153,195
Delaware & Hud.	Nov.	190,000	—	485,000	11	5,612,000	—	1,115,000
Denver & Rio Gran ..	Nov.	5,200	—	424,000	11	7,152,000	—	1,539,000
Gr. Tr. Main Line ..	Nov.	5,700	—	148,000	12	10,538,000	—	5,277,000
Grand Trunk West ..	Nov.	615,000	—	61,950	11	1,197,700	—	6,626,000
De. Trk. G. I. & Mil ..	Nov.	61,700	—	1,100	11	627,700	—	69,950
Gr. Northern ..	Dec.	1,165,000	—	1,401,000	12	22,977,000	—	6,129,000
Illinois Central ..	Nov.	1,460,000	—	409,000	12	17,538,000	—	2,90,000
Kansas City South.	Dec.	315,000	—	19,000	12	4,415,000	—	569,000
Lehigh Valley ..	Nov.	628,000	—	3,600	11	9,240,000	—	2,410,000
Louisville & Nashv.	Dec.	1,296,000	—	178,000	11	10,919,000	—	836,000
Min. S.P. (Soo) ..	Nov.	877,000	—	294,000	11	6,974,000	—	3,351,000
Miss. K. & Texas ..	Nov.	972,000	—	271,000	11	7,393,000	—	2,447,000
Missouri Pacific ..	Nov.	1,630,000	—	321,000	5	9,425,000	—	1,90,000
New York Cent. & N. Y.	Nov.	2,930,000	—	2,742,000	11	4,049,000	—	13,135,000
N.Y. N. Haven & r	Nov.	1,463,000	—	603,000	11	19,597,000	—	1,665,000
New York Ont. & W.	Dec.	111,000	—	26,000	12	2,228,000	—	97,000
Norfolk & Western ..	Nov.	1,199,000	—	200,000	12	19,571,000	—	3,590,000
Norfolk Pacific ..	Nov.	1,423,000	—	2,120,000	12	20,039,000	—	2,278,000
Pennsylvania East & West Lines	Dec.	2,010,000	—	4,493,000	12	88,450,000	—	208,910,000
Phil. and Reading ..	Nov.	1,64,000	—	1,199,200	11	1,777,700	—	6,626,000
Reading ..	Nov.	577,933	—	5,826	11	9,000,000	—	212,960
St. Louis & San F.	Nov.	1,304,000	—	353,000	5	8,693,000	—	1,693,000
Seaboard Air Line ..	Nov.	591,000	—	4,000	11	6,693,000	—	4,000
Southern ..	Dec.	2,953,000	—	241,000	6	1,177,300	—	2,093,000
Southern Pacific ..	Nov.	4,465,000	—	38,000	11	55,377,000	—	7,255,000
Union Pacific ..	Nov.	3,911,000	—	603,000	12	3,694,000	—	4,314,000
Wabash ..	Dec.	705,000	—	4,490,000	12	84,000	—	421,000

# The Investors' Review

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## CANADA.

### THE BANK OF BRITISH NORTH AMERICA.

Established 1836.

INCORPORATED by ROYAL CHARTER 1840.

PAID-UP CAPITAL .. £1,000,000. RESERVE FUND .. £620,000.  
Head Office:—5, GRACECHURCH STREET, LONDON, E.C. 3.

Court of Directors.

Lt.-Col. F. R. S. BALFOUR. Lieut. E. GEOFFREY Hon. A. R. MILLS, M.P.  
J. H. BRODIE. HOARE, R.N.V.R. Major C. W. TOMKINSON  
J. H. MAYNE CAMPBELL. F. LUBBOCK. G. D. WHATMAN.  
E. A. HOARE.

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Dividends and Coupons collected.  
Purchase of Stocks and Shares.

ALL KINDS OF BANKING BUSINESS TRANSACTED.

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Incorporated by the Special Charter of the Imperial  
Japanese Government, 1899.

HEAD OFFICE - - - - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hong-  
kong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang,  
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Manchuria, Indo-China, India, Philippine Islands, Java,  
Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

### THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office:—71, Old Broad Street, E.C.

Subscribed Capital .. .. .	£1,276,747	10	0
Paid up Capital .. .. .	669,685	0	0
Reserve Fund and Undivided Profits ..	375,680	11	8
Reserve Liability of Proprietors .. ..	606,962	10	0

REMITTANCES made by CABLE.  
DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon  
Branches and Agents.  
BILLS on Australasia NEGOTIATED or sent for collection.  
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### THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital .....	£4,000,000
Paid-up Capital .....	1,800,000
Reserve Fund .....	2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia  
Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once  
(Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires),  
Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo,  
Montevideo Agency (Calle Río Negro), Paysandu (Agency), Salto  
(Agency). BRAZIL.—Rio de Janeiro, São Paulo, Santos, Per-  
nambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILI—  
Valparaíso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in  
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### UNION BANK OF CANADA.

INCORPORATED 1865.

HEAD OFFICE: WINNIPEG.

PAID-UP CAPITAL .. .. .	\$5,000,000
REST AND UNDIVIDED PROFITS .. .. .	\$3,600,000
TOTAL ASSETS EXCEED .. .. .	\$143,000,000

The Bank has over 300 Branches in Canada, and Agents in the principal  
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## BANKS.

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BANK OF INDIA, LTD.

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Capital Authorised	...	...	£1,500,000
Capital Issued	...	...	1,125,000
Capital Paid Up	...	...	562,500
Reserve Fund	...	...	600,000

## Branches:

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CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

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Capital Paid Up	.. ..	Yen 36,000,000
Reserve Fund	.. ..	Yen 22,100,000

Head Office: YOKOHAMA.

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Dairen (Dalny).	Los Angeles.	Rangoon.	Tokyo.
Fengtien (Mukden).	Lyons.	San Francisco.	Tsinanfu.
Hankow.	Nagasaki.	Seattle.	Tsingtau.
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The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

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Shareholders	- - -	4,000

Chairman:  
Mr. THOMAS FARROW.EVERY DESCRIPTION  
OF JOINT-STOCK  
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O. MORGAN OWEN, General Manager.

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## Passing Events.

Last week's gross overturn by the Treasury was income £176,445,000 and expenditure £173,962,000. The Exchequer balances were, therefore, increased by £2,483,000 to £16,732,000. The actual expenditure of the week was £49,634,000 on supply, or about £13,000,000 less than the outgoings of the previous week, and barely £7,091,000 per day. Interest on war debt took another £1,154,000, so that the actual outgoings of the week on all services was £51,111,000, or £7,301,000 per day, well on to half the week's collection and consolidation of debt. As usual, the gross amount turned over was swollen out by mere credit receipts and disbursements. The most notable amongst receipts was £54,188,000 from National War Bonds against £19,050,000 encashed in the previous week. There was also £21,052,000 received on account from "other war debt" sources and £10,000,000 was raised on ways and means advances. To make up the £176,445,000, £66,212,000 was obtained on Treasury bills sold and £2,000,000 came from War Savings certificates. From the means thus provided £82,870,000 Treasury bills were repaid, together with £7,001,000 of "other" debt and £31,250,000 due on ways and means advances, the nett result of it all being that the outstanding total of Treasury bills was reduced by £16,938,000 to £1,023,495,000. Within a fortnight, therefore, entirely as a consequence of the sales of National War Bonds, the amount of debt outstanding in Treasury bills has been reduced by some £28,000,000. It will soon, however, begin to expand again unless other methods of obtaining money are meanwhile lighted upon.

Up to date the total receipts of the Exchequer from taxes and Government monopolies, &c., has been £632,281,000, and the total revenue anticipated in the Budget from these sources was £638,600,000, not the £570,000,000 we erroneously gave through taking account of taxation income alone. The actual receipts for the current fiscal year up to last Saturday are, therefore, within £6,320,000 of the Budget estimate for the entire year, and there are still 22 days' receipts to come in. Assuming that the revenue continues to be paid over on no higher scale than last week's total, then the year should end with a surplus of at least

£60,000,000 beyond the Budget estimate, with probably at least one-fourth of the income-tax still to come in in July. That is to say, the year's revenue will probably come close to, if it does not exceed, £700,000,000 without the postponed payments of income-tax. That is a figure whose significance cannot be too emphatically dwelt upon, for although the sources from whence such revenue has been drawn must be diminished and in part disappear altogether when peace returns, the country, nevertheless, is showing a capacity to stand up under its load, which is in the highest degree encouraging. It calls for bold and manful treatment of the nation and its still immense resources by the framers of next year's taxation. Can we trust the present Government to give us that? We have doubts, but will soon know the answer.

Nothing would be more inopportune at the present moment than a discussion upon Indian taxation and resources. Whether the taxation is wise or fairly levied, whether it gives indication of strain or the reverse, are points quite beyond the range of practical affairs at the present time. Sir William Meyer, in what we suppose will be his final Budget statement, had a tale of current prosperity to tell which should make us all thankful, and which forbids us to inquire further. Thanks to good monsoons—for all depends on that—the present fiscal year will close on the 31st inst. with a surplus calculated at £5,750,000 sterling. The railway receipts have grown unprecedentedly, but there has been a counterbalancing increase of military charges which have risen by some £8,000,000 to £9,000,000 a year on pre-war totals to £29,000,000. Indeed, that cannot be all that India has had to pay on account of the military operations of the past year, but from the summary telegraphed to this country we cannot tell exactly what India has paid, or is paying, on account of the war. Sir William Meyer, however, tells us that the Government has disbursed some £100,000,000 on account of the Home Government, from which we infer that the Home Government is bearing the bulk of the war costs, as it should, although India meanwhile finds the money. Owing to the difficulty of making its payments the Indian Government has now such a large mass of funds in London that it is proposed to invest £20,000,000 of its balances in British Treasury bills against the temporary debt in-

curred in India by the British Government and in order to provide for liabilities which will in one way or another arise shortly after the war ends. But it has been possible to pay in cash £35,000,000 of the £100,000,000 War Loan contribution raised by India to assist us in the fight, and the £20,000,000 just mentioned is entirely distinct from that £35,000,000. Sir William says that premium bonds would be no good in India, and will not be issued there. He may be right, the Indian people being so ignorant and mostly so poor, but we take liberty to doubt.

In reviewing the events of his five years' term of office as financial member of the Viceroy's Council, Sir William Meyer indicated that the Imperial expenditure in India was now £19,000,000 higher than in 1913; but £10,000,000 of this was almost entirely due to the war. Another £6,000,000 represented interest and sinking fund charges in respect of the war contribution loan of £100,000,000, and which formed only part of the burden which the war had imposed on India. Since it began the expenditure for his Majesty's Government and analogous items had involved a nett outlay in India of £128,000,000, and India has already lent £67,000,000 to the Home Government over and above the £100,000,000 loan. In the coming year £16,000,000 more will be lent in the same way in connection with a further investment of paper currency reserve funds in home Treasury bills, but these figures only serve to emphasise India's present financial strength. "No one," said Sir William, "would have imagined three years ago that we should be able, with a moderate increase of taxation, to offer his Majesty's Government £100,000,000 as a special war contribution over and above the additional charges which war has entailed on India's own military Budgets, or that India could borrow anything like as much as has been borrowed, raising, for example, more than one-third of the £100,000,000 contribution by a direct loan within the country itself in a single year, or that it should have been possible for the Indian Exchequer to meet the enormous demands for war supplies made by the British Government." Happily monsoons have been generally favourable, and we hope they will continue to be so, else five years hence the story may not be so pleasant. But that India has strength unsuspected is beyond doubt, and that India's loyalty is beyond praise we also gratefully acknowledge. That loyalty entitles the great dependency to generous treatment in all possible ways and to all possible extent at our hands when the time comes. No meanness must be allowed to enter into the settlements made either monetarily or politically. We must stand by India to the uttermost if she also is to overcome the ravages of war.

Space does not allow of our dealing fully this week with the first report (Session 1918) from the Select Committee on National Expenditure, which has just been issued as a Parliamentary paper. It deals with the organisation and financial defects of the Ministry of Munitions, and is, on the whole, most depressing reading. Nobody will deny that the task of the Ministry was a most difficult one in converting a large portion of the industries of the country from a peace to a war footing, and every credit must be given for the speeding up of the output of munitions which resulted from its efforts. The Ministry has become a vast regulative establishment administering practically the whole engineering and chemical industries, and is probably the largest institution of the kind the world has ever seen. But it has grown up in a state of chaos and lack of co-ordination that is almost incredible, and in one of its primary objects—the obtaining of adequate supplies at reasonable prices—it has failed lamentably so far as economical production is concerned. No doubt, after nearly three years' experience, substantial economies are now being effected, and it is stated that in the case of cordite alone £3,000,000 has been saved through the reduction in prices following accountants' investigations. It is claimed that the reductions in the contract prices of gun ammunition following technical

investigations have resulted in savings of over £35,000,000 during the two years from September, 1915. In the case of one contract for gun equipments in which, owing to ignorance regarding cost, it was originally decided to accept the firm's audited figure, an agreement was finally reached which resulted in saving £2,000,000 on the auditor's price of £7,750,000. Similarly in the case of aircraft contracts, investigation has reduced provisionally accepted tenders amounting to about £7,000,000 by at least one million. Examples, it is stated, could be quoted indefinitely of the excessive prices paid by the Contracts Branch so long as they had no other information to guide them than the opinion of the Supply Branch as to a reasonable price. The Chancellor of the Exchequer, in stating that the negotiations with contractors are carried out by the Supply Branches, claimed that the latter are in possession of information regarding the cost of manufacture. "It would appear, however," the report says, "that the Chancellor has been misinformed, as this is not, and, speaking generally, never has been the case. On the contrary, the whole history of the Finance and Contracts Branches of the Ministry in their struggle to reduce prices has lain in the continual effort to obtain information regarding the costs of manufacture which the Supply Branches could not provide." The Committee, therefore, emphasise the necessity of strengthening the financial control while in no way seeking to disparage the work of the Supply Officers. But they very properly point out that with a truer conception of their respective duties the attitude of the Supply and Finance Branches should have been that of close friends and eager helpers. Supply should be glad to leave to the Finance Branches the troublesome questions of price and accounts, and should have afforded the latter every assistance in their power. This position, however, does not seem to have been at all generally adopted by the Supply departments. On the contrary, the Committee say they find a disposition on the part of some at least of those departments to regard the Finance and Contract Branches as a hindrance to the prompt carrying out of their work, and they add that this attitude makes neither for efficient work nor for economy. We may leave it there for the present, and must defer consideration of the Committee's recommendations till another occasion.

In the half-year to December 31 the nett profits of the Commercial Banking Co. of Sydney, Ltd., increased £13,000 to £151,160, and the amount brought in was £19,500 larger. So the usual dividend at the rate of 10 per cent. per annum is repeated, but £35,000 more at £60,000 is placed to reserve fund (raising it to a round two millions, the same as the paid-up capital), and the carry forward is reduced by £2,500 to £50,250. Deposit and current accounts have risen £1,850,000 to £24,810,000, against which cash has increased £1,200,000 to £7,290,000, and short loans are £760,000 higher at £1,640,000. Investments are a quarter of a million up at £4,270,000, but discounts and advances are slightly lower at £14,470,000. The balance-sheet totals at £30,420,000, an increase of close on two millions, and although there are no indications of more active business conditions the bank prospers as it deserves to do with its able and prudent management. It has just reached the age of three score and ten years, and its record is a highly creditable one.

A whole page of Tuesday's *Financial Times* was occupied by tables setting forth the details of the State of San Paulo's Budget estimates for the current year. It is a pity these details are so minute, because that fact and the currency in which the accounts are set forth, both tend to repel English students of public finance, and that is a pity, for San Paulo is the most important of all the States which go to make up the Republic of the United States of Brazil, and it has been in many ways managed as a model State, its finances having been well ordered and clean for many a year. We can only give the barest summary of the facts. On the revenue side the principal source of

income is in export dues, which are set down for 38,800,000 milreis, and altogether the income is 91,194,000\$, including 8,910,000\$ of extraordinary revenue. But besides this 50,000,000\$ is set down to come from a tax of 5 francs per bag of coffee exported. We do not, however, trace in the expenditure accounts, which are extremely elaborate, what is done with that excess revenue. Perhaps it is not expected to be forthcoming at the present time. Expenditure balances the income within a very few dollars, the two largest items being 26,026,000\$ for the interior and 28,594,000\$ for finance. Much attention is given to education, and the State also spends large sums of money in a variety of ways calculated to improve the condition of the population, and to extend the productiveness of the soil. Long may San Paulo prosper.

No material progress was made by the Midland Railway Co. of Western Australia, Ltd., in the year to June 30 last. Gross receipts were £1,200 up at £89,200, but working expenses also were higher at £59,700, and the nett receipts were £500 larger at £29,500. It may be of interest to mention that for the year to June 30, 1914, gross receipts were £147,300, and the nett revenue was £68,300, so that there has been a heavy falling off in the meantime. This, however, is only part of the story. The company owns some 1,770,000 acres of land granted as inducement to British capitalists to construct the line, but under present conditions it is impossible to turn this asset to account, and the land taxes are a crushing burden. Moreover, the State Government committed a grave wrong to the company in constructing the parallel line from Wongan Hills, and there is a strong moral claim for compensation which, however, has not so far been entertained. After providing for debenture interest there is a debit in respect of last year's working of £21,760, and the total debit balance is now £43,460, and there is no immediate prospect of redeeming the outstanding reversionary certificates for £800,000, or of paying any dividend on the £600,000 share capital. It is not a creditable state of affairs to the Westralian Government, and it will be remembered when the colony requires more capital for its development.

In the year to December 31 the gross revenue of the County of London Electric Supply Co., Ltd., amounted to £380,000, an increase of £37,000, but the expenditure rose £40,000 to £226,000. Fuel cost £18,000 more, and wages and other charges also were higher. The amount brought in was larger, and the balance available is practically the same at £171,870, but interest requires a little more, and £50,000 against £45,000 is set aside for depreciation. Consequently, after repeating the dividend of 7 per cent. (of which 2½ per cent. was paid as interim), the balance forward is reduced by £3,300 to £15,000. Total units sold increased 2,565,000 to 37,595,000, and the number of consumers is 1,000 larger at 28,000. In the circumstances the directors are justified in regarding the results as satisfactory.

Conditions were evidently more favourable in the meat trade last year than in 1916, and a welcome improvement is shown in the results of Eastmans, Ltd., for the later period. In 1916 trading profits fell off £6,500, but last year they increased £36,500 to £81,240, and after setting aside double the amount for depreciation at £10,000, and £18,400 against £9,720 for income-tax, the nett profit is £23,000 higher at £50,440. This allows of the payment of 5 per cent., against nil, on the ordinary shares, which absorbs £23,000, and as a smaller amount was brought in the carry forward is £3,000 lower at £8,100. Nothing in the balance-sheet calls for remark except that stocks are £43,000 down at £41,650, while cash balances have increased £77,000 to £168,400.

As was foreshadowed in the last report, the business of the Law Land Co., Ltd., showed a substantial improvement during 1917, rents, &c., received being £10,000 higher at £147,740. Nett profits advanced £5,600 to £31,870, and with £3,700 more brought in, the amount available is £9,300 larger at £38,800. The directors, however, consider it prudent to retain the dividend at 4 per cent., to which it was reduced from 6 per cent. last year, and to add £5,000 to reserve, leaving £4,300 more at £11,300 to be carried forward. During the year mortgages were reduced by £17,000 to £610,000, and the reserve funds now stand at £155,000, while the leaseholds redemption account has been increased by £4,500 to £58,660.

Many companies which have been most prudently managed in the past, and have therefore accumulated very substantial reserves, find it desirable to bring their capital accounts more into harmony with the amount actually expended on the business than the share issue indicates. Probably questions with regard to income-tax and excess profits duty have a good deal to do with what might be regarded in normal times as a mere watering down of capital. Each case must be judged on its merits, and we have no fault to find with the decision of Callender's Cable and Construction Co., Ltd., to give one new ordinary share for every share at present held. The surplus accumulated, quite apart from the reserve, exceeds the total issued ordinary share capital, owing to the exceedingly prudent policy of the directors in the past, and it is right that the present holders should participate in the benefits before the position becomes unwieldy. It is proposed to increase the capital from £500,000 to £700,000, and after duplicating the £175,000 ordinary shares £150,000 will be left in reserve for future issue if required. Both the preference and ordinary shares will be subdivided from £5 to £1 each. Treasury sanction has to be obtained, but it is right that the directors' suggestions should be announced even if



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delay has to be faced before they can be carried into effect.

Although its operations were again interfered with by strikes, the Arizona Copper Co. did not suffer so much from labour troubles in the year ended September 30 as in the preceding year. Moreover, the company had the advantage of working the extensions recently made to the reduction plant. As a result the production of Bessemer copper expanded appreciably, being 21,240 tons against 17,050 tons. The gross profit was £2,025,600, against £1,025,800, but taxes in the United States absorbed £368,200, against only £53,900 last year. A sum of £50,000, against £120,000, is allocated to capital outlay reserve, and £225,000 is carried to reserve for contingent liabilities, in view of the existence of which a large balance was carried forward last year, and subsequently transferred in its entirety to this reserve. Last year's allocation, with sundry other items, brought the total up to £716,600, of which £103,000 has since been paid away. The balance of the company's debentures are to be paid off on March 25, from which date the concern will be entirely free of debenture debt. There still remains to be replaced about £100,000, which has been expended out of working capital on new installations. After providing £137,805 for the debenture redemption, and payment of preferential dividends, there remains a surplus of £317,717. A final dividend of 1s. 9d. per share is to be paid on March 20, making 4s. per share for the year, the same as for 1915-16, both free of tax, leaving £13,738 to be carried forward. Development work during the year was again attended by very satisfactory results.

### "Stunts" in Borrowing.

Is there not a little too much simulation about all this war-bond campaigning? There is something in it, above all something in the method by which public enthusiasm is stimulated, which jars on the mind. It is not a downright, straightforward style which has been selected to promote the sale of War Bonds, and notwithstanding the high pressure, the result is disappointing. London alone has provided £75,000,000, we are told with an air of exultation, but the people in charge of the "stunt" put their goal at £100,000,000 before the Tank and tout collecting began. Over the whole kingdom Mr. Law says the product has been £138,870,240. Even had London provided £200,000,000, it would have been but a trifle compared with our ever-increasing necessities, but it did not; it has falsified the boomsters, and their shouts of "Glory be, we've done it!" tempt the scoffer.

The real truth is that this great "Tank Bank" mode of raising money has not proved a success, and the Government will have to fall upon some more continuously prolific method of drawing the money into the Exchequer, for money is still being spent in all manner of profitless ways by those who receive it. And the worst of it is that by following the course it does, the Government is putting obstructions in the way of the floating of another large loan, even if it were possible to put it on the market just now, which is doubtful. Mr. Bonar Law apparently has never grasped the fact that when this war burst upon the country its banking capital was all employed in sustaining and developing the industries and arts of peace, and in the conduct of our trade, of the world's trade. To finance the vast business, and, at the same time, to find the thousands of millions additional required to carry the war forced upon us to a successful conclusion, has put a strain upon banking and other resources of the country unparalleled in the world's history. The nation, by help of its bankers, its insurance offices, its great hosts of wealthy manufacturers and merchants, has accomplished marvels, but it cannot go on for ever to work miracles. The war has now entered upon a stage when exhaustion looms in

the background, a stage which therefore demands on the part of those who wage it the utmost economy, and also well-nigh superhuman ingenuity in devising methods whereby a considerable portion of the credit wealth brought into existence by our banks in helping to sustain the fight, can be drawn back again into the Exchequer, and, as it were, re-used. Hitherto millions of a day of this wealth have been allowed to run to waste.

Probably, nay, of a surety, the enemy is in a far worse plight than we are for all his swagger and parade of unlimited resources. For nearly four years his industries have been stopped, his foreign trade almost entirely destroyed, and all the energies of the nation devoted to the production of instruments of slaughter, which consume wealth and destroy the producers; therefore his power to endure must be nearing the limit possible for human nature to bear. But that can be no consolation to us unless we and our Allies so husband what is left of our resources as to enable us to stand firm until the foe is finally defeated.

These are considerations which the Chancellor of the Exchequer and his colleagues will do well to ponder over between now and Budget day. Has Mr. Law, for example, grasped as yet the reason why he has again had to contradict rumours ever and anon put in circulation about repudiation of the National Debt and the confiscation of investments? These rumours crop up ever and again, and silly rumours though they be, they are none the less the product of deeds done and words uttered in high places. The already mentioned methods by which National War Bond sales have been promoted, the language of the advertisements everywhere displayed, the prizes offered to subscribers in mockery of the law and official prudery, all the parade of a travelling circus show, have helped to generate fears in the minds of the quiet citizen, who, after all, counts most in the long run; fears lest we should blunder into a financial position that might bring these worse contingencies before us, whether we like it or no. Another influence most disturbing is Mr. Law's own words about "conscription of capital." They were imprudent words, not meant to be made public, and for that very reason, once disclosed, they have had all the greater influence in upsetting the equanimity of the people on whom we most depend. Taken in connection with the obvious fact that all the furore of advertising, of Tank parades and oratory is not bringing in one-fifth of the money required to sustain the fight with success to the end, they engender doubt and fears. The public mind remains imbued with a dread that the Government's mismanagement of our financial resources may drive it to attack property and confiscate wealth, one may say, in spite of itself. The reassurance, therefore, that the nation wants is the reassurance of common sense economy in spending, and equally vigorous courage and far-seeing sagacity in providing the means from available sources with which to fill the Treasury. *Camouflage* may be excellent in war, but it is fatal in finance—always.

### The Bank Amalgamations.

We are glad to note that the Government has not ventured to obstruct the fusion of the National Provincial Bank of England with the Union of London and Smiths, or that of the London County and Westminster with Parr's. Both amalgamations have been allowed to go through, and both were this week accepted by the respective bodies of shareholders at the extraordinary meetings called for the purpose. Beyond question, the fusions are wise and opportune, but it was quite natural that many shareholders and customers should fear that harm might arise in some vague and undefinable way. "Banks getting too big would become tyrants," expresses the thought, but there seems to be no danger of that. No doubt if such amalgamations were carried much further—if, say, the two now all completed except for the confirmatory meetings to be held within a fortnight—were again

to amalgamate, or some other banks, like Lloyds and the London City and Midland, to unite with one of these, we might be within sight of the danger alluded to by Mr. Walter Leaf at the London County and Westminster meeting, when all our banks would be consolidated into a huge overpowering State bank, with whom every adventure would have to be negotiated, and by whom all enterprise would be controlled and regulated. But we cannot imagine the English business mind submitting to any such control. After all, we are not brought up as the Prussians have brought up the Germans, and value our individuality in business as in other departments of life. And, as we stand now, all should be for the good in the time to come, when escape from the common peril will have drawn the civilised peoples together to work in harmony and to assist each other in overcoming the obstacles placed in the way of development by the war.

The chairman of the London County and Westminster dwelt with emphasis upon the preparations the German banks are making for competition with our banks after the war, and declared that we shall be faced with something like "a money trust" in Germany in the hands of "the three big 'D's,'" the Deutsche, the Dresdner, and the Disconto-Gesellschaft banks. He is, doubtless, perfectly right as to the preparations these are making for waging an economic war to the death. They have all increased their capital and otherwise made themselves ready for a great outburst of aggressive campaign in competition for the world's business when peace comes. But we need not insist to the point of dread upon that danger as a good reason for amalgamations among our banks, because, for one thing, the German banks, pile up capital as they may, will possess neither the means nor the credit they enjoyed before they helped to plunge the world into a ruinous war, and, for another, everything German will be so loathed all over the world that the warring German banks will spread their lures in vain in the eyes of civilised peoples. Nevertheless, the stronger our banks are, the more harmoniously they work together, the more loyal their competition, even when keen, the better able will they be to sustain, and often to direct, the business activities and enterprise which will be demanded of us if we are to hold our place in the world and increase our trade after the peace.

Perhaps the most retrospectively instructive, as certainly the most moving, address of the four delivered at these special meetings, was that of Sir Felix Schuster, who has so long been at the head of Union of London and Smiths Bank. He, like other speakers, dwelt upon the advantages his bank's absorption by the fine old National Provincial will bring, a bank reared to its present magnitude by cultivating the "small customer," fears about whose lot under the new arrangement Mr. Walter Leaf did well to dissipate, pointing out that the big bank draws its substance from the small customer as surely and abundantly as from the big. It is indeed in the multitude of small depositors that lies the strength of all banks. But Sir Felix turned back also to the past, and sketched the history and growth of the National Provincial, and of his own bank, and wound up with some personal observations which were gracefully phrased, and touching in their cordial recognition of the help colleagues and staff have given him. His speech was in the nature of a valedictory address; in fact, and no one need be surprised at the keen feeling manifested beneath the quiet language used. During 68 years a member of his firm, with but one short break, had been a member of the Union Bank board. Thirty years ago part of the business of his firm was taken over by the Union Bank, and he became a director. His only son, now at the front in Italy, is a local director, and but for the war would probably have been by this time a member of the bank's central board. Customers and shareholders alike will hope that Sir Felix, although ceasing to be "governor," may be able, as he promises, to continue to give his attention to the business

of the bank, for some years at any rate, with the assiduity and prudence he has so long displayed. In the years when this writer used to go into bank parlours to talk of current business no one was more courteous in his welcome to him, or more instructive to converse with, than Sir Felix Schuster. And we can only wish that both the powerful banks now constituted may continue to flourish and to develop in the wider field now opening before them, guided by the same skill and uprightness which has distinguished each of the four in their separate careers.

### Bolshevism in the Home.

*No person may consume in any week an amount of rationed food in excess of the ration.*

This is the central clause of a new Ration Order just issued for London and the Home Counties from the Rhondda Ration Order manufactory. Interpreted literally, it appears to mean that even the pooling of coupons by a single family, or rather of the products of those coupons, is illegal, because it is clear that one member of the family with a small appetite might eat less than the ration, thereby enabling another member with a larger appetite to commit the heinous crime of consuming an ounce or two more than the ration. We do not suppose there is any intention of interpreting the clause in this strict sense—not because we attribute any glimmerings of common sense to the Food Ministry, which is plainly intoxicated by the possession of uncontrolled power—but simply because, short of placing an official spy in every household, its enforcement would be impracticable.

But it is quite evident that official spying is to be the order of the day. The main object of the new Order is, we suppose, to prevent people getting supplies from the country. It is quite clear that such supplies can only be obtained from non-rationed districts; as rationing is shortly to be extended all over the country, so that everywhere purveyors and retailers will be obliged to obtain coupons for what they sell, this practice, on anything like a regular scale, must automatically cease. In the meantime, if non-rationed districts have various foods to spare, it is difficult to see why people in London should not be allowed to obtain them. Obviously such supplies would tend to reduce the pressure on the regular markets.

But the cant cry will be immediately raised, "How can you permit anyone to get private supplies? The rich would then get more than the poor."

In our view one of the most disturbing features of the present political position at home is the absolute refusal of politicians and officials to speak the truth to the working classes. It is noteworthy, too, that this inability is found equally among the Labour men who have risen from the ranks as well as among the ordinary party politicians. We do not ourselves believe that there should be any such difficulty, or that the working classes deserve to be so insultingly treated by anyone. But in reading the speeches—and we have read many—of Lord Rhondda, Mr. Clynes, a Labour man, and Sir A. Yapp to all sorts of labour gatherings we do not recollect a single honest effort to explain that the nation is not divided into rich and poor, but that the bulk of the nation consists of the industrial classes, for the most part fairly well paid. Always it has been insinuated that rationing was to prevent the rich getting more than the poor. Never has it been pointed out that, though the rich may be extravagant—and we are far from defending that in the present crisis—yet as far as the staple foods are concerned their consumption is small, and, even if cut off altogether, would make little practical difference to the national supplies.

The futility and inanity of Sir A. Yapp's economy campaign has been made painfully clear; but this raises the question whether anyone at the Food Ministry, who was recommending a voluntary ration of 2 lbs. uncooked meat per week, ever realised that a working man will normally consume at least  $\frac{1}{2}$  lb. of

cooked meat a day, while heavy workers, like miners, riveters, foundrymen, and so on, will easily eat 1 lb. of cooked meat a day. No doubt these workers have a superstitious faith in the virtues of meat, but their work is excessively heavy, and they need plenty of sustaining food. Did Sir A. Yapp suppose for a moment that these men, with good wages in their pockets, were going hungry to work as long as there was meat to buy?

Lord Rhondda, we are assured, is disturbed by the knowledge that under his rationing scheme these heavy workers will certainly not be adequately fed, and hopes, as soon as supplies allow, to increase their particular ration. This will add a new complication to an already highly complicated scheme, but in the meantime the need could undoubtedly be lessened by leaving unrationed certain meats like poultry and game. It is clear that the coupon system must always be very unsatisfactory when applied to these commodities; indeed, at the present moment it not only looks as if a good deal of food would be wasted, but as if the whole industry of supplying poultry might be seriously injured, which is the last thing the country desires. But to drop poultry out of the scheme—No, no, the equality between rich and poor would be destroyed! The rich man, personified as a portly person with a corporation, a heavy gold watch chain, and a habit of talking about the "lower classes," and living in Grosvenor Square, might gorge himself on chicken! So the riveter from the shipbuilding yards, desperately hungry after eight hours' work in the bitter air on a gantry, must go home with plenty of money in his pockets to his three ounces of meat and the all-satisfying knowledge that if he is not allowed to buy himself food, neither is the man in Grosvenor Square! We doubt if this knowledge will prove as permanently soothing as Lord Rhondda appears to think!

While reasonable precautions should certainly be taken against systematic disregard of the rationing regulations by the well-off, whether in Grosvenor Square or in munition factories—we shall be interested to see whether prosecutions are ever initiated against the latter class, or whether the equalitarian theory will not be abandoned at this point—we believe that so far from excessive strictness rendering the system more popular or more workable, it will have the contrary effect. Under this new order it would appear that no exchanges of rations can be effected; the person who cannot eat margarine cannot pass his share on to a neighbour who may have children to whom a small extra supply would be invaluable; childless households cannot assist friends with their surplus sugar; country people may not help along invalids in town with a little gift of butter, or a spring chicken to eke out rations that may be insufficient or unsuitable. Though friendly acts of this kind would certainly not be limited to the rich, but would occur in all classes. No; the Bolshevik theory holds the field.

It has been stated that Lord Rhondda is coming to Parliament for further powers. We could not imagine why. Every notice and every form sent out either by the central or the local committees breathes, if not fire and slaughter, at any rate fine and imprisonment; £100 fine—six months' imprisonment—or both! Surely enough to frighten anyone into accuracy and honesty, if threats could do the business! But we are beginning to understand now. Certainly nothing short of "something lingering with boiling oil in it" will force the English people to submit to such an inquisitorial tyranny as Lord Rhondda is attempting to establish. Even if the prosecutions are entirely confined to the much-maligned "classes," we doubt if the plan will succeed. There is an instinctive sense of justice and of fair play, joined with a strong dislike of vindictiveness, in the English people, and we believe these qualities will make themselves felt in the end!

## By-the-Way War Notes.

It is not patented, nor is it the peculiar possession of the Harmsworth family, but it is most constantly in use by them, so that we may call it their exclusive method, warranted to discourage the nation. Confiding simplicity is the characteristic it demands of us. Whenever anything happens calculated to alarm the minds of the least instructed or reflective among the people the Harmsworth newspapers systematically put the blackest interpretation upon it. If the Hohenzollern Kaiser, regardless of promises, treaties, or any "damned nonsense" of that kind, declares that "the victory in the East is among the greatest successes in history," and that it "secures the Baltic Provinces to German nationality for all time to come," the Harmsworth scribes fall down and worship, yelling, "It is true, we are undone!" And when, having succeeded in demoralising the Russian armies, and inducing them to throw down their arms, bands of Austro-German troops are able to march into Russia, to go by train and motor-lorry in an excursion as far as Odessa, or to "skate" towards Petrograd, the same gloomy chorus hails these things as marks of German invincible might. The German power is so great, so overwhelming, they say or insinuate, that it is now able to stretch its influence and control all over Russia, and all over Caucasia and Armenia, and it will soon permeate all through Persia and Afghanistan, capturing the oil regions, especially the British fields in Persia [tip implied, sell all your Anglo-Persian and Burmah oil shares], and so onward to absorb India, already preparing for the change of masters. There is never any limit to the glorious success for the Germans and their Picrochole Kaiser, which these unhappy caterers for the ignorant see in the events as they pass.

Is there any real foundation for this attitude of persistent gloom inciting to terror? None. The fate of the two now bankrupt Central Empires will be decided on the West, and all that happens elsewhere is mere scene painting, braggadocio of the type common to all wild beasts, the swagger of the bully at bay, and consciousness of imminent defeat. What, for example, is the true meaning of the persistent small assaults upon the French, British, and Belgian fronts in the West? They involve a great waste of German gun-fodder, bipeds, and of ammunition, and they lead to nothing whatever of the least value to the enemy. The effect of the never-ending repulses and slaughter must indeed be to increase the demoralisation of the enemy's armies, already much deteriorated, and of a lower quality than those perfect savages of war with which the first 18 months or two years of the conflict were conducted. To persist in these wasteful and futile attacks, therefore, seems to us to reveal growing impotence rather than the masterful strength of an enemy even at this late day conscious of his power to win ultimate victory.

The same inference may be drawn from the air raids on London and Paris, and various other places. They are displays of wanton spite, inhumanly brutal, but the Prussians say that the atrocities are perpetrated, of set policy, "in retaliation," and with the deliberate purpose of cowering us into making a peace, their peace. They have exactly the contrary effect, and the very confession that this is the aim of the German war-chiefs implies doubt in their minds as to the power of their armies to win through. These exhibitions of spiteful rage on land and sea, and in the air, are the desperate efforts of despairing tyrants to escape from their impending doom. What, therefore, is demanded of us is steadfastness in resistance and endurance until the misdeeds of our foes themselves bring them to ruin.

And surely we have emphatic reason for our confidence and serenity in the fact that, as Mr. Hilaire Belloc pointed out with his usual force in last week's *Land and Water*, we have now mastered the enemy in all his devices. At the beginning, thanks to the devotion of the entire faculties of the slaves he moulded to his will, the Prussian had the advantage over the

Allies in men, in artillery, in machine guns, in aircraft of all kinds, in the use of poison gas, and in many other instruments. Bit by bit in the past 3½ years we have overtaken and surpassed him, so that now we are his superiors in men—for is not the American Army now mustering fast?—in artillery, in machine guns, in poison, in tanks, and in everything necessary to hold our own with grim resolution until the beaten foe gives up the struggle. Even on the sea the day of his mastering is near, so far as fighting the submarine goes, and long ago we swept the ocean clear of his merchantmen.

In all the scaremongering of that portion of the Press beloved and trusted by our Prime Minister there is rarely anything said about the position of Germany in the matter of food. Yet it may well prove decisive in the issue. The facts which leak through all tend to one conclusion, that the two empires are near enough starvation now. Look at what Herr von Brettreich, the Bavarian Minister of the Interior, has been saying. "Last year's harvest throughout Germany was so scanty that the strictest economy must be exercised in order that supplies might last out. The present bread rations might be maintained and the meat rations also, but only to the end of April, and afterwards it was questionable whether they could be," for the army has to be first provided. Here we have the explanation of the feverish haste with which the Prussians are reaching out to the Black Sea and laying hold of Odessa. It is a "grain hunt," not a campaign in a military sense—and they will be disappointed. Some grain may be found in Odessa, but the great stores usually held there are probably there no longer, and much of such grain as may be laid hold of and sent westward from any part of Ukraina will have to be snatched from the mouths of the native population. So the first consequence of German ruthlessness in stealing the people's bread is likely enough to be a reawakening of the Russian spirit of race independence and such a reaction against the enemy as will soon end "for ever" William Hohenzollern's dream of universal domination in that quarter.

But if the grain is not forthcoming, what prospect is before the Germans and the Austrians if not that of famine? If last year's harvest was bad, is this year's likely to be better with the land deprived of its cultivators, of manures, and probably, in many districts, of the necessary quantity of seed? Food is said to be so scarce in Vienna now that the bread there is made of maize meal of a colour like yellow ochre, and is rather "an unfermented, dried-up, flat cake than a loaf." Flour rations are reduced, there are no potatoes, meat is vanishing, vegetables have disappeared, and fruit, while milk is barely in sufficient quantity for infants and the sick. Horses slaughtered in Vienna for food are costing from 1,400 to 1,850 crowns each, or from £58 to £77 each; but, then, what is the Austrian crown worth now? As much as 2d.?

In spite of all the howling of our Press mourners,

there is only one region where we see ground for some despondency—apart from the empirical fashion in which our financial necessities are being provided for—and that is on the sea. When one looks back to the swelling language in which the Prime Minister boasted that the Prussian submarine campaign of murder had ceased to have the slightest terror for him—emphasising his virile faith by giving figures that showed the lowest sinkings in any one week since the foul piracy began—one is inclined to wonder if there can be any wisdom in the War Cabinet or in the Ministry, in mob, any foresight, any possibility of a frank and manly co-operation with those outside the official preserves capable of guiding or giving advice. Sir Walter Runciman's vigorous speech in Tuesday's Commons would incline us to answer, "No, there is none." The Admiralty, in its handling of business men and affairs, has proved even more pig-headed and domineering than the War Office, which is saying much. It haughtily conveys its decisions to the humble beings who have patriotically volunteered to execute works for it, and should the "outsider" venture to express doubt or to suggest that there might be a wiser or more economical course, he is told to shut up and do what he is told. It is that spirit and attitude which have brought down our output of new shipping to a level now absolutely dangerous, and unless there is a change the nation, put in peril, will rise in its wrath and sweep the nests of incompetent officials aside altogether. It may come to be that or the acceptance of a humiliating peace.

Last week the sinkings of British ships, other than fishing craft, were again 18, or the same as in each of the two previous weeks; but this time 15 vessels of 1,600 tons gross and upwards were sent to the bottom and only three below that size, whereas in the week ended March 2 only 12 large vessels were sunk against six smaller ones, and in the week ended February 23, the respective numbers were 14 and four. Last week's destruction of large ships is, in fact, the greatest since the week ended January 6, when 18 were sunk. The persistence of this plague is not calculated to increase the public faith in Sir Eric Geddes' optimism, and that sort of attitude is not the one to take towards the nation. We are not children, requiring baubles and toys to amuse us so as to take our minds off serious things. There are men and women amongst us just as capable of forming a clear judgment on events as the most competent minister of them all, though they do not appear to think so. Let us have the truth, and, above all, let us have co-operation between citizens and officials, so that we may attain to something approaching practical wisdom in the management of our shipyards as in other spheres.

Last week two Italian steamers of over, and one under, 1,500 tons were sunk, as well as two small sailing vessels. The French loss was four vessels under 1,600 tons burden.

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### Insurance News.

It is a pity that the Friends' Provident Society should have made the mistake of buying the shares of the Century Company. We have nothing to say against that company, but in buying it the Friends' Provident is trying to mix oil with water, and we cannot imagine what possessed its directors to enter into any such transaction. The impression it creates is that the Friends' Provident must itself be going down, and, in one sense, no doubt it is, for although sound enough and possessed of solid reserves in the old-fashioned way, its yield is circumscribed and it cannot hope to hold its own among bigger rivals under the stress of life as it now exists. Therefore it may have occurred to the board that the acquisition of a miscellaneous business such as the Century has built up, a business dealing in all sorts of insurance, would be just the thing to provide the necessary stimulus to enable it to survive and enter on a new era of progress. If that was the idea, the directors are going to have a keen disappointment. Mr. Schooling is perfectly right; the bargain cannot be allowed to stand. What right have the directors of the Friends' Provident to divert any of the policyholders' money for the purpose of making a speculative investment? The Century Company's shares are speculative in two senses. They fluctuate on the share market as the business fluctuates, and as the Century has but slender reserves, it might even come to happen that the liability upon the shares would emerge and prove inconvenient, or worse. It is the fashion to ignore the liability on insurance companies' shares, more even than the liability on bank shares; but one never knows in these times how far the devastation of war may lead us, and certainly there are some of the younger and more go-ahead amongst our insurance managers who seem to us to be forcing business after a fashion that invites trouble. Who would meet the liability of £4 a share on the Century Company's capital in the face of some unlooked-for disaster emerging from amongst its hazards? Or, did any insurance company fall into difficulties, could the Century escape the consequences of the doubt and fear excited? We credited Bradford men with more sense.

The Employers' Liability Assurance Corporation had a highly prosperous year's trading, the premiums for 1917 showing an increase of no less than £940,426 at £3,396,630. By the addition of £801,688 the reserves were raised to £3,659,070, and the shareholders are to receive a dividend for the year of £1 a share, which only requires £100,000; for the previous year the distribution was 16s. a share. The extension of the objects of the corporation in respect of marine was adopted during the year, and business was begun in this department on September 1, when City Underwriters, Limited, were appointed marine managers and underwriters.

Excellent results were achieved by the London Assurance Corporation last year, with the result that the dividend has been raised by 2 per cent. to 22 per cent., tax free, for the year. In the life department new assurances were granted under 533 policies for £413,174, an increase of 168 in number and of £48,297 in the amount. The nett premium income was £228,156, an increase of £7,758, and the total income from all sources was £341,523. The life funds were raised by £53,643 to £2,754,366, and the interest earned was at the rate of £4 17s. 1d. per cent., an increase of 2s. 6d. per cent. Nett fire premiums at £872,725 showed an increase of £68,888, of which claims absorbed 47.5 per cent. (against 45.6 per cent.), and expenses 36.8 per cent. (against 38.8 per cent.). The sum of £80,000 was added to the fire funds, increasing them to £900,000, and £84,993 was transferred to profit and loss. Highly satisfactory are the figures relating to the marine side of the business, the premiums at £1,743,928 showing an increase of £586,000, and the amount carried to profit and loss is £239,461, against £119,000 a year ago; while the marine fund has been raised by £350,000 to

£1,350,000. General reserve again receives £100,000, increasing it to £650,000, and the total assets at £7,393,607 show an addition of £966,554.

As already announced, the London Assurance Corporation is about to take over the business of the British Law Fire Insurance Company, and the report of the last-named company for 1917 indicates what a fine business it is. Nett premiums were £10,222 higher than in 1916 at £158,407; this figure shows an increase of well over 50 per cent. as compared with 10 years ago. The loss ratio for 1917 as regards the fire business was only 35.5 per cent. Each holder of five partly-paid shares of £10 each (£1 paid) will, under the terms of the fusion agreement, receive two ordinary shares of £2 10s. (£1 5s. paid) of the London Assurance Corporation, five 6 per cent. cumulative preference shares of £1 each, and £13 15s. 10d in cash, or, at the option of the corporation, £14 14s. 4d. 5 per cent. War Loan. This is assuming that before April 15, the London Assurance has sub-divided its present ordinary shares, which is apparently the intention of the directors. In the event of the sub-division not taking place, then British Law shareholders will receive, in lieu of 40,000 shares of £2 10s., 4,000 shares of £25 each, £12 10s. paid, the denomination of the present shares. The distribution of the larger shares among partly-paid shareholders of the British Law would be carried out proportionately, taking the market price at the time of distribution. Fully-paid British Law shares would receive three 6 per cent. preference shares and £3 3s. 2d. in cash, (or) £3 7s. 4d. 5 per cent. War Loan.

### American Business Notes.

Railroad reports have not the interest in Europe which they possessed before the war. The British public have had to divest themselves, if not of ownership, at least of the control over their American securities, and consequently it is unnecessary for us to enter into the details which used to occupy so much of our space in dealing with the annual reports of these railways. Nearly all the companies have now brought their accounts into line, and they end with the calendar year. Amongst the greater companies, the first to appear is the report of the Pennsylvania Railroad. Its earnings for 1917 came to \$255,094,000. This was an increase of \$24,815,000 on the previous year's total, but unfortunately working expenses increased by \$34,423,000 to a total of \$200,588,000. Consequently, the nett revenue of \$54,505,000 obtained from working of the lines was \$9,609,000 below that of the previous year, and this diminution was accentuated by the smaller nett revenue drawn from other sources, which was \$21,715,000, or \$1,450,000 down. Then taxes rose \$1,183,000 to \$10,241,000, so that the ultimate result was a decrease of \$12,242,000, or nearly £2,500,000, in the available free income, and after meeting all charges, fixed charges alone being over \$800,000 higher at \$28,867,000, and paying the customary dividend of 6 per cent. on the ordinary capital, no more than \$7,160,000 was left as undivided revenue. That compares with \$20,185,000, the surplus of the preceding year, and with \$10,527,000, the surplus for 1914. Nearly all items of current expenditure show increases, the largest being one of \$24,500,000 in what is called cost of "transportation," i.e., in the actual working of the traffic.

The subsidiary Pennsylvania Co. showed the same tendency, the gross revenue being \$3,026,000 larger at \$78,595,000, and expenses an increase of \$11,617,000 at \$62,748,000. Consequently the nett earnings of \$15,847,000 from traffic are \$8,590,000 worse than those of the previous year, and after adding in the outside income, which at \$13,059,000 was \$778,000 up, there was only \$5,386,000 left beyond meeting fixed charges. For 1916 the surplus was \$9,645,000.

The Pittsburg, C.C. and St. Louis line, another subsidiary of the Pennsylvania, also showed a decrease in its surplus income after meeting fixed charges, the balance being \$4,580,000, against \$6,865,000 for 1916.

The Norfolk and Western is another railway whose accounts have made their appearance. They show a gross revenue from freight, passengers, mails, &c., of \$65,910,000 compared with \$59,450,000 for 1916. This is an increase of \$6,460,000, but working expenses at \$41,162,000 are \$7,654,000 larger, and the nett earnings of \$24,749,000 are accordingly \$1,192,000 lower. This decline is insignificant, but the tendency is the same as show by the Pennsylvania group, and taxes aggravated the loss still more. They have risen from \$2,480,000 to \$5,095,000, including the excess profits tax. The other, or investments, income was \$1,174,000 higher, but even so the final free profit of \$22,946,000 was nearly \$3,000,000 less than the previous year. The dividend on the ordinary shares, however, was increased by  $\frac{1}{2}$  per cent. to 8 per cent. for the year, so that the surplus left was \$3,342,000 down at \$8,424,000. It is not ruin as yet, nor even paralysis of dividend capacities, but the tendency seems to be in that direction.

### The Excess Profits Duty in Practice.

In spite of its being three years since excess profits duty was introduced, there appear to be the haziest notions in regard to exactly the precise meaning of excess profits, and also as to the way in which the duty is leviable and upon whom. A very prevalent mistake is to regard the tax as a tax on war profits, instead of being, as it is, a tax upon certain of the profits made since the war began. The Act has proved a most effective means of bringing in revenue to the Treasury, which was the reason of its being introduced. Like the estate duty, it has yielded a larger revenue than its authors anticipated.

The excess profits of a business in any year may be defined as the profits of a business earned since the war began that are in excess of the average of the two highest of the three years' profits earned before the war, with £200 added. Thus, the profits of a business might be for year 1911, £3,000; 1912, £2,000; 1913, £4,000; 1914, £3,300; 1915, £5,000; and for 1916, £6,000. The pre-war years are the first three of the above years, and the highest profits shown in these is that for 1911 and 1913. The profits of these two years added together and divided by 2 give £3,500 as the average pre-war profits. To this amount is added £200, making £3,700, and this sum is taken as the amount which falls to be deducted from the profit of each year during the war, in order to ascertain the amount of excess profit upon which the duty is to be charged, but lean years are allowed to be run against fat years. For the year 1914 no excess profits duty is payable, as the profit is under £3,700 by £400. For 1915 duty is charged on £1,300 (£5,000, less £3,700) at 60 per cent., but from this is deducted duty at 50 per cent. on the £400 of deficient profit from the previous year. For the year 1916 duty is charged on £2,300 (£6,000, less £3,700) at 60 per cent.

The rate of duty charged is 50 per cent. of the excess profits arising before the expiration of one year from the commencement of the first accounting period, 60 per cent. of the excess profits arising thereafter up to December 31, 1916, and from January 1, 1917, the rate of duty is 80 per cent. The duty in respect of any deficiency in profits of any period is set off against the duty on the excess profits of other periods at the respective rates. Payment of the duty may be made in Exchequer bonds of 1922, issued on and after April 30, 1917, at their nominal value, with due allowance for any unpaid interest thereon, provided that the bonds have been held continuously by the taxpayer since the date of the original subscription or for a period of not less than six months before such duty becomes due and payable. Where it is desired to make payments by means of such bonds, information should be obtained from the Surveyor of Taxes as to the necessary steps to be taken. If the excess profits duty due is paid more than a week before the last day allowed for payment, repayment is made to the taxpayer in respect of interest for the period between the date of the receipt of the remittance and the date (two months after the service of the notice) when the duty falls due. The rate of interest is subject to alteration from time to time as the Treasury may prescribe. Sums may also be deposited under similar general conditions in anticipation of assessments.

It is important to notice that the Act is very far-reaching, and practically embraces all businesses except that of farmers and the professional classes. Many people imagine that it is merely profits which are due to the fact of the war, such as those made by munition works. But the Act embraces, for example, shopkeepers, and a considerable revenue has been derived from them, whilst, in consequence of the war, some of them have been put out of business altogether. In many cases this is largely their own fault. Thus, in the same town, we find one tailor's business, which is practically bankrupt after proving a small gold mine for many years, and another business beside it, where the proprietors had the foresight to stock their windows with khaki, and work that for all it was worth, yielding a rich crop to the revenue. At the beginning of the war, in consequence of the interference with the fish trade, the making of fish boxes was practically stopped, but box-makers who had the enterprise to add to their machinery and take up the making of ration boxes for the Army have been very prosperous.

Portmanteau-makers found no demand for leather trunks when the war began, but the enterprising among them took to making accoutrements for war, and prospered amazingly. Their best customers were the French for such articles as haversacks, because the French Government rejected none for being unsuitable, as the British Government did, and the French paid immediately on delivery, which the British Government did not do.

Stoneware manufacturers and bottle-makers have been very busy, and in the majority of cases where the business is large, have had to pay excess profits duty. Stone ginger bottles are used and re-used in this country, but when they are sent over to France they do not return, as it appears the carriage would not pay. They are thus, so far as this country is concerned, only used once.

Wholesale wine and spirit merchants have largely contributed to the excess profits duty, and the head of one of the largest of these concerns in the country recently declared that he was against any increase in the price of whisky, because it would simply mean increased profits for his firm, and they would have to disgorge them all except what he called a paltry 15 per cent. The duty in this case certainly kept the price of the article down, and it may have had a similar effect in other concerns.

The businesses which have been most hit by the war are those which have to do with luxuries and the providing of things which can be dispensed with. House-painters, for example, have had a very bad time of it, as both wages and material are costing more, and such work is nearly at a standstill. High-class pianoforte sellers have also had a bad time, except those who have catered for pianos for the working class. Thus, down the Clyde, those who cater for cheap pianos were very prosperous through the fact that engineers who before the war were receiving 35s. a week, and whose pay rose to £3 or £5 a week, are now in a position to purchase musical instruments of all kinds for their families.

Considerable excess profits have been earned by shopkeepers in the neighbourhood of any of the naval harbours which practically came into existence only after war was declared. A number of village storekeepers in Scotland who before the war were doing a very small business, are now large contractors, employing many motor lorries and making a large revenue, due to the presence of the Navy.

In the case of shipowners the amount of excess profits is arrived at as a rule by taking each vessel separately, as the owners are different. This results sometimes in a shipowner being badly hit, as he may have numerous vessels upon which a loss is being made through their being unemployed or unable to get into home waters. The allowance of £200 applies to each ship, and somewhat equalises matters.

The reason why farmers do not have to pay excess profits duty may be that farmers have difficulty in preparing their accounts. In the case of farmers the great difficulty is to take stock, and that has been largely met by the Inland Revenue accepting from farmers a declaration that the value of the tillages, unexhausted manures, and growing crops upon the farm does not materially differ from the value of those several items on the corresponding day in the preceding year. Farmers have, however, been made to pay more income-tax by the method of assessing them being altered. Formerly farmers were assessed in Scotland on one-third of their rental and in England upon one-half, but since the war they have been assessed upon the full amount of their rental, which is a very material increase in their taxation. It is to be observed that after the war this basis will be continued, whereas the excess profits duty will cease.

Professional men have been excluded from the Act mainly because the yield would have been small and the cost of collection excessive.

Since January 1, 1917, the excess profits duty is 80 per cent. This means that a business is allowed to retain £20 out of every £100, but this £20 may be subject to income-tax at the rate of 5s. per £, which would reduce the net profit to £15, so that in a good number of businesses (that is, where the income is over £2,000) the only excess profits earned that the proprietor is allowed to retain is 15 per cent. of the total excess profits made. As this is a very small percentage, it would appear that the tax has reached its limit, because to go further would practically leave no inducement for anyone to increase his profit over the pre-war average plus £200.

One result of the excess profits duty is that the Inland Revenue authorities have power to call for accounts for all the years concerned, and this has directly resulted in a large amount of arrears of income-tax being recovered. It has also indirectly resulted in the excess profits duty bringing in revenue which perhaps should have been brought in under the Income-tax Acts. Thus, those concerns which valued their goods at too low a figure in the pre-war years had a very low pre-war average of profit, the result now is that they have had to pay excess profits duty on a larger figure than they would have had to pay had they valued their stock at a greater figure and paid income-tax on the increased profit thus shown. In most cases it is practically impossible for the stock now to be materially under-valued, because stocks have become seriously depleted.

The excess profits duty has enabled this country to pay a large proportion of war expenditure out of revenue, and those who have to pay it should be thankful that they have made excess profits and pay the duty gladly, and the vast majority are doing so.

GEORGE LISLE, C.A.

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## The Investors' Review.

### Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from  $5\frac{1}{2}$  per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Money has been usable all the week, but that does not imply anything like real scarcity. We cannot imagine what would make money scarce amid the present excessive outpouring of new credit for Government use. So it is a matter of a very minute fraction in discounts, and of little more in loans. The rates remain, on the whole, so near the figures of a week ago that it is unnecessary to alter our table. For April Treasuries the quotations were firmer in the middle of the week at  $3\frac{1}{2}-\frac{9}{16}$ , and for remitted bills of all usances up to four months the quotation is still  $3\frac{9}{16}-\frac{5}{8}$ .

The Bank return shows a large depletion of "market money" as revealed in those Bank deposits the Chancellor of the Exchequer and his Press keep moaning over because they are not at once turned into National War Bonds. That is to say, the "other" securities have shrunk £8,717,000 during the week, because £11,112,000 of Government securities have been paid off. Through that reduction in the total of other deposits, plus £2,669,000 drawn off the Government balances or "public" deposits, these latter are now £48,025,000 below the aggregate of a year ago, but Government securities are £32,544,000 larger, while other securities are less by £67,820,000. On the week the reserve is up £307,000 owing to a decrease of just about that amount in the note circulation, gold being as before, or merely £293 up. The proportion of reserve liabilities has risen  $1\frac{1}{2}$  per cent. to  $18\frac{3}{4}$  because of the reduction of nearly £11,400,000 in the gross liabilities on private and public deposits together.

The figures issued by the geniuses who managed the "Business Men's Week" in London and the provinces, as far as they go, are boasted about as "eminently satisfactory," which they no doubt are. But they provide only a slender part of what is required, and the details of subscriptions put us on our guard against accepting the gross figures as representing nothing save new money. Here, for instance, are some of the contributions going to make up the £75,000,000 of London alone:—London City and Midland Bank, £3,000,000; Lloyds Bank, £2,000,000; Capital and Counties Bank, £1,000,000; Glyn, Mills, Currie and Co., Lord Cowdray, and Lord Pirrie, each £500,000; Chartered Bank of India, Australia, and China, Union Discount Co., National Discount Co., Iron Trades' Association, National Bank of India, Coutts and Co., Price's Patent Candle Co., and Anglo-American Oil Co., each £250,000, and so on, downwards to subscriptions of £5,000 each by Madame Tussaud's, the Hackney Furnishing Co., and Hinds, Limited. The Prudential Assurance Co. collected £400,000 during the week to be put in War Bonds under the company's pension scheme of investment, and that, no doubt, is all new money. But how much

of the subscriptions set forth in detail above is new money, how much the mere conversion of Treasury Bills, Exchequer Bills, or other forms of temporary debt into National War Bonds? Let us have a plain statement of the facts, so that we may know where we are. If the war goes on for another year, as it may, we shall want to borrow probably another £3,000,000,000 to meet its cost and to consolidate our Treasury Bill floating debt alone.

A further development of the policy of forming alliances among the banks was foreshadowed by Mr. Walter Leaf at the extraordinary general meeting of the London County and Westminster Bank this week. In a very effective speech in defence of bank fusions Mr. Leaf said it was the only reply that could be made to the "money trust" formed in Germany by the Deutsche, Dresdner, and Disconto-Gesellschaft, which have absorbed so many undertakings recently that their capital and reserves have been increased by 50 per cent. That "trust" is determined to capture the finance of the world, he said, and it was obvious that unless British banks combined they could not hope to defeat German competition. The formation of the British Italian Corporation by a group of British banks and the arrangements made between Lloyds and the National Provincial for representation in France, and between the Anglo-South American, the London and Brazilian, and Williams Deacon's Banks, may be regarded really as among the first of a number of alliances that may be eventually arranged for the protection of British banking and our foreign trade.

We learn that the National Metal and Chemical Bank, to which reference was made a fortnight ago, has been formed by a group of interests associated with the smelting and chemical industries not only of this country, but of the Dominions. The capital of £1,000,000 has been privately subscribed, and no subscriptions will be invited from the public. The bank will not compete with other banks for deposits, but will devote its energies mainly to financing the development of smelting and chemical works and the marketing of products. In this respect it will be able to offer greater facilities than the ordinary bank.

Through Copenhagen the news is transmitted from Berlin that the eighth German Loan is to amount to £750,000,000. It is also added that the total war debt of the Hohenzollern Empire up to date, and, presumably, exclusive of this new loan not yet floated, is about £5,500,000,000, and that is quite a tidy amount for an empire without trade, shut in upon itself, and devoured by its war with the world. And the whole truth is not therein contained. The Berlin serfs have never disclosed, so far as we have observed, what their Allies have cost their empire. Do they know?

The Yokohama Specie Bank announces that £629,600  $4\frac{1}{4}$  per cent. sterling bonds (1905) of the first series and £374,520 bonds of the second series have been purchased on behalf of the Japanese Government for cancellation.

The principal feature in the foreign exchange market this week has been the recovery in the value of the lira. This has been due to the Italian Government's scheme for regulating dealings in exchange. A Committee has been appointed composed of bankers and exchange experts and Government officials to control transactions. This scheme, which was put into operation on Monday last, will stimulate speculation and prevent the remittance of funds abroad except for purposes essential in the national interest. The exchange has accordingly declined 1.65  $\frac{1}{2}$  lr. to 41.05 lr. to the pound sterling, but the market is quiet and really rather nominal. There has been a further sharp fall of  $32\frac{1}{2}$  points to 19.07  $\frac{1}{2}$  pesetas to the pound in the Spanish exchange, and for the time being all hope of a credit in Spain seems to have been dropped owing to the unsettled political situation. The Swiss exchange has also moved 20 points against us to 21.05 fr., and Amsterdam is 12 points lower at 10.40  $\frac{1}{2}$  fl. Scandinavian exchanges have been quieter and steadier. Montreal has risen a couple of points to \$4.83  $\frac{3}{4}$ .

## SILVER.

Silver has hardened this week owing to the continued purchases of the metal by China in San Francisco, where considerable premiums, says Mocatta's circular, are being paid over the New York quotation. Japan's probable intervention in the Far East may, it is suggested, have encouraged speculative purchases in China, and as exchanges there seem firm the market looks like holding. The last Indian currency return shows the reserve of rupees to be 1,271 lacs, which is 30 lacs below the figure of February 28, but a recent purchase of 2,000 bars in Bombay, said to be on behalf of the Indian Government, may soon improve the position. According to Montagu's circular the stock of silver in Bombay on March 8 consisted in 1,300 bars, a decline of 1,000 bars on the total of February 8. In Shanghai the stock on March 9 was about 29,850,000 ozs. in sycee and \$13,500,000, which was an increase of 200,000 ozs. and a decline of \$100,000 compared with March 2.

Applications for the Rs. 60,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,19,55,000. Of these Rs. 55,49,000 were allotted in deferred transfers, and Rs. 4,51,000 in immediate transfers. Tenders for bills and deferred transfers at 13. 4 29-32d., and for immediate transfers at 18. 5d. received about 27 per cent.

## BANK OF ENGLAND

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the  
Week ending on Wednesday, March 13, 1918.

ISSUE DEPARTMENT.

Notes Issued	£	77,586,970	Government Debt	£	11,015,100
			Other Securities		7,434,900
			Gold Coin and Bullion		59,136,970
			Silver Bullion		—
	£	77,586,970		£	77,586,970

## BANKING DEPARTMENT.

	£		£
Proprietors' Capital ..	14,553,000	Government Securities ..	56,604,782
Res .. .. .	3,566,057	Other Securities ..	97,604,309
Public Deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts) ..	38,352,608	Notes .. .. .	30,302,550
Other Deposits .. ..	128,997,923	Gold and Silver Coin ..	948,044
Seven Day and other Bills	10,097		
	5,000,000		5,000,000

Dated March 14, 1918.

J. G. NAIRNE, Chief Cashier.

## BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. Mar. 14.		March 6, 1918.	Mar. 13, 1918.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,507,714	Real ..	3,571,104	3,566,057	—	5,047
86,377,187	Pub. Deposits ..	41,021,875	38,352,608	—	2,669,267
19,113,866	Other do.	137,715,291	128,997,923	—	8,717,368
25,358	7 Day Bills ..	10,895	10,097	—	798
	Assets.			Decrease.	Increase.
24,081,221	Gov. Securities.	67,736,782	56,624,782	11,112,000	—
265,424,569	Other do.	98,191,457	97,604,309	587,148	—
34,161,355	Total Reserve ..	30,943,926	31,250,594	—	306,668
				11,699,148	11,699,148
£		£	£	Increase	Decrease.
58,236,720	Note Circulation	47,590,795	47,284,420	—	306,375
54,009,935	Coin and Bullion	60,084,721	62,085,014	293	—
14 p.c.	Proportion ..	17 p.c.	18 7 p.c.	1 4 p.c.	—
58 ..	Bank Rate	5 ..	5 ..	—	—

**LONDON BANKERS' CLEARING.**

Date.			Increase.	Decrease.
	1918.	1917.	£	£
January	2,073,224,000	1,865,125,000	208,099,000	—
February	1,653,634,000	1,779,524,000	—	173,890,000
March 6	464,845,000	540,796,000	—	75,951,000
" 13	426,604,000	312,109,000	—	114,495,000
Total ..	4,570,307,000	4,497,554,000	208,099,000	364,336,000

### CURRENCY NOTES.

Return of Currency Notes for the week ended March 13, 1918.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes .. .. .	4,357,529	2,695,972	163,016,853
10s. notes .. .. .	1,224,211	1,108,376	37,159,864
Note certificates .. .. .	850,000	20,000	23,140,000
Previous total .. .. .	849,472,666	628,783,333	220,680,323
	855,924,396	628,607,661	223,316,715

Ratio of gold held against notes, this week, 14.24 p.c.; last week 14.53 p.c.

## PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended March, 9.)

REVENUE.	EXPENDITURE.
Customs .. .. .	£ 1,713,000
Excise .. .. .	375,000
Estate, &c., Duties .. .. .	823,000
Stamps .. .. .	323,000
Land Tax and House Duty	150,000
Property and Income Tax	13,092,000
Excess Profits Tax .. .. .	5,640,000
Land Values .. .. .	10,000
Post Office .. .. .	350,000
Crown Lands .. .. .	—
Sundry Loans .. .. .	—
Miscellaneous .. .. .	60,895
Bullion advances repaid .. .. .	80,000
For Treasury Bills for Supply	66,212,000
5% Exchequer Bonds, 1922 .. .. .	—
6% Exchequer Bonds, 1920 .. .. .	—
National War Bonds .. .. .	54,183,000
War Savings Certificates .. .. .	2,000,000
4% War Loan, 1929-1942 .. .. .	—
7% War Loan, 1929-1947 .. .. .	—
Other Debts created under	—
War Loan Act, 1915, and	—
Finance Act, 1916 .. .. .	21,052,466
Telegraph Money Act, 1913	—
Under Post Office Rly. Act,	—
1913 .. .. .	—
Under Military Works Act,	—
1897-1903 .. .. .	—
Under Public Buildings .. .. .	—
Under Housing Act .. .. .	—
Repayment of Advance for	—
Interest on Exchequer	—
Bonds .. .. .	—
China Indemnity .. .. .	378,314
East Africa Loan repay-	—
ments .. .. .	—
Suez Canal Drawn Shares .. .. .	—
Ways and Means Advances	10,000,000
Decrease in Exchequer	—
balances .. .. .	—
	£ 176,444,675
	National Debt Service .. .. .
	213,081
	Interest, &c., on War Debt
	1,153,853
	Development & Road Impvt
	—
	Payments to Local Taxation
	110,385
	Other Consolidated Fund
	Charges .. .. .
	—
	Supply Services .. .. .
	49,633,658
	Bullion Advances .. .. .
	100,000
	For Advance for Interest
	on Exchequer Bonds under
	Capital Expenditure
	(Money) Act, 1904 .. .. .
	—
	For Treasury Bills .. .. .
	82,870,000
	Other Debt under War Loan
	—
	Acts, 1914-16 .. .. .
	7,000,924
	For War Loan and Ex-
	chequer Bonds under
	Section 61 of Finance Act,
	1916, and Section 34, 1917
	1,628,437
	Under Telegraph (Money)
	Act, 1913 .. .. .
	—
	Under Post Office (Lon-
	don) Railway Act, 1913 .. .. .
	—
	Under Military Works Acts
	—
	Under Housing Act, 1914 .. .. .
	—
	Public Buildings Expendi-
	ture Act, 1903 .. .. .
	—
	Old Sinking Fund, 1907-8 .. .. .
	—
	Sinking Fund, 1914 .. .. .
	—
	China Indemnity .. .. .
	—
	East African Loan .. .. .
	—
	Cunard Agreement Act .. .. .
	—
	Expenditure Certificates .. .. .
	1,350
	Depreciation Fund .. .. .
	—
	Suez Canal Drawn Shares .. .. .
	—
	Temporary Advances Repaid
	31,250,000
	Increase in Exchequer
	balances .. .. .
	2,483,032
	£ 176,444,675

\*Excluding sales through banks which have not yet been brought to account.

**FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).**

	Feb. 15, 1918.	Feb. 8, 1918.	Feb. 16, 1917.
	£	£	£
Gold coin and certificates ..	89,275,600	87,981,400	54,873,400
Gold Settlement Fund ..	77,393,200	80,808,400	43,244,200
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks	177,168,800	179,289,800	98,117,600
Gold with Federal Res. Agent	170,475,000	167,651,800	59,454,200
Gold Redemption Fund ..	4,061,600	3,992,000	360,800
Total gold reserves	351,708,400	350,933,600	157,932,400
Legal tender notes, silver, &c.	12,038,800	11,685,200	1,521,800
Total reserves ..	363,747,200	362,618,800	159,454,200
Bills discounted—Members' ..	160,383,200	105,024,200	3,910,600
Bills bought in open market	57,452,600	56,141,000	25,210,800
Total bills on hand ..	157,835,800	161,165,200	29,141,400
U.S. Gov. long-term sec. ..	10,468,600	11,159,400	5,894,200
U.S. Gov. short term sec. ..	21,196,200	34,020,000	3,729,400
All other earning assets ..	897,200	884,600	3,363,200
Total earning assets ..	190,397,800	207,226,200	42,108,200
Due fm other Fed Res bnk—n.	3,451,600	2,491,600	1,568,000
Uncollected items ..	71,413,200	54,501,200	28,849,800
Total deducts fm gross dep.	74,865,400	56,992,800	30,417,800
5% Red. Fund & Fed. Res. bknts	107,400	107,400	80,000
All other resources ..	116,400	110,200	1,683,200
Total resources ..	624,234,200	627,055,400	233,756,400
Capital paid in ..	14,645,800	14,405,500	11,154,600
Surplus ..	226,800	226,800	—
Government deposits ..	17,528,600	11,897,600	2,170,200
Due to members—Res. account	281,044,800	300,260,200	137,718,200
Collection items ..	45,637,800	314,390,800	24,243,600
Other deps inc. For Govt. crdts	10,463,000	11,974,800	—
Total gross deposits ..	355,592,400	357,563,400	164,132,000
F.R. notes in actual circulat'n	250,204,000	252,243,500	58,367,800
F.R. bk nts in circn—nett liab.	1,599,800	1,600,000	—
All other liab. in for Govt crdts	960,600	855,600	102,000
Total liabilities ..	629,234,200	627,055,400	213,756,400
Gold res. ag nett deposit liab.	63.1%	59.6%	73.4%
Gold res ag F.R. nts in act circ	68.1%	68.0%	102.4%
Ratio of gold res to nett dep.			
and F.R. nts liabilities combined ..	65.5%	63.5%	82.2%
Ratio of total res. to nett			
deposit and F.R. note liab.			
ilities combd ..	67.7%	65.6%	83.0%

**NEW YORK ASSOCIATED BANKS (dollar at 4s.).**

	Mar. 9, 1918.	Mar. 2, 1918.	Feb. 23, 1918.	Mar. 10, 1917.
	£	£	£	£
Loans	877,136,000	855,294,000	850,020,000	700,190,000
Reserve held in own Vaults	3,274,000	3,302,000	3,272,000	100,702,000
Reserve held in Fed. Res. Bk.	99,284,000	98,262,000	99,170,000	40,212,000
Cash in own Vaults	20,008,000	19,840,000	19,730,000	—
Reserve held in Other Depos.	1,374,000	1,628,000	1,640,000	11,416,000
Nett Demand Deposits	723,812,000	—	715,460,000	718,242,000
Nett Time Deposits	40,206,000	39,722,000	40,294,000	36,414,000
Circulation	6,960,000	6,924,000	6,854,000	5,730,000
Excess Lawful Reserve	7,704,000	8,076,000	8,748,000	28,384,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits

## NEW YORK STATE BANKS &amp; TRUST COMPANIES (dollar at 4s.).

	Mar. 9, 1918.	Mar. 2, 1918.	Feb. 23, 1918.	Mar. 10, 1917.
	£	£	£	£
Loans .. ..	148,324,000	174,874,000	173,304,000	152,732,000
Specie .. ..	2,906,000	3,590,000	3,170,000	12,552,000
Deposits .. ..	139,096,000	172,828,000	170,216,000	139,094,000
Legal Tenders ..	13,102,000	16,076,000	16,756,000	2,269,000

## BANK OF FRANCE (25 francs to the £).

	Mar. 14, 1918.	Mar. 7, 1918.	Feb. 28, 1918.	Mar. 15, 1917.
Gold in hand ..	133,346,160	133,295,000	133,241,520	128,846,160
Silver in hand ..	10,248,700	10,243,520	10,197,040	10,604,920
Bills discounted ..	42,563,160	44,926,040	52,489,360	19,341,600
Advances ..	47,020,800	47,432,520	46,819,320	49,125,240
Note circulation ..	989,764,800	986,001,080	972,332,280	734,461,060
Public deposits ..	1,532,040	1,161,360	2,086,080	900,680
Private deposits ..	103,927,490	105,228,320	103,249,000	97,756,680
Foreign Bills ..	434,200	389,200	350,000	92,840

Proportion between bullion and circulation 22.74 per cent., against 22.82 per cent. last week. Advances to the State £542,000,000, increase £8,000,000. The adjoined payments of drafts in Paris on account of the moratorium, £19,537,000, decrease £37,660, and at the branches £24,897,600, decrease £32,720.

## BANK OF SPAIN (25 pesetas to the £).

	Mar. 2, 1918.	Feb. 23, 1918.	Feb. 16, 1918.	Mar. 3, 1917.
Gold ..	79,740,876	79,555,541	79,498,101	53,085,253
Silver ..	28,391,950	28,407,129	28,301,819	29,835,001
Foreign Bills ..	3,576,898	3,556,108	3,498,959	3,514,215
Discounts and Short Bills ..	31,408,464	31,236,108	31,057,719	25,848,651
Treasury Account, &c. ..	24,958,460	25,063,901	25,450,316	26,394,781
Notes in Circulation ..	113,958,279	113,335,219	113,279,761	95,921,622
Current Accounts, Deposits ..	34,288,890	34,776,066	36,245,163	30,022,299
Dividends, Interests, &c. ..	1,802,869	1,814,105	1,872,994	1,698,809
Government Securities ..	6,712,622	6,49,713	6,081,360	1,714,390

## NETHERLANDS BANK (12 Florins to the £).

	Mar. 9, 1918.	Mar. 2, 1918.	Feb. 23, 1918.	Mar. 10, 1917.
Gold and Silver ..	60,776,750	60,915,500	60,164,418	49,892,500
Bills and Advances ..	11,902,833	13,188,083	12,899,916	15,708,500
Note circulation ..	71,766,666	72,721,166	70,676,333	61,745,750
Deposits ..	5,329,333	5,747,250	6,768,756	8,067,833

## BANK OF NORWAY (18 kroner to the £).

	Feb. 28, 1918.	Feb. 22, 1918.	Feb. 15, 1918.	Feb. 28, 1917.
Gold ..	6,525,000	6,525,000	6,526,000	6,895,000
Balance abroad and Foreign Bills ..	3,458,000	3,631,000	3,665,000	4,210,000
Gov't Securities ..	713,000	713,000	713,000	740,000
Discounts & Loans ..	19,375,000	19,393,000	19,878,000	8,334,000
Notes in Circulation ..	17,678,000	17,424,000	17,331,000	14,046,000
Deposits at notice ..	9,124,000	9,749,000	10,000,000	4,944,000

## BANK OF ITALY (25 lire to the £).

	Jan. 10, 1918.	Dec. 31, 1917.	Dec. 20, 1917.	Dec. 10, 1917.
Total cash ..	42,627,400	45,379,080	42,884,760	43,776,080
Inland Bills ..	28,537,160	30,285,400	28,521,920	32,174,000
Foreign Bills ..	884,880	885,000	907,800	929,120
Advances ..	16,410,120	17,455,200	17,829,040	20,894,080
Government securities ..	8,900,680	8,924,840	8,810,960	8,669,960
Circulation ..	262,700,040	261,567,800	257,735,560	256,695,760
Deposits at notice ..	34,462,960	35,458,280	35,333,480	33,454,720
Current accounts ..	24,434,840	20,663,840	22,121,680	21,923,760

## SWISS NATIONAL BANK (25 francs to the £).

	Feb. 23, 1918.	Feb. 23, 1918.	Feb. 15, 1918.	Feb. 7, 1918.
Gold and silver ..	16,993,380	16,936,708	16,787,100	16,723,652
Bills ..	8,860,124	8,084,840	7,203,664	10,185,452
Note circulation ..	25,866,764	24,516,484	24,429,073	24,611,716
Current and deposit accounts ..	3,079,406	3,584,900	2,963,916	5,469,752

## BANK OF SWEDEN (18 kroner to the £).

	Feb. 23, 1918.	Feb. 16, 1918.	Feb. 9, 1918.	Feb. 24, 1917.
Gold ..	13,069,000	13,084,000	13,100,000	10,632,000
Balance abroad and Foreign Bills ..	7,364,000	7,529,000	7,476,000	8,142,000
Swedish and Foreign Gov't Securities ..	3,143,000	2,881,000	2,881,000	3,771,000
Discounts and Loans ..	11,421,000	11,432,000	12,247,000	4,203,000
Notes in circulation ..	29,596,000	29,750,000	29,105,000	20,455,000
Deposits at notice ..	5,676,000	6,003,000	6,663,000	5,745,000

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	Mar. 12, 1918.		Mar. 14, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	10.45	10.50	10.37	10.40
Paris ..	Cable transfers ..	27.20	27.25	27.22	27.27
	Three months' bills ..	27.60	27.65	27.62	27.67
Switzerland ..	Cable transfers ..	21.03	21.13	21.00	21.10
	Three months' bills ..	21.38	21.48	21.35	21.45
Petrograd ..	Cable transfers ..	nom.	nom.	nom.	nom.
Genoa, &c. ..	Cable transfers ..	40.95	41.15	41.00	41.10
Spain ..	Cable transfers ..	19.05	19.15	19.08	19.18
	Three months' bills ..	58 1/2	57 1/2	58 1/2	59 1/2
Lisbon and Oporto ..	Cable transfers ..	28 1/2	29 1/2	28	29
Copenhagen ..	Cable transfers ..	15.70	15.80	15.68	15.78
Christiania ..	Cable transfers ..	15.42	15.52	15.40	15.50
Stockholm ..	Cable transfers ..	14.82	14.92	14.78	14.88

## OPEN MARKET DISCOUNT. Last week. This week.

	Per cent.	Per cent.
Thirty and sixty day remitted ..	3 1/2	3 1/2
Three months ..	3 1/2	3 1/2
Four months ..	3 1/2	3 1/2
Six months ..	3 1/2	3 1/2
Three months fine inland bills ..	4 1/2	4 1/2
Four months ..	4 1/2	4 1/2
Six months ..	4 1/2	4 1/2

## BANK AND DEPOSIT RATES.

	Bank of England minimum discount rate ..	..	..	5 ..	5 ..
" .. short loan rates ..	..	..	..	..	..
Bankers' rate on deposits ..	..	..	..	3 ..	3 ..
Bill brokers' deposit rate (call) ..	..	..	..	3 ..	3 ..
" .. 7 and 14 days' notice ..	..	..	..	3 1/2 ..	3 1/2 ..
Current rates for 7 day loans ..	..	..	..	3 1/2 ..	3 1/2 ..
" .. for call loans ..	..	..	..	3 1/2 ..	3 1/2 ..

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22 1/2	27.20 1/2	27.23
Amsterdam, cheques ..	Florins to £1 ..	12.107	10.49	10.33 1/2
Italy, sight ..	Lire to £1 ..	25.22 1/2	41.55	41.03 1/2
Madrid, sight ..	Pesetas to £1 ..	25.22 1/2	19.39	19.09 1/2
Lisbon, sight ..	Pence to milreis ..	53d.	28d.	28d.
Switzerland, sight ..	Francs to £1 ..	25.22 1/2	21.29	20.97 1/2
Christiania, sight ..	Kroner to £1 ..	18.159	15.48	15.33 1/2
Stockholm, sight ..	Kroner to £1 ..	18.159	14.92 1/2	14.72 1/2
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.78	15.70
Petrograd, sight ..	Roubles to £10 ..	94.57	nom.	nom.
Alexandria, sight ..	Piastres to £1 ..	97 1/2	97 1/2	97 1/2
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4 1/4	1/4 1/4
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4 1/4	1/4 1/4
Hong Kong, T.T. ..	Sterling to dollar ..	—	2/11 1/2	3/0
Shanghai, T.T. ..	Sterling to tael ..	—	4/3	4/3 1/2
Singapore, T.T. ..	Sterling to dollar ..	—	2/3 1/2	2/3 1/2
Yokohama, T.T. ..	Sterling to yen ..	24.58d.	2/11 1/2	2/11 1/2
New York, cable ..	Dollars to £1 ..	4.86 1/2	4.76 1/2	4.76 1/2
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	50d.	50d.
Valparaiso, 90 days ..	Pence to peso ..	—	14 1/2	15d.
Montevideo, T.T. ..	Pence to dollar ..	51d.	50 1/2d.	50 1/2d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13d.	13 1/2d.

## The Week's Stock Markets.

Some rather wild rumours were in circulation on the Stock Exchange during the week, but they were as ephemeral as they usually were fantastic, and they had little or nothing to do with the tale of restricted dealings and drooping prices which go to make up the week's account. No doubt the Tank "stunt" has diverted a good deal of investment business from the market, and, in addition, there is an uneasy feeling that Japanese intervention in Siberia may tend to create further complications. At any rate, it has been difficult to find much of an encouraging character in any corner of the House, and for the time being nearly all the developments may be designated as in restraint of trade. The purchase of over a million in bonds for cancellation by the Japanese Government had little effect in preventing a further decline in the other stocks. Canadian Pacific were not helped by the annual statement showing a big advance in the expense ratio, and the Argentine market was depressed by the Central Railway announcement. It has been a poor time for dealers all round, but they are a sanguine people in "the Street."

It has been an exceedingly dull week on the Stock Exchange, partly, no doubt, owing to the fact that the Tank campaign is still attracting a large proportion of the investment money which would otherwise have found its way to the floor of the "House." In addition, the situation in Russia, and the probability of complications owing to Japanese intervention, have had a restraining influence, and nearly all sections have suffered from an apathetic attitude on the part of the public. Gilt-edged securities were fairly steady, and except for a slight decline in India stocks, movements were quite unimportant. Colonials were scarcely mentioned, and in the Foreign market Japanese gave way rather persistently, but the 1905 issue improved a fraction on the announcement that over £1,000,000 of the bonds had been purchased for cancellation. Russians rallied slightly on the statement that the next coupon would be paid, and Spanish Fours were well supported, owing to the substantial improvement in the exchange. One or two Argentine issues also advanced, but Chinese bonds nearly all gave way a point or more.

Home Railways began with a fairly firm appearance, but almost immediately relapsed into complete neglect, and finished weak. In the American market, Chesapeake put on a couple of points, and International Mercantile Marine also showed up to advantage, otherwise scarcely anything occurred. Canadian Pacific were rather depressed on the annual statement which has just been issued for the past calendar year, showing a very marked increase in the expense ratio. Trunks were weak on poor dividend estimates, and Mexicans also gave way. Argentine Rails sagged persistently, and the Central Argentine dividend announcement, with its warning about the prospects for the current half-year, did not tend to help matters.

Bank shares received very little attention, and except that the tone was dull, very little of interest happened. Among Breweries, Guinness stock fell rather sharply, but most of the others were steady, although business was at a very low ebb. Egyptian securities became exceedingly flat, and in the Gas and Electric section South Metropolitan Gas gave way several

	Last Week	This Week		Last Week	This Week
Consols.....	54x	53x	N.S.W. 4½% 5 yr. bds.....	97½x	97½
War Loan 3½%.....	86½	86½	" 4½% 1922-7.....	92	92
" 4½%.....	100½	100½	" 5% 1921-3.....	97½	97½
" 5% 1929-47.....	93½	93½	" 5½% 1920-2.....	98½	98½
" 4% 1919-42.....	102	102½	New Zealand 4% 1929.....	86½	86½
India 3%.....	54½x	54	Queensland 4%.....	79x	79
" 3½%.....	63x	63	" 4½% 1920-5.....	92½x	92½
Australian 5½% 1920-22.....	98½	99	Union of S. Africa 4½%.....	92½x	92½
Canada 4% 1940-60.....	80	80	1920-5.....	92½x	92½
" 4½% 1920-5.....	93½	94	Victoria 4½% 1920-5.....	92½x	92½
N.S.W. 4% 1933.....	82½	82½	Westn. Aus. 4%.....	79½	79½
Argentine 4% 1900.....	67½	67½	French War Loan, 5%.....	76½	75½
Belgian 3%.....	62½	62½	Japan 4½% (1st), 1905.....	93	92
Brazil, 1913.....	70	70	" 5% 1907.....	87	84
" 5% 1914.....	81	81	Mexican 5% 1899.....	57	57
Chinese 1896.....	92	89	Russia 4%.....	34½	34½
" 1912.....	79	76	" 4½% 1909.....	37½	39½
Egypt Unified 4%.....	88	87	" 5% 1906.....	47½	49½
Caledonian defd.....	8½	8½	London and N.-W.....	89x	88½
Gt. Central ptd.....	13	12½	London and S.-W. dfd.....	22½x	22
" dfd.....	68	68	Do red. pf. 1914.....	95½x	95
Gt. Eastern.....	34½	34½	Metropolitan.....	21½x	20½
Gt. Northern dfd.....	34½	34½	Do. 5% pf.....	74½x	74½
Gt. Western.....	83½	83	Met. District.....	15	14½
Lancs. and Yorks.....	63	64	Midland dfd.....	55½x	54½
London Brighton dfd.....	55½x	55	Nth. British dfd.....	13½x	13½
London Chatham ord.....	8½	8½	Nth.-Eastern.....	93½x	93½
			Sth.-Eastern dfd.....	27½x	27½x
Canadian Pacific.....	161	160½	Chesapeake.....	58	62
E. Indian Guar. 4½% debts.....	84	84	Erle.....	19½	19½
Grand Trunk ord.....	82	82	Southern.....	20	26½
Do. 1st pf.....	53	50½			
Do. 3rd pf.....	21	20½			
Antofagasta dfd.....	133	133	Cent. Argentine ord.....	57	56½
Brazil Common.....	5	5	Leopoldina.....	38	37½
B. A. & Pacific.....	38½	38½	Mexican ord.....	19	18
B. A. Gt. Southern.....	70½	68½	San Paulo (Brazilian).....	18½x	18½
B. A. Western.....	68	66½	United of Havana.....	75½	75
Anglo-South American.....	7½	7½	London City & Midland.....	15	15
Bank of Australasia.....	119	116x	London County & Westm.....	15	15
Bank of N.S. Wales.....	36	36	London Joint Stock.....	28½	28½
Barclay & Co. "A".....	72	72	Nat. Prov. of Eng. (£104 pd).....	26½	26½
Do. "B".....	113	112	Do. (£12 pd).....	29½	29½
Capital & Counties.....	25½	25½	Parr's.....	32	32
Chartered of India.....	72½	72½	Standard of S.A.....	11½	11½
Hongkong & Shanghai.....	83x	83	Union Discount.....	10½	10½
Lloyds.....	23½	23½	Union & Smiths.....	26	26
London & Brazilian.....	25½	25½			
Armstrong, Whitworth.....	42	43	Kynochs.....	40½	42½
Birmingham Small Arms.....	56	58½	Mond Nickel ord.....	34	37½
Cammell-Laird.....	6½	6½	South Durham Steel.....	42½	42½
Cargo Fleet.....	26½	25½	Thornycroft.....	41	41
Dorman, Long.....	39	39½	Vickers.....	44½	44½
Associated Cement.....	34½	34½	Fine Cotton Spinners.....	35	34½
Borax dfd.....	39	39½	Forestal Land.....	48	48½
Bovril.....	20½x	20½	Furness, Withy.....	66	65½
Brazil Traction.....	44½	44	Harrods Stores.....	2½	2½
British Amer. Tobacco pf.....	18½	18½	Hudson's Bay.....	7½	7½
British Aluminium.....	33	33	Imperial Tobacco "C" pf.....	33½	33½
British Oil & Cake.....	32	31½	Lever Bros. "C" pf.....	20	20
Brunner, Mond.....	1½	1½	Lyons, J.....	34½	34
Casner-Keller.....	38	38	Marconi.....	3½	3½
Coats.....	6x	6	Maypole Dairy dfd.....	19	18½
Courtaulds.....	8½	7½	National Steam Corp.....	16½	16½
Cunard.....	4½	4½	Pears, A. & F.....	18½	18½
Dennis Bros.....	35½	35½	P. & O. dfd.....	339½	335½
Eastern Telegraph.....	151½	151½	Royal Mail.....	123	122
Eastmans.....	11	10½	Underground Inc. Bds.....	80x	79½
English Sewing Cotton.....	54	54			
Anglo-Egyptian "B".....	35½	34	North Caucasian.....	8½	8½
Baku (10s).....	1½	1½	Roumanian Cons.....	9	8½
Burmah.....	7	6½	Shell.....	58½	6
Lobitos.....	14½	14½	Spies (10/-).....	5½	5½
Maikop Pipeline.....	2½	2½	Ural Caspian.....	18	18
Mexican Eagle pf.....	63½	63½			
Allagar 2/-.....	3½x	3	Perak 2/-.....	7½	6½
Anglo-Java Rub. 2/-.....	6½	5½	Port Dickson 2/-.....	41	3½x
Anglo-Malay 2/-.....	13½	12½x	Rub. Estates Johore £1.....	42	39
Ayer Kuning £1.....	43½	42½	Rub. Estates Krian 2/-.....	3½x	3½
Batang Malaka 2/-.....	4½	4½	Rubber Trust £1.....	26½	26½
Bekoh 2/-.....	4½x	4	Sampang (Java) 2/-.....	2½	2½
Brit. N. Borneo Trust £1.....	27	16½	Sapumakande £1.....	26½	25½
Bukit Clob 2/-.....	5	4½	Seaport £1.....	25	26½
Bukit Kajang £1.....	71½	67½	Selangor.....	32	30
Bukit Mertajam 2/-.....	4½x	4½	Sengat 2/-.....	3½	3½
Bukit Sembawang 2/-.....	3½x	3½	Seremban £1.....	40	37½
Carey United £1.....	43	41½	Shelford £1.....	36½	36½
Ceylon Para 2/-.....	9½	9½	Sialang £1.....	59½	61
Chersonese.....	3½	3½	Singapore Para 2/-.....	4	3½x
Chviet 2/-.....	5½x	5½	Singapore United 2/-.....	3½x	3½
Dalkeith 2/-.....	21½x	21½	Soembar Aje 2/-.....	2½	2½
Eastern Invest. Trust £1.....	25½	25½	Stagbrook £1.....	33	33
Grand Central £1.....	27	27	Straits Bertam 2/-.....	6½	5½
Gula Kalumpung £1.....	35	35	Sumatra Para 2/-.....	8	7½x
Highlands £1.....	55	55½	Sungei Bahr £1.....	37	36½
Java Investment £1.....	26½	26½	Sungei Kapar 2/-.....	10	10½
Java Para £1.....	39½	39½	Sungei Krut £1.....	49	49
Johore Rubber Lands £1.....	30½	30½	Taipang 2/-.....	4½x	3½x
Kamunin 2/-.....	3½x	3½x	Tall Ayer £1.....	34	35
Kinta Kellas 2/-.....	3½x	3½x	Tandjong £1.....	80	79
Kuala Kubu 2/-.....	2½x	2½	Tandjong Malim £1.....	37½	37½
Labu 2/-.....	9½	8½	Tebrau £1.....	60	59½
Langen Java £1.....	41½	35	Teloregedjo £1.....	47½	39
Linggi 2/-.....	25½	24½x	Tempeh 2/-.....	2½x	2½x
London Asiatic 2/-.....	7½x	7½	United Serdang 2/-.....	10½	10½
Malacca £1.....	5½	5½	United Sumatra 2/-.....	8	8
Malayalam £1.....	37½	33½	Val d'Or 2/-.....	31½x	31½x
Melilima 2/-.....	5½	5½	Vallambrosa 2/-.....	22	20½x
Padang Jawa 2/-.....	3½x	3½x	Way Halim 1½ pd.....	—	—
Pataling 2/-.....	42	40			
Abbottiakoon (10/-).....	4½x	4½	Gt. Boulder (2/-).....	13	13
Bechuanaland Exp.....	7½	7½	Kyshtim.....	6½x	6½
Brakpan.....	5x	5x	Mashonaland Agency.....	5½x	5x
Broken Hill Prop. (8/-).....	67½x	68½	Meyer & Charlton.....	8½x	8
Cam & Motor.....	11½	11½	Modder "B".....	7½	7½
Central Mining (£12).....	6½x	6½	Do. Deep.....	7½	7½
Chartered.....	15½	15½	Mysore.....	24½	24½
City Deep.....	28½x	28½x	Rand Mines (5/-).....	24½x	24½x
Cons. Gold Fields.....	36½	36½	Rio Tinto (£1).....	64½	64
Cons. Langlaagte.....	18½x	17½	Russo-Asiatic.....	24½	24½
Crown Mines (10/-).....	12½	12½	Spring Mines.....	38½	38½
De Beers dfd. (£2 10s).....	12½	12½	Tanganyika.....	38	38
East Rand.....	5½	5½	Tanalay.....	1	1
Geduld.....	24½x	24½	Van Ryn Deep.....	3½x	3½x
Gov. Areas Mod.....	38½x	38½			

points, probably in anticipation of the Parliamentary Bill having to be withdrawn. Iron and Steel shares were very irregular, and except for gains in Canadian Car and Foundry and Otis Steels, the changes were unimportant. Among Land shares, Pekin Syndicates were weak in sympathy with the unsettled condition of affair in the country, and the other prominent members of the group were completely neglected. Nitrate shares were dull, and in the Shipping division, Cunard, Indo-China, and Royal Mail all lost ground, but dealings were very scattered and unimportant. Amongst Miscellaneous Industrials, Marconis were firm on the case against the Post Office at last finding its way into court. Callender's Cable improved smartly on the bonus proposals, and Kynochs were prominently firmed. Courtaulds lost a small fraction, but Coats were well supported, and there was also considerable business doing in Lyons, Liptons, and other Catering shares.

Oil shares generally have been extremely weak, and Burmahs were very prominent, probably owing to the recent developments in the Caucasus and the threat against Persia. The shares, however, closed above the worst. "Shells" were dull, and Venezuelan Concessions also lost ground. Rubber shares were persistently on offer, and the better class of investment securities suffered more than the speculative counters. Golden Hopes, Harpendens, and some of the other heavy shares fell back sharply, and the whole list shows considerable recessions from last week's level.

## LONDON PRODUCE MARKETS.

**SUGAR.**—Quotations remained unchanged, while allocations were on a fair scale, chiefly of home refined.

**COFFEE.**—The market for future delivery proved quiet, but spot parcels met with good support at firm prices, while keen competition prevailed for fine liquoring sorts offered in auction at very full rates. East India Mysore, sold, at 132s.; and Costa Rica, fine bold colory, 137s. to 139s.; Salvador, ditto, 127s.

**TEA.**—52,534 packages were balloted for this week, comprising Indian and Ceylon. Buyers cannot often get the tea requisite for their particular trade, while deliveries continue slow owing to transport difficulties. The National Tea Control scheme with the flat rate of 2s 8d. per lb. will be in force next week, so that the best Assam and Darjeeling growths will be at the same price as dust, though usually worth 2s 6d. to 3s. per lb. more money.

**COCOA.**—Moderate supplies at public sales encountered active competition at generally dearer prices. Trinidad sold at 92s. to 94s.; Dominica, 91s. to 93s. 6d., and St. Thomé (in prize), 93s. 6d. Privately, West African sold at 62s. to 70s. Cocoa butter in steady demand, with sales at 2s. per lb.

**SPICE.**—Pepper firmer with a fair business in black Singapore, spot basis, fair, at 1s. 4d.; and Muntok white, 2s. 1d. Zanzibar cloves, spot, 2s. 3d. Tapioca firmer. Fair flake, spot, sold, 7½d. to 8½d.; fair Penang seed pearl, 77s. 6d.; medium, 76s.; and fair small sago, at 77s. 6d.

**RICE.**—Beans and peas in good request.

**SHELLAC.**—Values are very firm, but only small sales occurred in fair T.N. orange, spot, at 460s.; while A.C. garnet, named vessel, sold at 325s. c.f.i. Owing to Government action trade since at a standstill.

**RUBBER.**—Market fully steady, and a fair business transpired, including plantation crepe, spot, at 2s. 5½d.; April-June, 2s. 6d. to 2s. 6½d.; July-December, 2s. 7d. to 2s. 7½d.; smoked ribbed sheet, spot, 2s. 4½d. to 2s. 5d.; fine hard Para, spot, 2s. 8d. to 2s. 7½d. per lb.

**CORN (Mark Lane).**—A quiet, but steady, tone prevailed in all departments of this market during the past week, and quotations show no alteration. Wheat: Of imported descriptions dealings were confined mainly to No. 1 and 2 Manitoba, at 8½s 6d. and 80s. respectively. Australian nominal at 83s. 6d., and Plate 81s. 6d. Flour: Canadian export patents, 51s. 9d., landed. English: Country straight runs, 44s. 3d. per sack, ex mill. Oats: American white, clipped No. 2, 61s. 6d., landed; English, 46s. 3d. Barley nominal. Maize remains stationary on continued absence of offers. Maize meal: White and yellow rule at 64s. 6d.; and 63s. 6d. respectively.

**COTTON (from our Manchester correspondent).**—The general tone of the market this week has been stronger than ever, and, although a large business has not been done, the undercurrent of demand has been healthy, and for anything wanted very full rates have had to be paid. There has again been distinct evidence of producers having the upper hand over buyers. Fluctuations have occurred in American cotton rates, but quotations in yarn and cloth have been firmly held, and are now based on the position of spinners and manufacturers rather than on changes in the New York and Liverpool markets. There have been rumours of Egyptian cotton being lost on the sea, and prices have advanced. The general state of the market has tended to be strengthened by the further restriction of output from the beginning of next week, decided upon by the Cotton Control Board. A rather increased inquiry has been met with in cloth for India, but much difficulty has been experienced in arranging transactions. Scattered sales, however, have been put through in light fabrics and printing cloths. The bids mentioned in grey shirtings have been impracticable. The offtake for China has again been disappointing, with occasional transactions in heavy goods, such as Mexicans. The general demand for the minor markets and the home trade has been encouraging, especially in printing, dyeing, and finishing materials, which continue to do better than grey staples. Further contracts have been reported for the French Government in heavy cloths. American

yarns for home use have hardened in price, and in some quarters a considerable trade has been done. Many spinners, however, have declined to quote, and the question of supplies is becoming more acute than ever, the market as a whole being bare of stocks.

### CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING MARCH 15, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 14½, 98% polarisation	£ s. d.	£ s. d.	<b>Wool</b> —per lb. Australian	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Cr'ssbr'd	nom.	nom.
Granulated ..	2 6 0	2 6 9	Greasy Merino ..	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Crossbred	nom.	nom.
Foreign granulated, first marks	nom.	nom.	New Zealand (scoured) Merino	nom.	nom.
I.O.B., spot	nom.	nom.	Greasy Crossbred	nom.	nom.
German Cubes	nom.	nom.	Cape snow white	nom.	nom.
French Cubes	nom.	nom.	<b>Indiarubber</b> p. lb.		
Crystallised, West India ..	2 6 9	2 6 9	Plantation, Spot	0 2 5½	0 2 6
Beet, 88% I.O.B.	nom.	nom.	Crepe ..		
<b>Tea</b> —per lb., duty 1½ lb.	s. d. s. d.	s. d. s. d.	<b>Coal</b> —per ton		
Indian Pekoe ..	nom.	nom.	Durham, best ..	nom.	nom.
Broken ..	nom.	nom.	Seconds ..	nom.	nom.
Orange ..	nom.	nom.	East Hartlepool ..	nom.	nom.
Broken ..	nom.	nom.	Seconds ..	nom.	nom.
Pekoe Souchong	nom.	nom.	Steam, best ..	32 6	32 6
Ceylon Pekoe ..	nom.	nom.	Seconds ..	29 6	29 6
Broken ..	nom.	nom.	<b>Lead</b> —per ton.	£ s. d.	£ s. d.
Orange ..	nom.	nom.	English Pig ..	nom.	nom.
Broken ..	nom.	nom.	Foreign soft, net	£29½-£28½	£29½-£28½
Pekoe Souchong	nom.	nom.	<b>Quicksilver</b> —per bottle firsthand	nom.	nom.
<b>Cocoa</b> —per cwt., duty 6d. per lb.	d. s. d.	d. s. d.	<b>Tin</b> —per ton		
Trinidad ..	87 0-99 0	87 0-99 0	English Ingots ..	£320-£324	£323-£325
Grenada ..	82 0-88 0	82 0-88 0	Do, bars ..	£321-£325	£324-£326
West Africa ..	62 6-70 0	62 6-70 0	Standard cash ..	£319	£320
Ceylon Plantation	77 0-92 0	79 0-95 0	Tin Plates, per box	nom.	nom.
Guayaquil Arriba ..	110 0-112	110 0-112	<b>Copper</b> —per ton.		
<b>Coffee</b> —per cwt., duty 4½ per cwt.			English, Tough, per ton ..	nom.	nom.
East India ..	110 0-131 0	115 0-132 0	Best Selected ..	£119-£123	£119-£123
Jamaica ..	79 0-151 0	79 0-151 0	Sheets ..	£149	£149
Costa Rica ..	110 0-134 6	115 0-139 0	Standard ..	£110-£110½	£110-£110½
<b>Provisions</b> —			<b>Jute</b> —per ton.		
Butter, per cwt.			Native firsts for shipment	nom.	nom.
Australian finest	252/	252/	<b>Oils</b> —		
Argentine ..	252/	252/	Linseed, per ton ..	£58	£58
French Creameries	nom.	nom.	Rape, crude ....	£66	£66
Dutch ditto ..	nom.	nom.	Cott'n Seed, crude	£60	£60
Russian finest ..	nom.	nom.	Petroleum Oil, per 8 lbs.	1/7½	1/7½
Paris baskets ..	nom.	nom.	Water White ..	1/8½	1/8½
Danish finest ..	nom.	nom.	Oil Seeds, Linseed		
Brittany rolls—dor. lb. ..	nom.	nom.	Calcutta—per ton		
<b>Bacon</b> —per cwt.			Spot	29 15 0	29 15 0
Irish ..	172/	172/	Rape ..	£29-10/6 30	£29-10/6 30
Continental ..	172/	172/	<b>Iron</b> —per ton		
Canadian ..	171-172/	171-172/	Cleveland Cash ..	nom.	nom.
American ..	171-180/	171-180/	<b>Tobacco</b> —duty, unmanufactured 7/4 to 8/0 per lb.		
<b>Wool</b> —per cwt.			Maryland & Ohio ..	nom.	nom.
Irish ..	203/	203/	per lb. bond ..	0 8-2 1	0 8-2 1
Canadian ..	162-165/	162-165/	Virginia leaf ..	0 7-0 11	0 7-0 11
American ..	125-165/	125-165/	Kentucky leaf ..	2 0-5 0	2 0-5 0
<b>Cheese</b> —per cwt.			Latakia ..	1 6-6 6	1 6-6 6
Dutch ..	129/6-160/	129/6-160/	Havana ..	nom.	nom.
Canadian ..	nom.	nom.	Manila ..	nom.	nom.
English Cheddar	142/	142/	Cigars, duty 10/6 per lb.	2/ upds.	2/ upds.
Wilt's loaf ..	nom.	nom.	<b>Timber</b> —Wood.		
New Zealand ..	nom.	nom.	Pitch Pine ..	300/-400/	300/-400/
<b>Rice</b> —per cwt.	s. d.	s. d.	Indian Teak ..	680/-700/	680/-700/
Japan ..	nom.	nom.	<b>Turpentine</b> —		
Rangoon 2 stars ..	26 3	26 3	American Spot ..	124/	124/3
<b>Eggs</b> —per 120.			<b>Copra</b> —per ton		
English ..	36 0-39 0	34 0-36 0	Malabar ..	45 0 0	45 0 0
Irish ..	34 0-35 0	33 6-34 6	Ceylon ..	46 0 0	46 0 0
Danish ..	nom.	nom.	F.M.S. Singapore	45 10 0	45 10 0
<b>Spelter</b> —			F.M. Straits ..	45 10 0	45 10 0
G.O.B. as to position ..	54 0 50 0	54 0-50 0			
<b>Flour</b> —per sack.					
Country Straight					
Runs ex Mill ..	44/3	44/3			

Shippers of fine yarns to India seem to have satisfied their more important wants for the time being. Egyptian yarns are dearer on the week. Free buying has occurred in certain directions, and users remain in a very strong position.

The Halifax Disaster.—The following communication has been received from Halifax (Nova Scotia) by the London Office of the Canadian Bank of Commerce, dated February 5:—“In an interview to-day with Mr. D. Macgillivray, President of the Halifax Board of Trade, he stated to the representative of the Canadian Press that a great deal of misconception existed regarding the character and extent of the damage done to Halifax by the explosion in that harbour on December 6, 1917. It should be borne in mind that the destruction was contained within comparatively well-defined limits, for the most part occupied by dwellings. The important position of Halifax as a railway terminal and ocean port for carrying on business was unaffected, and the trade and commerce of the city was already flowing freely along its former channels.”

## THE NEW NATIONAL INDUSTRY

### New Methods. New Men.

The fourth year of the great War finds the British Empire as determined as ever, better organised, more practical, and its immense resources being utilised to greater advantage.

War conditions have changed habits and customs and trading methods, created new industries, and in very many important particulars altered our views upon business generally.

By far the most important industry developed during the War is the aircraft industry, and already it has been fully demonstrated that this country has achieved superiority in its output of aeroplanes, efficiency of the machines, and the daring of the men who serve them.

Many men of authority are of opinion that the War is to be won in the air. There can be no two opinions that the side which has a great preponderance of aircraft is going to win the War.

This is a war, not between armies, but between nations, and every citizen is a potential combatant. In no other sphere is this more true than in connection with fighting in the air.

It may not be possible for every individual to pilot an aeroplane or to work in an aircraft factory, but it is given to most people to be able to support those who are fighting in the air or those who are “delivering the goods.”

Enormous demands are being put upon the resources of aircraft manufacturing companies, and the great capacity for output demands ample capital for wages and materials.

The British public are shortly to be given their first opportunity to supply additional capital by becoming Ordinary shareholders in a joint-stock Company exclusively engaged in producing aeroplanes.

Whitehead Aircraft, Limited. The Treasury have sanctioned the issue of the capital of this Company up to £1,000,000, which capital is to be used in building aeroplanes to beat the Germans.

The name of Whitehead has already established for itself a world-wide reputation as a result of its contribution towards helping to win the War.

Whitehead Aircraft enterprise is a development of the War, and already the Company owns many acres of manufacturing floor-space, has thousands of employees engaged exclusively on the manufacture of aeroplanes, with a correspondingly large weekly wages bill.

This new capital will greatly accelerate the output and increase our superiority in the air.

The investing public will be given the first direct opportunity to become financially interested in the Ordinary share capital of a Company exclusively engaged in aircraft work, which will enable investors to participate in winning the War and to secure a permanent investment of a remunerative character.

Aviation being destined to play an immensely important part in the commercial life of civilised nations, however, aircraft shares have the advantage of being those of a war industry with immense possibilities, and immediately peace is proclaimed and normal conditions prevail, the development of commercial aviation will give the shares a permanent investment character.

As soon as peace comes, it is certain that the mails between the principal cities of Europe will be conveyed by aircraft, whilst aviation will be regularly used for the rapid transit of light merchandise and wealthy passengers.

Capital invested in a progressive aircraft-manufacturing company should be highly remunerative, entirely irrespective of the duration of the War.

It is in these circumstances that Whitehead Aircraft, Limited, will appeal with confidence to the British public to provide additional capital.

Those investors desiring particulars should make application to WHITEHEAD AIRCRAFT, LIMITED, Box No. 7, c/o THE INVESTORS' REVIEW.

### The Week in Mines.

The chief incident in the Mining markets this week has been the activity and buoyancy of Nigerian Tin shares. This has been due to the high price ruling for the metal, namely, over £320 per ton, and the prospect of the excess profits duty percentage being raised on an appeal to the Board of Referees. A general and appreciable advance is shown in these shares. In other departments the tone has been generally dull, with business on a very small scale.

#### SOUTH AND WEST AFRICANS.

The South African market has again been under the influence of the unfortunate effects of the recent floods. The Rand profits for February aggregate £582,000, a decrease of £105,000, which follows upon a decrease of £97,000 in January. Modder Leases, however, have been in demand, on the expectation that the report of the Public Accounts Committee, which is adverse to the modified sliding scale agreement, may not be adopted by the Government, but, in sympathy with the general tendency, the shares are 3-32 lower at 3 19-32. Rand Mines at 2½ show a similar decline, New Modderfonteins have fallen ¼ to 23, Rand Selections ½ to 4½, and Heriot ¾ to 1¾. On the other hand, Modder Deeps have risen ⅞ to 7½, and H.E. Proprietarys 1s. 6d. to 9s. on the acquisition of a property south-west of the Sub-Nigel property. Rhodesian shares have been on offer, notably Lonely Reefs, which have fallen 1s. 6d. to 33s., and Eldorados, which are 1s. lower at 6s. 9d. Diamond shares have been dull, with De Beers deferreds at 12½ and Premier deferreds at 7½. Among West African Gold descriptions, Ashanti Goldfields have declined to 20s. 9d., but Amalgamateds have been supported at 22s.

#### COPPER AND MISCELLANEOUS.

Copper shares are mostly lower on the week. Arizonas declined ⅞ to 2½ on the report showing the effect of the growth of American taxation on profits available for dividend. Rio Tintos have declined ¼ to 64, Mount Elliotts ¼ to 3½, and Hampdens 1s. to 29s. 6d. Broken Hills have moved irregularly. British Proprietarys have advanced 1s. to 39s. 9d., and Block Tens ⅞ to 1½; but Proprietarys, on profit-taking, have relapsed 2s. to 66s. Buying of Nigerian Tin shares has been fairly persistent all the week, and the advance in prices includes a rise of 1s. 9d. to 7s. 3d. in Champions, of 1s. 6d. to 22s. 6d. in Forum Rivers and Jantars, of 1s. 3d. to 9s. 6d. in Kwalls, of 1s. to 13s. 6d. in Naraguta Extendeds, of 1s. 3d. to 17s. 6d. in Nigerian Corporations, of 1s. to 13s. 6d. in Rayfields, and of 1s. 6d. to 14s. in South Bukerus. Aramayos have advanced ⅞ to 1½, and Mawchis 2s. to 17s. 9d. On the other hand, Renongs have fallen ¼ to 2½ on the withdrawal of the third dredge from operation, owing to the difficulty of obtaining spare parts. This is a reminder of the difficulties which many overseas properties will experience in an increasing degree for the rest of the war period. Russian shares have weakened, Irtyshs falling ⅞ to 1½ on news that the property had been nationalised. Mining Corporations of Canada have declined 1s. 6d. to 16s., but Camp Birds have risen 6d. to 8s. 3d. Westralians have recovered slightly from their recent depression, Ivanhoes being ½ higher at 1½.

### MINING NEWS.

TRANSVAAL GOLD PRODUCTION.—The production of gold in February amounted to £2,802,477, a decrease of £261,499 on the same month of last year. The total is the smallest for four years, which is the result of the floods and the high level of costs. The following table shows the monthly production since January, 1913:—

Month.	1913.	1914.	1915.	1916.	1917.	1918.
January ..	£ 3,353,116	£ 2,708,470	£ 3,037,058	£ 3,444,948	£ 3,324,418	£ 3,033,653
February ..	3,118,325	2,660,185	2,872,406	3,201,063	3,063,976	2,802,477
March ....	3,358,050	2,917,346	3,202,514	3,384,121	3,343,303	—
April .....	3,334,358	2,904,924	3,160,651	3,205,643	3,155,121	—
May .....	3,373,998	3,059,340	3,243,347	3,303,377	3,310,618	—
June .....	3,273,382	3,049,558	3,208,224	3,235,767	3,227,101	—
July .....	2,783,917	3,111,398	3,272,258	3,232,891	3,219,094	—
August .....	3,092,754	3,024,037	3,307,975	3,318,116	3,314,879	—
September ..	2,999,686	2,982,630	3,299,423	3,277,408	3,135,857	—
October .....	3,051,701	3,116,754	3,388,122	3,365,642	3,191,279	—
November ..	2,860,788	3,040,677	3,317,534	3,326,253	3,070,426	—
December ..	2,857,938	2,932,755	3,317,949	3,289,705	3,068,639	—
Total ..	37,358,040	35,588,075	38,627,461	39,484,934	38,323,921	5,836,130

NATIVE LABOUR RETURNS.—A further appreciable improvement is shown in the labour supply. The total shows an increase of 4,526, the gold mines getting 4,632 more labourers.

Month.	Natives on Gold mines.	Natives on Coal mines.	Natives on Diamond Mines.	Total natives.
February, 1917 .....	191,095	11,598	6,268	208,931
March .....	190,028	11,494	6,620	208,142
April .....	185,975	11,435	6,314	203,724
May .....	180,168	11,432	5,805	197,405
June .....	175,727	11,258	5,369	192,354
July .....	171,653	11,381	5,223	188,257
August .....	170,817	11,401	5,028	187,246
September .....	171,334	11,601	4,791	187,726
October .....	170,331	11,841	4,620	186,792
November .....	169,083	11,633	4,620	185,336
December .....	172,740	11,695	4,593	189,028
January, 1918 .....	176,424	11,469	4,715	192,608
February .....	181,066	11,243	4,825	197,134

PENRIKYBER NAVIGATION COLLIERY.—This company, like most colliery concerns, has not done so well during the past year, but the results are quite satisfactory. After allowing for all charges, the surplus is £32,600, against £49,200, and the ordinary shareholders again get 15 per cent., and the preference shareholders 7½ per cent., or 2½ per cent. more than their fixed cumulative interest. The carry forward is reduced from £26,300 to £21,400. Much less information is given in the accounts than formerly, and it is difficult to follow some of the changes that have been made in the balance-sheet, but there appears to have been some heavy writings down, for the reserves, amounting to £61,200, have disappeared.

GREAT WESTERN COLLIERY.—The report for 1917 shows that, after writing off £15,000, or £5,000 less, for depreciation, the profits amounted to £121,305, against £181,239. A sum of £30,000, against £50,000, is placed to reserve for improvements and developments, and it is proposed to pay a final dividend of 1s. per share on preference "A" shares, and 2s. per share on ordinary "B" shares, making 15 per cent. for the year, as against 20 per cent. for 1916, and £53,876 is carried forward, against £52,571 brought in. The output of coal was 1,016,981 tons, and the make of coke £125,526 tons, as compared with 967,885 and 125,798 tons respectively. Development of the new pits has been hindered by war conditions, but work is proceeding gradually.

NORTH'S NAVIGATION COLLIERIES.—This company also reports a decrease in profits for 1917, but they were nevertheless on a satisfactory scale. After providing for excess profits duty, the nett profits were £129,972, against £160,456 in 1916, £130,071 in 1915, and £65,578 in 1914. Nothing is placed to reserve, which last year got £35,000, but the shareholders again receive 20 per cent., against 12½ per cent. for 1915, and the carry forward is raised from £11,023 to £15,995.

TIN FIELDS OF NORTHERN NIGERIA.—The report for the year ended March 31, 1917, is somewhat belated, but it contains a surprise in the shape of the declaration of a dividend on account of the current year of 10 per cent. This is due to an expansion in production, 105 tons of tin concentrates having been obtained in the 10 months ended January 31, as against only 66 tons in the preceding 12 months. Operations in the year to March 31 resulted in a surplus of £1,600, which has been applied in reducing past expenditure.

MESSINA (TRANSVAAL).—The report for the year ended June 30 shows that the production of copper amounted to 5,111 tons, and, after making allowance for depreciation of plant and machinery, the gross profit was £278,161, as compared with £270,433. Out of this amount debenture interest absorbed £15,000, £36,357 was absorbed in payment of dividend, No. 3, of 1s. per share, South African taxes take £40,071, and debenture redemption £35,000. Including £6,654 brought in, £156,687 is carried forward, pending the determination of the company's liability for excess profits duty. In the current year the company's results are not likely to be so favourable, because since September the costs of production and transport have risen considerably, and the price of best selected copper has declined £10 12s. per ton. Owing to these factors and the lower grade of the ore reserves, the profits at the present time are, in fact,, greatly reduced. The ore reserves were estimated at June 30 at 173,727 tons of practically proved ore, having a value of 3.68 per cent. copper, and 94,720 tons of "possible ore," assaying 3.23 per cent. copper.

### DIVIDENDS ANNOUNCED.

Attaree Khat Tea.—Interim 7½ per cent., less tax, payable March 20, 1918.

Assam Oil Company.—Final for 1917 of 3½ per cent. on preference shares.

Alfred Goslett and Co.—12½ per cent. on ordinary and cumulative preference shares. A year ago, 6 per cent. on both classes of shares.

Bordubi Tea.—Interim 7½ per cent., less tax, payable March 8.

Baraoorra (Sylhet) Tea Company.—Interim 5 per cent., less tax, on account of 1917.

Bargang Tea.—Interim 10 per cent., less tax, payable at once.

Bell's Transvaal.—5 per cent.

Balijan Tea.—Interim 6 per cent., less tax, on account of season 1917, payable on March 19.

Borelli Tea.—Interim 5 per cent., less tax, payable March 29.

Behubor Company.—Interim 5 per cent., less tax, on account of season 1917.

Bengal Doors Railway Company.—Final on ordinary stock of 3½ per cent. and bonus of 2 per cent., both subject to English income-tax at 3s. 9d. in the £, and payable on April 12, making total distribution of 9 per cent. for year ended Sept. 30, 1917, against 8 per cent.

Brompton and Kensington Electricity Supply Company.—Final 6 per cent., making 10 per cent. for year, less tax. For 1916, 9 per cent.

California Petroleum Corporation.—1 per cent., payable April 1, on preferred stock.

Colchester Brewing Company.—Interim 2s. on ordinary shares, payable April 3.

Calgary and Edmonton Land Company.—First interim for 1918 of 4d. per share, less tax, payable March 27.

Dangan Rubber.—Interim 5 per cent. for year to June 30 next, payable, less tax, on April 15.

Dhendai Tea.—Interim 5 per cent., less tax, payable at once.  
 Dangan Rubber Company (1913).—Interim 5 per cent. on account of year ending June 30, less tax, payable on April 15.  
 Direct Spanish Telegraph Company.—At rate of 6 per cent. per annum on ordinary shares (making 5 per cent. for the year 1917) for half-year ended December 31, payable on April 1 next, and bonus of 2 per cent. for year 1917, free of tax. For 1916, the same.

D. H. Evans and Co. Founders' Shares Company.—2s. 4d. per share, less tax.

General Commercial Investment Trust.—At rate of 7 per cent. on deferred stock for past six months, making  $5\frac{1}{2}$  per cent. for year, the same as a year ago.

W. T. Glover and Co.—For 1917, 5 per cent. and  $2\frac{1}{2}$  per cent. bonus on ordinary shares. For 1916, 6 per cent.

Jong-Landor Rubber Estates.—Interim 5 per cent. (1s.) per share, less tax, payable on April 5, the same as a year ago.

Jones and Higgins.—At rate of 17 per cent. per annum for six months ended February 20, making 12 per cent. for year, against 10 per cent.

Kacharigaon Tea.—Interim  $7\frac{1}{2}$  per cent., less tax, payable at once.

Kern River Oilfields of California.—Interim 4 per cent., being at rate of 8 per cent. per annum, payable on April 15.

Lambert Bros.—Interim 5 per cent., the same as a year ago.

Malayan Tin Dredging.—Interim 1s. per share (less tax), the same as a year ago.

Majuli Tea.—Interim  $7\frac{1}{2}$  per cent., less tax, payable March 29.

Moabund Tea.—Interim  $7\frac{1}{2}$  per cent., less tax, payable March 29.

Milwaukee and Chicago Breweries.—Final 3 per cent., making 6 per cent. for year to Sept. 30, payable on March 28, against 7 per cent. for previous year.

Minneapolis, St. Paul and Sault Ste. Marie Railway Company.—Semi-annual at rate of  $3\frac{1}{2}$  per cent. on preferred and common stocks, payable on April 15.

Mysore Gold Mining Company.—Balance for 1917 of 2s. 6d. per share (less tax), against 3s. 6d., making a distribution for the year at rate of 8s per cent., against 9s per cent.

Manila Electric Railroad and Lighting Corporation.— $1\frac{1}{2}$  per cent. (\$1.50 per share) for quarter ending March 31 on common stock, the same as a year ago, payable in New York on April 1.

National Trust Co., Toronto.—Quarterly at rate of 10 per cent. per annum, the same as a year ago.

Northern Nigeria (Bauchi) Tin Mines.—Interim, less tax, of  $12\frac{1}{2}$  per cent. on preference shares and  $2\frac{1}{2}$  per cent. on ordinary shares for year ending June 30, 1918, payable on April 5.

Northern Banking.—For past half-year at rate of  $13\frac{1}{3}$  per

cent. per annum on A shares and 6 $\frac{2}{3}$  per cent. per annum on B shares, being 2s. 8d. and 1s. 4d. respectively, less tax.

Pegoh, Ltd.—Final 10 per cent., less tax, making 20 per cent. for year ended September 30, against 25 per cent. for 1915-16.

Provident Accident and Guarantee Co.—Balance 15 per cent., making 22 $\frac{1}{2}$  per cent. for year, less tax.

Regent's Canal and Dock.—On capital stock for past half-year at rate of 1 per cent. per annum, less tax.

Rajmai Tea.—Interim 10 per cent., less tax, payable March 15.

Rapajuli Tea.—Interim  $7\frac{1}{2}$  per cent., less tax, payable at once.

Sheffield Gas Co.—For half-year ended December 31 of 5 per cent. on Class A, B. and C stocks, payable forthwith.

San Paulo (Brazilian) Railway Company.—On ordinary stock 5 per cent., making 10 per cent. for 1917, tax free, the same as for 1916.

Tower Tea.—11d. on £1 preference shares, making 1s. 8d. for year ( $8\frac{2}{3}$  per cent.), and 4d. on 5s. ordinary shares, making 6 $\frac{1}{2}$ d. for year ( $10\frac{3}{4}$  per cent.).

Tronoh Mines.—Interim 1s. per share (less tax) in respect of current year, payable on April 6.

Venesta, Ltd.—At rate of 6 per cent. per annum, less tax, on preference shares for six months ending March 31.

William Whiteley.—6 per cent. on ordinary shares for year ended February 14; the same.

Yokohama Specie Bank.—12 per cent. per annum for the six months ended December 31 last, yen 1,000,000 to reserve, and yen 2,720,000 carried forward.

## Tea, Oil and Rubber.

In the week ended March 9 the amount of rubber landed was 1,265 tons and the deliveries were 520 tons; for the previous week the corresponding figures were 1,980 and 616 tons respectively, with the result that stocks now stand at 15,100 tons against 10,200 a year ago. All the same, the price of standard crêpe has been harder at 2s. 5 $\frac{1}{2}$ d., but that is because the embargo on shipment will begin to take effect presently, and the 20 per cent. restriction of output is also becoming operative. Indeed, the February returns indicate, in many cases, a substantial falling off. At the meeting of the United Serdang Co. last week, Mr. George Croll entered a very strong plea for more complete combination among producers, and he disclosed the interesting fact that while 70 per cent. of the area represented by the Rubber Growers' Association had assented to restriction, and thereby made the scheme binding on those who had provisionally agreed to it, the members of the Association

### ONE HUNDRED AND THIRTY-NINTH HALF-YEARLY REPORT OF

## THE COMMERCIAL BANKING CO. OF SYDNEY, LTD.

(INCORPORATED IN NEW SOUTH WALES.)

Presented to the Shareholders at an Ordinary General Meeting held at the Head Banking House, George Street, Sydney, on Tuesday, 29th January, 1918.

The Directors submit to the Shareholders a Balance-sheet showing the Liabilities and Assets of the Bank on the 31st December, 1917, and present the following Report:—

The balance at credit of Profit and Loss, after adding the amount brought forward, and deducting rebate on current bills and accrued interest on fixed deposits, reducing premises account, paying Land, Income and other taxes, and providing for bad and doubtful debts as well as granting to the Officers a bonus on their salaries, amounts to .. .. . £210,254 1 2

Out of which the Directors recommend the following appropriations:—

To payment of a Dividend for the half-year at the rate of 10 per cent. per annum out of the Half-year's Profits, £100,000; to Transfer to Reserve Fund, £60,000; to Balance carried forward, £50,254 1s. 2d. .... £210,254 1 2

GEORGE J. COHEN, Chairman.

Dr. LIABILITIES AND ASSETS.—(Including London Branch to 31st December, by Cable.)				Cr.			
Capital .....	£2,000,000	0	0	By Coin, Bullion, Australian Commonwealth	£7,288,343	0	6
Reserve Fund .....	1,940,000	0	0	Notes and Cash at Bankers .....	1,030,000	0	0
Reserve Capital .....	2,000,000	0	0	Money at short call in London .....	610,000	0	0
	£5,940,000	0	0	Short dated British Treasury Bills .....	4,269,100	0	0
To Capital Paid up .....	£2,000,000	0	0	British and Australian War Loan Stocks and			
Reserve Fund .....	1,940,000	0	0	Government, Municipal and other Securities	2,137,323	7	2
				Bills receivable in London and Remittances	10,651	2	7
Notes in circulation .....	3,940,000	0	0	Notes and Bills of other banks .....	15,345,417	10	3
Bills in circulation .....	12,264	0	0	Bills discounted, and other debts due to the Bank .....	14,471,201	1	8
Deposits and other liabilities .....	1,445,862	4	8	Bank premises, furniture, &c. ....	601,255	0	0
Profit and Loss Account .....	24,809,493	6	1				
	210,254	1	2				
	£30,417,873	11	11				
Dr. PROFIT AND LOSS.				Cr.			
	£	s	d		£	s	d
To Dividend Account for payment of a Dividend for past half-year				By Amount from last half-year .....	59,093	13	10
at the rate of 10 per cent. per annum out of the Half-year's				Profit for half-year ended 31st December, 1917 .....	151,160	7	4
Profits .....	100,000	0	0				
Reserve Fund .....	60,000	0	0				
Balance carried forward .....	50,254	1	2				
	£210,254	1	2				
					£210,254	1	2

### RESERVE FUND.

1917—31st December .....

By Transfer from Profit and Loss .....

£2,000,000 0 0

GEORGE J. COHEN, Chairman.

H. H. MASSIE, General Manager.

L. A. PARKER, Accountant.

Sydney, 18th January, 1918.

We hereby certify that we have examined the bills, compared the balances and counted the coin in the Head Office of The Commercial Banking Company of Sydney, Limited, and have compared the returns of the Branches, and have found the same as specified in the foregoing Balance-sheet.

F. W. HIXSON and W. L. DOCKER Auditors.

only control 50 per cent. of the whole planted area of the Middle-East. In other words, the Association can only influence about one-third of the output, and it is appealing to the Governments of the Federated Malay and other States to bring pressure on the balance to fall into line.

It is not often we find ourselves in disagreement with Mr. Croll, who has established his reputation as one of the great leaders of the rubber industry, but we cannot follow him in this matter. He must know, as a shrewd business man, that for one-third of an industry to try to impose its will on the remaining two-thirds is not only dangerous, but likely to prove futile. The plea about restricting output in order to release tonnage for more urgent requirements is obviously untenable, because nearly all the tonnage is already commandeered, and the Shipping Controller has withdrawn all shipping facilities for rubber from the East till May, and he can continue the prohibition by a stroke of the pen. If the plantations cannot ship their goods, they would certainly be most foolish to produce them, as the trees provide by far the best and cheapest warehouse accommodation, while the cessation of tapping would give the opportunity for other useful work (weeding and improvements) to be carried out more vigorously. We have frankly admitted all that; the wisdom of the policy does not require demonstration. But if it is not done voluntarily by prudent estate managers, it is most unlikely to succeed by any process of compulsion imposed by a minority of one in two. Each company differs in its immediate requirements from every other, and to try to lay down hard and fast rules for all is bound to fail. Can Mr. Croll give any example of successful control in raising prices of an agricultural product for which there is practically an unlimited area for development?

### COMPANY RESULTS IN BRIEF.

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re-serves.	Dividend.	Carried Forward.
	£	£	£	%	£
Aberdeen Combworks Co. (Dec.)	—	13,910	24,000	16	1,140
Do. ....Prev.	—	14,880	22,000	16	1,100
British Assets Trust (Jan.)	70,090	24,920	165,000	17	10,440
Do. ....Prev.	70,310	23,260	165,000	17	14,480
Bruce, Peebles & Co. (Dec.)	26,240	14,580	nil	nil	—
Do. ....Prev.	26,240	11,930	nil	nil	—
City Property Investment Trust Corpn. (Jan.)	17,000	8,790	13,016	7½	2,530
Do. ....Prev.	15,970	8,340	13,010	7	2,030
D. Napier and Son (Sept.)	—	129,500	60,000	17½	18,740
Do. ....Prev.	—	76,850	40,000	6	9,550
Globe Shipping Co. (Dec.)	15,170	10,040	15,500	32½	920
Do. ....Prev.	28,560	7,720	20,000	25	630
Grand Hotel Co., Bristol (Dec.)	6,480	5,950	9,000	14	1,000
Do. ....Prev.	3,350	2,850	6,750	nil	280
Harrow and Stanmore Gas (½-Dec.)	47,250	8,330	6,320	5½	4,350
Do. ....Prev.	39,000	8,120	6,130	5½	3,650
H. Williamson ....(Dec.)	149,700	67,060	5,000	5	5,900
Do. ....Prev.	120,540	46,830	15,000	5	3,440
Isle of Man Steam Packet (Dec.)	38,100	30,840	403,760	10	10,830
Do. ....Prev.	40,140	30,330	271,300	10	10,330
Learoyd Bros. & Co. (Jan.)	—	26,946	45,000	15	11,680
Do. ....Prev.	—	27,710	40,000	15	12,250
Limmer and Trinidad Lake Asphalt Co. ....(Dec.)	38,340	17,650	6,000	7½	5,820
Do. ....Prev.	37,360	16,070	6,000	7½	4,250
Liverpool Exchange Co. (Dec.)	35,350	19,000	10,780	3½	3,590
Do. ....Prev.	33,190	17,380	10,380	3½	2,030
Mortgage Co. of the River Plate ....(Dec.)	138,330	73,630	465,000	20	52,260
Do. ....Prev.	131,800	68,630	450,000	20	46,130
Newcastle-upon-Tyne Electric Supply (Dec.)	309,780	129,170	316,600	8	8,460
Do. ....Prev.	263,950	103,700	32,010	7	7,430
New London Brwry. (Dec.)	103,570	18,040	1,850	nil	16,230
Do. ....Prev.	48,110	13,110	1,850	nil	9,520
Richard Irvin and Sons (Dec.)	—	65,890	70,000	15	3,140
Do. ....Prev.	—	82,900	60,000	15	23,150
Richmond Gas Stove and Meter ....(Dec.)	—	43,220	70,000	10	10,600
Do. ....Prev.	—	34,940	65,000	10	6,920
Seaham Harbour Dock (Dec.)	9,860	4,910	nil	nil	390
Do. ....Prev.	15,660	7,940	nil	nil	6,700
Tyneside Electrical Development ..(Jan.)	—	4,290	4,500	10	750
Do. ....Prev.	—	3,430	3,500	10	930
Vyse, Sons and Co. (Dec.)	59,350	42,740	85,000	12½	17,150
Do. ....Prev.	49,180	33,170	75,000	10	16,610
Western Ranches and Investment Co. ....(Nov.)	24,350	11,210	115,000	7	3,330
Do. ....Prev.	30,630	15,250	109,140	7	4,140
West of Scotland American Investment Co. (Dec.)	25,290	12,460	39,000	9	700
Do. ....Prev.	25,440	12,490	36,500	9	1,060

### What Balance Sheets Tell.

#### LINEN THREAD CO., LTD.

This very prosperous concern does not provide its shareholders or the public with a surfeit of information about its affairs, but so far as can be judged everything is healthy. For the year to September 30 last nett profits were £284,200, an increase of £8,000, and £45,000 more was brought in. The dividend of 6 per cent. and bonus of 5 per cent., tax free, are repeated, but the appropriation to reserve is doubled at £100,000, raising the total to half a million, and the balance forward is increased by £3,000 to £243,000. The capital is heavy—£3,760,000, including debentures—but the financial position looks very strong, and one of these days the ordinary shares will doubtless receive a handsome bonus in the shape of a share distribution or in some other form, but the management evidently prefers to err on the safe side. It is rather interesting to note that the unsalaried directors—how many there are in this category out of a score is not stated—get the extremely modest sum of £200 between them for their year's fees.

#### DEBENHAMS, LTD.

Nett profits for the year to January 31 amounted to £237,920, or practically the same as for the previous 12 months. Dividends, so far as disclosed, absorb £57,500, providing 6 per cent. on the preferred and deferred ordinary shares, and leaving about £180,000 to be divided "in accordance with the articles of association." We have not this interesting document to refer to, but as no mention is made either in last or this year's report of any balance brought in or carried out, and as the reserve fund amounts to the contemptible sum of £26,360 against an issued capital of a million, it seems fair to assume that profits are divided nearly up to the hilt, and that the £100,000 deferred shares get the bulk of them. However, the deferred holders have agreed to place £25,000 to a special reserve, so we should judge that the directors are beginning to be just a trifle uneasy about the position. Debtors and stock together do not much exceed the amount owing by the company (£1,250,000), and there is only £10,500 cash in hand. It does not look very pretty.

#### CANNON BREWERY CO., LTD.

Like nearly all other breweries, the Cannon had a most successful year to December 31, the nett profits showing an increase of £84,000 at £282,700. Consequently the directors repeat the dividend of 16 per cent., tax free, on the deferred ordinary (equal to 4 per cent. on the original stock), and in addition pay a bonus of 20 per cent., also tax free. This leaves £53,160, or £4,000 more, to be carried forward. Apart from this surplus, the reserves amount to only £76,000, against a capital of 3½ millions, and we are certainly of opinion that it would have been more prudent to strengthen them very substantially.

#### BENTS BREWERY CO., LTD.

Nett profits for last year are arrived at "after payment of excess duty to 1916, and provision for 1917," so that no exact comparison is possible with previous results. The figure is given as £70,380, an apparent decrease of £14,000, but £9,000 more was brought in, and the directors feel justified not only in repeating the dividend of 5 per cent., less tax, but in giving a bonus of 5 per cent., tax free. As usual, £14,000 is written off for depreciation of properties, and £2,000 is again placed to contingencies fund, leaving £19,000, or £3,000 less, to be carried forward. It is a well-managed business, and the balance-sheet has a healthy appearance, but the changes call for no remark.

#### WOOLCOMBERS, LTD.

Results for the past year are very similar to those of 1916. Gross profits, it is true, increased £10,000 to £144,250, but the nett profit is only a trifle better at £61,680. Consequently the dividend of 2s. 3d. per share is repeated, and the directors, following their usual conservative policy, again put £40,000 to reserve fund, raising it to £200,000, as against an issued capital of £260,000. There then remains £6,700, or £1,400 more, to carry forward. The company has plenty of cash resources, and, as it has been very liberal in writing off depreciation, its position is very sound.

### BONDS CANCELLED.

#### IMPERIAL JAPANESE GOVERNMENT 4½ PER CENT. STERLING LOANS OF 1905.

The Yokohama Specie Bank, Limited, London, announces that £310,000 4½ per cent. Sterling Bonds of the 1st Series, and £190,000 4½ per cent. Sterling Bonds of the 2nd Series, have been purchased on behalf of the Imperial Japanese Government for the purpose of cancellation, and the said Bonds are now cancelled.

The quantities and denominations of the Bonds so cancelled are the following:—

FIRST SERIES—	SECOND SERIES—
8 of £500	584 of £200
937 of £200	568 of £100
1,186 of £100	820 of £20

London, 15th March, 1918.

## COMPANY MEETINGS.

UNION OF LONDON AND SMITHS BANK,  
LIMITED.THE AMALGAMATION PROPOSAL UNANIMOUSLY  
ADOPTED.

## THE PRINCIPLE OF BANK FUSIONS.

## ADVANTAGES OF COMBINATION.

An extraordinary general meeting of the proprietors of the Union of London and Smiths Bank, Ltd., was held on Monday at the Cannon Street Hotel, to consider and if approved to adopt the following resolutions:—

(1) That it is expedient to effect an amalgamation of this company with the National Provincial Bank of England, Ltd., and that with a view thereto this company be wound up voluntarily, and that Frederick Eley and William Henry Sidebotham be and they are hereby appointed liquidators for the purpose of such winding up, with power to act in all matters severally as well as jointly.

(2) That the conditional agreement submitted to this meeting be and the same is hereby approved, and that the liquidators be and they are hereby authorised, pursuant to Section 192 of the Companies (Consolidation) Act, 1908, to adopt the said agreement and carry the same into effect, with such, if any, modification as the said liquidators may think expedient.

Sir Felix Schuster, Bart., the governor, presided.

The Secretary (Mr. H. R. Hoare) having read the notice convening the meeting,

The Governor said: Ladies and Gentlemen,—In putting before you the proposals which, on behalf of a unanimous board, I now have the honour to submit for your approval, your directors are fully conscious of their importance and significance, and I need not assure you that it was only after the most careful consideration from every point of view that we decided to conclude the conditional agreement with the National Provincial Bank of England, Ltd., to which we now ask your assent. I may say at once that for some time past we had come to the conclusion that some such step was desirable, if not indeed necessary, if we wished to maintain to the full the efficiency of our bank, to keep it in the first rank, and to serve both our customers and our shareholders to the best of our powers. (Hear, hear.) When the opportunity for this alliance presented itself we felt that every effort should be made to arrive at an arrangement that was fair and equitable to both parties, and this I believe we have done, and I hope to be able to show you its advantages to the shareholders, to our customers, and also to the public. To go very fully into the question of bank amalgamations generally would take a considerable time; I think each must be judged on its own merits. (Hear, hear.) The advantages in this case are so obvious that I do not think I need detain you very long. The agreement which you are asked to sanction has been open for the inspection of shareholders for the last fortnight. It is necessarily of a legal and technical nature, and I think it best that its provisions should be explained to you by our solicitor, Mr. Coward, before I make any observations on the general effect and purpose of the amalgamation. I, therefore, now ask Mr. Coward to address you.

Mr. Coward (solicitor to the bank) explained the terms of the provisional agreement.

## THE NATIONAL PROVINCIAL BANK.

The Governor: Before proceeding further, I may as well say a word or two about the National Provincial Bank of England. In my speech to the shareholders on January 30 I described it as a pioneer bank, and that is true in every sense of the word, for it is the oldest joint-stock bank now in the Clearing House. Although it entered the Clearing House at a somewhat later date, the bank was established in 1833, the London and Westminster in 1834, the London Joint Stock Bank in 1836, and the Union Bank of London in 1839. Unlike the London banks, the National Provincial Bank, as its name implies, made the provinces its centre of activity, and gradually established branches in most of the leading towns of England and Wales. It attained its present magnitude not through amalgamations, for it absorbed only a few banks of moderate size, and its growth is entirely due to natural development and careful selection of localities, and throughout the kingdom there is not a bank that stands higher in repute. (Hear, hear.) The figures for the last 25 years show continuous progress. In 1893 the deposits amounted to £41,800,000, ten years after to upwards of £50,000,000, after another ten years to £67,800,000, and last December to £112,600,000. During that period the number of branches and agencies has increased from 166 to 459. The dividends paid during that time until the beginning of the war were never less than 17 per cent.; in some years they were more. It was only after the outbreak of war that, like some other banks, they thought it wiser to reduce the dividend to its present rate of 16 per cent. This rate, therefore, affords a very safe basis for the arrangement to which we have come.

## GROWTH OF DEPOSITS.

A comparison with our own progress during the same period of 25 years may not be out of place. At the end of 1893 our deposits were £12,700,000; ten years later they came to close upon £34,000,000, but this large increase was in a great measure due to the amalgamations with the various Smiths Banks, Prescott's Bank, the London and Yorkshire Bank, and the Kentish Bank, but ten years after, without any further

purchases of banks, the deposits had risen to £41,000,000, and at the end of last year they had reached £62,818,000. (Hear, hear.) Twenty-five years ago the number of our branches was ten; at the end of 1917 the number was 227. Our dividend in 1893 was at the rate of 10 per cent.; in 1895 it was only 9 per cent. During the years before the war it was at the rate of 12 per cent., which was reduced to 10 per cent. during the war. We now ask you to exchange ten of your Union of London and Smiths Bank shares for nine in the National Provincial Bank. The name, as you have noticed, is to be altered to the National Provincial and Union Bank of England, Ltd., a name perhaps long—it is open to criticism in that respect—but it was necessary to preserve the identity of both banks as far as possible, and I may here remark that, although for the sake of brevity it has been found necessary to omit the name of Smith, there is every intention to preserve the identity of all the establishments of the bank with which that name has been so long and so honourably connected. (Hear, hear.) It will be part of our policy to maintain local boards and local directors and to retain the characteristics of all the old-established private firms who formed part of our great institution; in fact, we may claim that this is a fusion of one of the oldest, if not the oldest, of the joint-stock banks with an institution representing some of the oldest and most honoured private banking firms.

## DIVIDENDS: THE COMBINED CAPITALS AND RESERVE FUNDS.

The effect of the exchange of shares will be that if the dividend of 16 per cent. is maintained there will be an immediate increase over the dividend received during the last few years by the Union of London and Smiths Bank shareholders of something over 1 per cent. (Hear, hear.) The shares of the National Provincial Bank, which you are asked to take, are of £60 each with £12 credited as paid up, £40 of the liability being reserve liability, and as the liability on our own old shares was £84 10s., the result will be a reduction in the liability of our shareholders of a little over £41 per share—(hear, hear)—in respect of each Union Bank share the callable liability under the proposed exchange will be £7 4s. against £34 10s. formerly; the reserve liability £36, against £50. Although we directors have never attached any great importance to the liability on our shares, yet there is no doubt that a share with a smaller liability finds a readier market and is more popular. (Hear, hear.) The paid-up capital will be £5,476,884, and the reserve fund £4,000,000. It would be idle, indeed foolish, on my part if I were to attempt to prophesy as to the future, especially in these times, but I can say this: we have gone very carefully into the earning power of the combined institution, based on the averages of a number of years, and there is a very ample margin over the dividend of 16 per cent. which has been taken as the basis. I feel confident, therefore, that while securing an immediate small increase in the dividend, our shareholders will, if times are fairly prosperous, have a much better prospect of further increases than would have been the case if this amalgamation had not come about, if only for this reason, that the reserve fund in the Union of London and Smiths Bank amounts to only about 32 per cent. of the paid-up capital, and in the amalgamated bank it will amount to 73 per cent., and thus upon any large surplus earnings becoming available, contributions to the reserve fund would have been desirable on a much more ample scale than will now be the case.

## THE FUTURE.

Quite apart, therefore, from the impetus given to the business through the amalgamation itself and from the increased business which we hope to derive therefrom, and possibly economy in management, I think that with an immediate small increase in the dividend there is every prospect of a further improvement if times are only fairly favourable, whereas if worse times should come we shall feel the effect less than we should otherwise have done, and whatever befall, in the future development of the country and the process of reconstruction that will follow on the war, banking must play a more important part than it has ever done before, and for this reason it is essential that banks should be placed on a strong basis. They will be better able to serve the public, and the consequent advantage to the shareholders must be obvious. (Hear, hear.) I have dwelt chiefly on the benefits to be derived by our own shareholders from this arrangement, which, however, is, in my opinion, equally beneficial to those of the National Provincial Bank—in fact, as I observed in my speech on January 30, the two institutions complement one another to a remarkable degree, each being able to supply important parts to a more complete organisation. Whilst the advantage to the shareholders seems well established it must be equally obvious that the customers also must gain through the greater facilities placed at their disposal, and especially after the war. Business between the metropolis and the provinces is interdependent, and we ourselves have felt that we were placed at some disadvantage as compared with our neighbours through not being represented at some of the great industrial centres throughout the country, and while we felt this during the war, we should feel it to a greater extent after the war.

## A RETROSPECT.

The development of branch banking during the last 25 years has indeed been remarkable. When I first came into the bank 30 years ago there was still prevailing in the City a certain prejudice against branch banks. That was the atmosphere predominant certainly in the great London banks. Our business consisted mainly of City and West End accounts and

the agency of country and foreign banks, and a profitable and safe business it was, too. At that time many customers had the feeling that they would rather deal with the head office of a bank than with a branch. But the period of change was close at hand, and I well remember in those days—perhaps some of you do also—one of our old shareholders, Dr. Drysdale, getting up at more than one of our meetings and pressing on our directors the importance of opening new branches. It was a policy that the directors were already carefully considering and preparing to carry out. We found it necessary and also profitable to open throughout London a considerable number of branches, our customers found it profitable to use them, and thus our connection was retained. But other changes took place also. I think with the purchase of two private banks in Lombard Street by Lloyds Bank in 1884 the signal was given for a complete change in the banking system of the country. Here was a leading provincial bank becoming a member of the Clearing House. Others followed, and amalgamations took place rapidly, with the consequent loss to us of many and valuable country connections. I am glad to say that to this day we retain the agency of quite a number of important country banks with whom we have the most pleasant relations—and I am happy to be able to state that we have every reason to anticipate that those pleasant relations will be retained in every case in the future—but a great part of such business was lost through amalgamations taking place between our clients and some of our competitors. Foreign banks also, for whom we had acted as agents, opened offices in London, and if, in spite of these circumstances, we made the progress which I have shown above from year to year, it was not without considerable effort and anxious thought.

#### PREVIOUS AMALGAMATIONS.

We found we needed strengthening in the country as well as in town, and in 1902 we were so fortunate as to secure the businesses of the various Smith firms, an amalgamation which was described at that time as the biggest ever undertaken. In 1903 we further extended our sphere through the purchase of Prescott's, the London and Yorkshire Bank, and the Kentish Bank. We have never been actuated, nor are we now, by any mere desire to show big figures. What we have proceeded to do was on strictly geographical lines, and we chose localities where we thought it would be most useful to us to be represented. But good banking businesses, as going concerns, are not always to be obtained on fair terms, and we opened branches in places where no such opportunity offered. Thus gradually the number of our offices grew to the figure I have named, but the opening of new branches and bringing them to a profitable stage is somewhat slow, and especially in the centres of industry, where competition is keen, it is an expensive process. We had to proceed step by step, but even during the war we have acquired premises in various places which we have not been able to open owing to other demands on our staff. Through the proposed amalgamation we now obtain what we have so long desired, and our customers will have the full benefit of finding a branch of the bank in nearly every important business centre. We know that there has been discussion about the policy of amalgamations generally, and that a committee has been appointed to consider the subject. As far as our own action is concerned, I think it can be fully justified from every point of view. It is not a step which will lessen competition among the banks or reduce the number of banking offices, for, as I told you at our last meeting, out of 700 offices which the joint institution will have, there are only 35 places where we meet, and even in those the premises are frequently located at some distance from one another, so that both offices will be useful.

#### "NO STRIVING AFTER MONOPOLY."

There is no striving after monopoly on our part—far from it—and my belief is that the growth of a certain number of large banks to the dimensions we now see, and which certainly one could hardly have anticipated a few years ago, will tend to increase rather than to diminish competition. Anything in the nature of banking monopoly would indeed be disastrous, but so far I do not think it can be alleged that such exists, and the constant increase in the number of bank offices throughout the United Kingdom shows that with the growth of amalgamations greater facilities have been placed at the disposal of the public. According to the "Banking Almanac," the number of bank offices in the United Kingdom in 1872 was 2,024, and in 1916 it was 9,367, and the gradual disappearance of private banking firms, regrettable as it is in some respects, cannot be said to have in any way affected adversely the legitimate facilities offered to the community. I think nothing is more unjustified than the outcry one hears in some quarters that the joint-stock banks cannot do and are not willing to do what the private banks have hitherto done. Of course, it is a question of management, and there may be some cases where red tape has interfered with promptitude of decision, but such cases can be very few. Speaking for our part, I can say from experience that we have no instance whatsoever where private banks have been absorbed in ours of liberal and legitimate accommodation being less readily granted to the old customers than was formerly the case, and this applies not only to the large ones, but also to the smaller ones, whose interest we wish specially to safeguard. On the contrary, we have had numerous instances where it has been admitted that we have done more for customers than the old private bank was in a position to do. But we have striven to maintain the old local interest and connection of the private

partner in each district. His personal influence and intercourse with the customers have been maintained, and that policy will be continued. The cry against amalgamations is not a new one, and the process of amalgamations has been going on, even between private firms, for a considerable time. I need only mention the cases of the firms of Glyns and Curries, Prescotts and Dimsdales, Lubbocks and Robarts', and in Scotland, where banking is of much older date than in England, the formation of joint-stock banks in the early part of the 19th century led to the rapid absorption of private banks. In 1819 there were 36 banks in Scotland; in 1844, 24; in 1873, 11; in 1890, 10. Yet it cannot be said that Scottish banking shows any sign of monopoly or lack of enterprise.

We must not think of these matters only from our own point of view, but especially in these times from the point of view of how the trade and commerce of the country can best be assisted, and for that purpose a strong institution with large command of capital, closely in touch with the industries of the country, must be of the greatest service. It has been said that two separate banks can do as much as if they were amalgamated into one, but that is not the case where large amounts are involved, and rapidity of decision is essential. (Hear, hear.) One bank represented in different parts of the country is in the best position to transfer funds from localities where they are abundant to others where they are needed, and that is the foundation of sound banking, and must be conducive to the most economical conduct of the business life of the country.

#### A PERSONAL NOTE.

On an occasion like this a personal note is perhaps permissible. This is the 49th consecutive meeting of the shareholders of this bank at which I have had the honour to preside. (Hear, hear.) If you, as I have no doubt you will, approve of our recommendations, the confirmatory meeting a fortnight hence with be my 50th—(cheers)—a fitting conclusion, it may be, to my term of office as governor. The National Provincial, as Mr. Coward has told you, have no permanent chairman. When I first addressed you over 22 years ago, I gave you one promise—that the directors would endeavour to avail themselves of every opportunity to increase your business when it could be done with safety, but that our chief aim would be to uphold the high character and the position of the bank. This pledge I think we may claim to have carried out to the best of our power. (Cheers.) In 1850 my grandfather's brother, the first chairman of the London, Brighton, and South Coast Railway, was elected a director of this bank. It was he, I may mention, who brought about the purchase of Messrs. Dixon's bank in 1859, and thus laid the foundation for one of our most prosperous branches, the Chancery Lane branch. During these 68 years a member of my firm has, with but one very short break, been a member of our board. Thirty years ago part of the business of that firm was taken over by the bank, and I became a director. My only son, now at the front in Italy—(hear, hear)—is a local director, and but for the war would, by this time, I should have hoped, have been a director. It is not an ordinary tie, therefore, which connects me with this institution, to which the best years of my life have been devoted, and it is, I can assure you, not with a light heart that I relinquish the position which I owe to the unvarying confidence and trust with which you, the shareholders, and my colleagues have so continuously honoured me. (Cheers.) I wish on this occasion to express to you and to my colleagues my sincere gratitude for this confidence and for their loyal co-operation.

I am surrounded by some members of the oldest banking families in the country and by many directors who have been associated with this bank for a great number of years. It would be invidious to mention names amongst the older members of the board of the Union Bank, but I cannot refrain from mentioning that of Mr. Wollaston, who served the bank for 40 years—20 years as secretary and 20 years as a director—and who rendered daily devoted and loyal and most efficient service to the bank and to the board generally. There are before my mind very clearly also the names of some of our colleagues who are no longer with us. I would specially refer to Mr. Trotter, deputy-governor until we lost him five years ago. His services were really of the most valuable kind, and him we have missed greatly, and almost, I might say, every day during these last hard and trying years, in which he would have been a tower of strength. Amongst the country directors, I would also refer to the late Mr. Frank Smith, of Nottingham, the very best example of what an active private partner in a bank can do under new conditions, when he gave himself heart and soul to the Union of London and Smiths Bank, as he had done to the Nottingham firm to which he had belonged before the amalgamation.

#### THE BOARD AND THE STAFF.

We have been, and we are, a united board. Where differences of opinion have existed, as there must be where a number of men are assembled together, they have always been adjusted amongst ourselves amicably and from one point of view only—the best interests of the bank. During my tenure of office there has never been a division on the board. I have been equally fortunate in the co-operation of the most efficient and loyal managers and staff, and to them also I would like to express and acknowledge my gratitude. If there is one thing I look back to with greater satisfaction than another, it is the mutual confidence and friendship which have existed between the board and the staff of the bank. We have endeavoured to safeguard their interests in every way under

the new arrangement. I may say that it has been a source of great satisfaction to me that, when the amalgamation was announced to the staff, there was a general feeling of gratification and approbation that it should be with the National Provincial, for the staffs of both banks whenever they have come in touch have always worked well together. They are men of equal stamp, and thus there is every prospect of cordial co-operation between those to whom the carrying out of the duties of management and the work of the bank must be entrusted. I will not look upon this occasion as one of farewell. If to a certain degree we lose our complete identity, yet we shall become an important integral part of a greater institution carried on on the same principles as our own and with a wider scope. We shall have as colleagues men of high standing and great experience, whom we know and in whom we have the utmost confidence.

#### THE GOVERNMENT AND THE AMALGAMATED BANK.

As Mr. Coward has told you, it is my intention, if my health and strength permit, to give my services to the bank, as I have done heretofore, for some years at all events, and especially to that part of the business of the bank with which I have hitherto been associated. My old colleagues and I will continue to serve on the board as ordinary or extraordinary directors, and carry out our duties in the same way as we have done before. There will be no change in management. Thus I am confident that the business will go on quite undisturbed, and that the relations between the customers and the bank will be as cordial as they have hitherto been, while we feel that we shall be able to serve them better than heretofore. If, as I have said, your directors cannot contemplate the change without a certain feeling of regret—and had we consulted our own inclinations and comfort alone we should have preferred to remain as we were, and we felt quite competent to hold our own—if, then, we nevertheless felt it our duty to come to you with these proposals, it was with the unanimous conviction that they are in the best interests of all concerned. It is in that spirit that we now lay them before you; it is in that spirit that I trust you will receive them and give them your approval with a unanimous voice. I now beg to move the resolutions which have been read out to you.

The Deputy Governor (Mr. Lindsay Eric Smith), who seconded the motion, said he did so with a complete belief that the junction of their resources with those of the National Provincial Bank would be for the advantage of both institutions. He thoroughly identified himself with all that the Governor had said, and, although he was extremely sorry that the name of Smiths should go out of the banking world, in which it had held a position—he hoped not without honour—for such a long time, its inclusion in the title of the new bank was an impossibility. He desired to make grateful reference to the services of the Governor in bringing about the amalgamation, and the constant devotion of his abilities and industry to forwarding the interests of the bank.

#### SHAREHOLDERS' COMMENTS.

Mr. Deputy Millar Wilkinson expressed his satisfaction with the proposal submitted, which, he said, promised them a better market for their shares, an increased dividend, and improved prospects.

Mr. Alfred Collier said he regarded the bargain as an unfortunate one for the shareholders of the bank, inasmuch as the paid-up capital represented by every 10 shares, £155, would be written down to £108, and a dividend of 15 per cent. would be required in order to maintain their position.

Mr. H. G. Drury asked whether the appointment of a committee to consider on behalf of the Government the question of bank amalgamations was likely to impede or prevent the amalgamation now under consideration.

The Governor, in reply, said that the sanction of the Treasury had been obtained before the committee referred to was appointed, and, as far as was necessary, the sanction of the Government had also been given to the proposed change of name. With regard to the point raised by Mr. Collier, the amount by which their capital was to be written down, nominally, was preserved to them in the reserve fund. The writing down of capital was really a nominal matter, but the strength of the bank was enhanced if the reserve fund was very large as compared with the capital. As to the dividend, he had shown them that it would be 16 per cent., so that their standing would be improved so long as the amalgamated bank could keep up the dividend at 16 per cent. He had told them also that the directors had gone very carefully into the question of earning power, and that there was very ample margin above the 16 per cent. The prospect of a rise in their income was much better under the new arrangement than it would be if the Union of London and Smiths Bank remained as it was.

The resolutions were then put to the meeting and unanimously adopted.

Mr. Millar Wilkinson moved a resolution according the best thanks of the meeting to the Governor, Deputy Governor, and Court of Directors for having carried the negotiations to a successful conclusion, and expressing its conviction that the amalgamation would result in increased benefit to all parties concerned.

Mr. Ward seconded the motion.

Mr. J. A. Clutton-Brock (a director) said that the great burden or responsibility had rested upon the shoulders of the Governor, with whose references to the amalgamation he entirely agreed, for it was a partnership conferring great advantages on both sides. Sir Felix Schuster had conducted the negotiations, and on behalf of the board he (the speaker)

bore witness to the unflagging energy exhibited by the Governor in the discharge of his duties.

Mr. H. H. Hart (one of the general managers) associated himself with Mr. Clutton-Brock's expression of views, and spoke of the strong personal interest which the Governor had always taken in all that affected the staff.

The resolution was unanimously adopted, and the Governor returned thanks.

A vote of thanks to Sir Felix Schuster for presiding concluded the proceedings.

### SCOTTISH WIDOWS' FUND AND LIFE ASSURANCE SOCIETY.

The 104th general court of the Scottish Widows' Fund and Life Assurance Society was held at Edinburgh on Tuesday, E. A. Davidson, Esq., the chairman of the ordinary court of directors, presiding.

After referring to the unavoidable absence of the Earl of Rosebery, the president of the society,

The Chairman said: The work of the past year was carried on under conditions in many respects even more difficult than those of the previous year. Most of our inspectors are away on war service, and a large number of the agents are themselves away, and also the bulk of the young and healthy lives from whom we should normally derive a large proportion of our business. In these circumstances, we think the members will feel, as we do, that the new business of the year is satisfactory. We actually received more proposals and issued more new policies than in 1916, but on the average they were for smaller sums, and consequently the total amount of new business was reduced.

The figures are as follows:—

New policies issued	...	...	...	2,302
Total sums assured	...	...	...	£1,422,389
Amount reassured with other offices	...	...	...	67,500
Nett new sums assured after deducting re-assurances	...	...	...	1,354,889

bringing in single premiums of £10,967 and new annual premiums of £60,828. I am glad to say that last year the total amount of death claims was considerably lower than in any of the previous war years, and in fact not greatly above our normal average. \* The total amount, including bonus, was £1,180,736, as compared with £1,350,454 in the previous year and £1,325,576 in 1915. These figures include war claims amounting in 1917 to about £176,500. The total war claims up to the end of 1917 amount to about £539,000, representing a nett loss to the society of about £400,000, after deducting, from the gross amount paid, the amounts which were held in reserve against the policies and the extra premiums where payable in respect of war risks. The total death claims for the year are once more well within the amount normally provided for in the society's valuation, being in fact about 83 per cent. of that amount. Our claims by survivorship, which represent no loss to the society, were down by about £60,000, so that the total claims are less than in 1916 by over £229,000. Turning again to the accounts, you will observe that the premium income is slightly higher, and the purchase money received for annuities considerably higher, than in 1916. On the other hand, the commission and expenses of management were appreciably down, partly owing to the smaller new business—the ratio of the expenses, including commission, to the premium income being the very satisfactory one of only 9.62 per cent. The gross interest income shows a further satisfactory increase, and the gross rate of interest earned on the entire funds is increased from £4 12s. 1d. per cent. in 1916 to £4 16s. 6d. per cent. in 1917, an increase of over 4s. per cent. The nett rate of interest shows little change, but we are now, of course, feeling the full severity of the 5s. income-tax, which presses very heavily, and indeed unfairly, on a life office whose members as a whole are subject to a much lower rate of tax. We cannot but hope that in course of time the position will be remedied. The total income of the year was £2,359,077, and the total outgoings £1,930,877, showing an excess of income over expenditure to the amount of £428,200. In the ordinary course this would have been added to the funds, but in preparation for the quinquennial investigation at the end of this year when the values of our securities will have to be revised, the directors have thought it desirable to carry to an investment reserve fund a round sum of half a million. After providing for this amount the funds at the end of the year amounted to just under 2½ millions.

The principal financial event of the year was, of course, the very successful result of the great 5 per cent. War Loan. The chairman at last year's meeting reported that our total holding of the New War Loan was over 5½ millions, in addition to other war securities, bringing up the total to over 7 millions sterling. Since then we have had the issue of National War Bonds on a basis very favourable to the investor, and the favourable results of the year have enabled us also to find the necessary funds for taking our share in the very gratifying success of the new National War Bonds. Of these we have taken a total of about three-quarters of a million, and our aggregate holding of British Government war securities now exceeds 7½ millions, representing an investment of one-third of our funds, or an average investment of over £100 for every policy on our books. I think these figures must certainly be gratifying to the members and to all connected with the society.

This is the last year of our quinquennial period, and at the end of the year the usual detailed investigation and actuarial

valuation will be made. Whether we shall then be still at war or whether happily peace may by that time have been reached, it is clear that the valuation will be made under very abnormal conditions. You will not therefore expect me to be able to-day to anticipate the results of that investigation, but I can confidently say that our financial position is such that we can look to the future with every degree of assurance in the unshakable stability of the society. The last year of an investigation period is one in which we always expect to do a larger business than usual, and I would remind the members of this great mutual society that it is their privilege and duty to assist in extending the connections of the society for the common good. Personal recommendation on the part of those who have themselves experienced the benefits offered by the society is very effective because disinterested, and most of the members must have friends and acquaintances who have not yet made full and sufficient provision for their families and for their own old age by means of life assurance, the value and importance of which were perhaps never greater than at the present time.

I have now formally to move the adoption of the report and accounts.

The resolution was unanimously carried; and on the motion of Provost Lindsay, Leith, seconded by J. Hope Campbell, Esq., W.S., the vacancies on the board were supplied by the election or re-election of the gentlemen recommended by the extraordinary court; after which a resolution moved by Sir R. R. Simpson, W.S., and seconded by T. D. Hunter, Esq., was passed, thanking the directors and office-bearers for their service during the past year, to which the Chairman replied.

On the motion of the Chairman it was resolved that the next general meeting be held on such day as the directors may fix.

A vote of thanks was accorded to the chairman on the motion of Sir George Anderson, and the proceedings terminated.

Owing to the national need for economy of paper, the society's full report will not this year be circulated as usual among the members, but any member desiring a copy may obtain one on application to any of the society's offices, and an abstract of the report is appended.

#### ABSTRACT OF THE SOCIETY'S REPORT AND ACCOUNTS For the Year ended December, 1917.

##### NEW BUSINESS.

Proposals received, 2,734 for	£1,723,198
New business actually completed, 2,302 policies for...	1,422,389
Re-assured with other offices	67,500
Nett new sums assured	1,354,889
Nett single premiums received	10,967
Nett new premium income (per annum)	60,828

##### ACCOUNTS.

Premium income	1,429,193
Interest income, gross	1,061,507
Interest income, less tax	836,164
Total income of the year	2,359,077
Excess of income over outgoings	428,200
Average gross rate of interest realised (subject to deduction of income-tax)	£4/16/6
Death claims for the year, including war claims...	1,180,736
Claims by maturity...	338,680
Expenses and commission, representing 9.62 per cent. of the premium income, or 5.83 per cent. of the total revenue	137,523
Amount carried to investment reserve fund	500,000
Assurance and annuity funds at the end of the year...	22,383,714

#### UNDERGROUND ELECTRIC RAILWAYS COMPANY OF LONDON.

The yearly meeting of the Underground Electric Railways Company of London, Ltd., was held on Friday, March 8, at Caxton Hall, Westminster, the Right Hon. Lord George Hamilton, G.C.S.I. (the chairman), presiding.

The Secretary (Mr. W. E. Mandelick) read the notice convening the meeting.

The Chairman, in the course of his remarks, said:—The last year has been remarkable for the growth of total business done, but that growth has unfortunately been accompanied by an almost equivalent increase of expenditure. The total gross receipts of the five operating companies parties to the Common Fund Agreement during the year 1917 amounted to £6,661,863—an increase of £623,334 over the previous year—and the revenue liabilities of the companies, which term includes working expenses, debenture interest, and preference dividends, as well as provision for depreciation and reserves, increased by £609,964. Nearly half the increase in expenses was due to increased war bonuses to the staff, both on the railways and on the omnibuses. We can hardly anticipate any decrease in the rate of growth of the working expenses. All materials required for the maintenance of the properties increased in price, and the difficulty of obtaining many of the materials and sufficiently skilled labour was such that the maintenance has not been up to the high standard of the past. This fact has forced the railway companies to increase further the appropriation to reserves, so that they may be able to cover the cost of the extraordinary repairs and renewals that will be necessary at the close of the war. As regards fares, they have been raised during 1917; these rises, coming gradually into operation during last year, account for a certain proportion of the increased receipts. This year will, we hope, benefit to the full extent by the estimated in-

creases. The Underground occupies a unique position, as it is now an enterprise which has so grown and extended itself that it controls a large proportion of the transportation of passenger service in London. It carries approximately 900,000,000 passengers a year, and the majority of the fares of these passengers is twopence or under. The increase in fares was not made by arbitrarily fixing a uniform flat rate of 25 to 50 per cent. increase on all fares, but in a readjustment and rearrangement of fares, so that each part of the system and each distinctive route of traffic between the fixed points should fairly contribute its quota towards the increased cost. The various companies will continue assiduously and vigilantly to prosecute this work of adjustment, framing the fares so as to take with them as far as is possible the good will of those they carry. But this readjustment of fares in the case of season-ticket rates cannot be made without the consent of the Board of Trade, as they control the District Railway. So far they have refused to allow an increase on season tickets on that line, and this refusal not only prevents an increase on season tickets on other lines, but makes a rise in other directions more difficult. The Chairman then dealt with the position of the undertakings in which this company's investments are mainly placed, and stated that their income from the investments amounted to £606,730 against £653,361 in the previous year. This income, he proceeded to say, covers the payment of all fixed and cumulative charges and 4 per cent., free of tax, for the year on the 6 per cent. income bonds of the company. The balance carried forward shows a small increase. It may be a disappointment to the income bondholders that there has been a reduction of 1 per cent. upon the dividend payable to them as compared with that of last year, and I understand and participate in their disappointment. But the directors of the operating companies were, in our judgment, absolutely right in the course they took of providing the means by which upon the termination of war the Underground will be able to respond to the increased traffic demands which are certain to be made. If the deferred maintenance of the properties in which we are interested cannot rapidly be made good after the war, we invite, if we do not necessitate, competition. By want of foresight and precaution we ourselves invalidate our otherwise secure position. The loss on foreign exchange to which I referred fully in speaking to you last year has been somewhat reduced in the current year. Fewer of our coupons were cashed abroad, and the exchanges were more favourable. A review of the past inspires me with confidence as regards our future. We have successfully weathered three years of exceptional stress and privation, and if only we resolutely follow a policy by which we internally strengthen ourselves for the future developments and intercommunications which must occur after the war, and at the same time retain the good will of the public we carry, our future should be assured. In conclusion, the chairman moved the adoption of the report and accounts.

The Right Hon. Sir Algernon West, G.C.B., seconded the motion, which was carried.

#### Answers to Correspondents.

\*: A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.

Deposits against future queries may be lodged with the Publisher.

S. R.—(1) There is, perhaps, no hurry to average; at the same time, do not miss your chances. (2) There may be no dividend here for many years. Not worth buying, not even as a mere speculation.

West Away.—Yes, very fair indeed.

Dinnie.—Not unless held on borrowed money. They may go down in the mêlée, but are good to come up again.

L. G. R.—(1) These have had a sharp rise, and are high enough at present. If fall back to about 27s. 6d., might be worth picking up. (2) If you are prepared to hold, yes; but we do not anticipate any great change. (3) Should not touch these just now.

Wykamist.—(1) We fear there can be no appreciation in the near future, but the income is safe, and unless you can sell and reinvest in stocks giving you a better income, it would be a pity to sell now. (2) All should be held, we think. (a) The chaos existing cannot continue. (b) There is a slight improvement here, and the stock should be worth holding. (c) There is good security for this, and it should be held.

J. G. D.—Why not take your profit?

Mercer.—The company has a wonderful business, but it would be prudent to sell half, as you would have more than your original cost back.

L. F.—The company is doing wonderfully well, and you might buy a few more.

Cotton Growing in South Africa.—The South African Industries Advisory Board is inquiring into the possibilities of encouraging cotton cultivation in the Union of South Africa. The area expected to be placed under cotton during the ensuing season is estimated at from 7,000 to 10,000 acres. Quite a number of farmers are planting cotton in Zululand. Upwards of 2,000 acres have been planted in one district there.

## INDIAN RAILWAYS.

NAME.	Week ending	GROSS TRAFFIC FOR WEEK.			Wks.	GROSS TRAFFIC TO DATE.		
		Amount	In. or dec. on last year.	Rs.		Amount	In. or dec. on last year.	Rs.
Assam Bengal ..	Jan. 12	1,45,257	—	32,218	1	19,83,756	—	73,156
Barsi ..	" 19	97,800	—	21,300	1	6,74,800	—	1,81,200
Bengal & N.W. ..	" 12	4,07,870	—	8,591	1	55,17,561	—	6,10,614
Bengal Nagpur ..	" 19	10,13,000	—	28,000	1	4,30,25,161	—	34,10,681
Bombay, Baroda ..	Mar. 2	15,18,000	—	51,300	1	3,14,45,000	—	6,04,000
Burma ..	Dec. 1	4,34,771	—	36,671	1	35,08,821	—	3,03,650
Delhi Umballa ..	Mar. 2	84,100	—	14,886	1	19,34,386	—	2,44,551
East Indian ..	" 2	24,18,000	—	56,000	1	5,36,17,000	—	17,78,000
Gt. Indian Penin. ..	" 9	24,55,700	—	2,09,100	1	4,88,09,753	—	29,28,048
Lucknow-Bareilly ..	Jan. 12	48,676	—	2,438	1	7,09,339	—	90,515
Madras and S. ..	" 19	9,50,000	—	79,295	1	1,59,27,643	—	10,62,877
Mabratia ..	" 19	1,40,648	—	12,421	1	20,05,604	—	5,002
Nizam's Gd. (Broad) ..	" 19	1,00,158	—	10,551	1	13,08,102	—	8,671
Robilkund and ..	" 12	29,478	—	9,031	1	6,21,474	—	54,436
Kumaon ..	" 19	5,60,190	—	4,038	1	1,02,91,924	—	6,32,036
South Indian ..	" 12							

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Rs.	Wks.	Amount	In. or dec. on last year.	Rs.
Dublin United ..	Mar. 1	7,305	—	1,364	1	61,814	—	11,088
Hastings and Dist. ..	" 11	1,050	—	400	1	9,427	—	895
Isle of Thanet ..	Feb. 23	170	—	52	1	3,587	—	1,612
Lancashire United ..	Mar. 6	2,322	—	781	1	23,270	—	7,263
Provincial ..	Jan. 25	2,479	—	729	1	39,274	—	5,566
Yorks. (Wst. Rng.) ..	Mar. 10	2,287	—	549	1	23,407	—	5,631

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last year.	Rs.	Wks.	Amount	In. or dec. on last year.	Rs.
Alabama Power ..	Jan. 5	129,919	—	19,173	1	129,919	—	19,173
Anglo-Argentine ..	Mar. 11	57,977	—	5,382	1	538,059	—	35,156
Auckland Electric ..	Oct. 26	22,308	—	880	1	92,118	—	7,832
Brazilian Traction ..	Dec. 1	M7,312,000	—	M757,000	12	M8,485,000	—	M731,500
Brisbane Elec. Inv. ..	Oct. 1	33,580	—	820	10	328,420	—	2,000
British Columbia ..	Dec. 1	107,333	—	30,967	5	599,797	—	66,091
B. A. Lacroze ..	Feb. 3	34,397	—	1,580	8	303,775	—	1,239
Burmah Electric ..	Jan. 9	Rs. 25,429	—	Rs. 2,627	1	134,537	—	Rs. 144
Calcutta ..	Mar. 9	Rs. 67,174	—	Rs. 6,697	1	Rs. 64,578	—	Rs. 27,985
Carthage and ..	Feb. 6	4,031	—	808	1	8,042	—	837
Herrerias ..	" 7	12,845	—	413	10	134,966	—	641
Cordoba Light ..	Jan. 1	12,246	—	58	1	12,246	—	58
P. & T. ..	" 7	4,711	—	396	12	48,962	—	1,873
Hongkong ..	" 1	22,519	—	5,211	1	22,519	—	5,211
La Plata ..	Feb. 28	Rs. 33,553	—	Rs. 5,042	1	Rs. 149,194	—	Rs. 5,257
Lima ..	Aug. 8	65,467	—	4,667	8	547,492	—	70,625
Madras Electric ..	Nov. 8	215,256	—	108,666	1	3,193,106	—	197,227
Manila Electric ..	Feb. 8	5,662	—	1,057	1	11,023	—	1,295
Mexico ..	Dec. 29	13,201	—	1,173	1	668,805	—	11,901
Rangoon ..	Nov. 8	42,556	—	8,753	11	5,032,176	—	239,133
Singapore Electric ..	Feb. 7	34,573	—	2,269	4	135,674	—	10,261
Toronto ..	Nov. 5	46,300	—	10	1	567,000	—	—
United of Monte V. ..	Nov. 5	86,888	—	14,744	11	748,976	—	327,782
Vera Cruz ..	" 10							
Winnipeg ..	" 10							

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Rs.	Wks.	Amount	In. or dec. on last year.	Rs.
Alcoyand Gandia ..	Mar. 9	Ps. 9,000	—	2,000	1	Ps. 89,900	—	Ps. 16,170
Antofagasta (Chili) ..	Jan. 10	40,060	—	11,390	1	376,535	—	5,305
Arauco ..	Jan. 10	14,000	—	2,000	1	14,000	—	2,000
Argentine N.E. ..	Mar. 9	8,000	—	1,100	1	298,180	—	59,998
Bilbao R. and Cants ..	Feb. 1	8,953	—	655	8	8,062	—	433
Bolivia ..	" 1	9,500	—	639	8	89,236	—	49,230
Brazil ..	Nov. 8	M4,746,000	—	M661,379	1	M453,300	—	M528,971
Brazil Gt. Southern ..	Mar. 9	M14,440,000	—	M850	1	M471,527	—	M51,057
B. Ayres & Pacific ..	Jan. 9	125,000	—	44,000	1	2,965,000	—	107,000
Do. Central ..	Jan. 9	29,421	—	8,949	7	175,667	—	4,155
Do. Gt. South'n ..	Mar. 10	149,000	—	26,000	1	3,837,705	—	239,549
Do. Western ..	" 10	72,000	—	28,000	1	1,687,000	—	154,000
Central Argentine ..	" 9	159,000	—	69,000	1	3,563,200	—	291,200
C. Ur. G. of Mte V. ..	" 9	21,064	—	6,554	1	646,096	—	179,541
Do. East'n Ex. ..	" 9	5,789	—	52	1	175,772	—	8,680
Do. North'n Ex. ..	" 9	3,965	—	1,396	1	114,726	—	29,605
Do. West'n Ex. ..	" 9	2,698	—	1,116	1	76,355	—	10,839
Cordoba Central ..	" 9	38,700	—	10,980	1	1,037,980	—	14,490
Costa Rica ..	Jan. 19	3,996	—	2,749	1	81,054	—	66,253
Cuban Central ..	Jan. 9	41,451	—	10,780	1	631,878	—	129,868
Dorada Extension ..	Feb. 1	7,400	—	1,400	2	15,700	—	2,300
Egyptian Delta ..	Jan. 31	11,173	—	3,595	1	240,609	—	57,320
Entre Rios ..	Mar. 9	20,900	—	7,400	1	522,600	—	101,500
French Sante Fé ..	Aug. 2	132,000	—	29,099	8	900,336	—	173,429
Gt. South. of Spain ..	Mar. 2	Ps. 34,528	—	Ps. 6,189	1	Ps. 273,261	—	Ps. 60,636
Gt. West. of Brazil ..	" 13	18,800	—	6,800	1	188,900	—	49,950
Havana Central ..	Feb. 23	11,079	—	3,208	1	280,549	—	51,497
Inter. of C. Amer. ..	Feb. 23	23,424	—	8,199	1	23,424	—	8,199
La Guaira and Car. ..	Feb. 1	5,500	—	3,500	1	13,750	—	4,250
Leopoldina ..	Feb. 9	29,842	—	5,429	1	325,751	—	88,352
Midland Uruguay ..	Feb. 1	10,000	—	3,260	3	104,920	—	4,110
Mogiana ..	Nov. 1	M2,242,000	—	M224,440	1	M21,669,300	—	M247,712
N.W. of Uruguay ..	Feb. 1	23,000	—	1,202	3	212,065	—	19,748
Nitrate ..	" 15	34,997	—	3,269	1	107,993	—	8,713
Paraguay Central ..	Mar. 9	2,440	—	260	1	103,330	—	13,530
Paulista ..	Nov. 8	M3,506,000	—	M589,750	11	M306,400	—	M142,616
Peruvian Corp. ..	Feb. 1	592,410	—	580,640	8	S8,203,030	—	S917,638
Salvador ..	" 23	83,112	—	1,055	1	57,556	—	86,350
State of Bahia S.W. ..	Jan. 10	M14,000	—	M8,000	1	M14,000	—	M8,000
S. Paulo (Brazilian) ..	Mar. 10	34,154	—	15,005	1	359,160	—	333,769
Sorocabana ..	Feb. 1	M4,107,000	—	M224,206	7	M16,988	—	M173,505
Taitai ..	Feb. 1	22,293	—	5,348	8	204,286	—	56,904
United of Havana ..	Mar. 9	93,236	—	31,613	1	1,845,071	—	447,489
West'n of Havana ..	" 9	13,000	—	4,495	1	294,463	—	79,121
Zafra and Huelva ..	Jan. 1	10,923	—	782	1	10,923	—	782

\* Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Rs.	Wks.	Amount	In. or dec. on last year.	Rs.
Beira ..	Nov. 8	£6,698	—	1,436	1	124,329	—	8,374
Canadian Northern ..	Mar. 7	\$665,400	—	\$2,700	1	\$27,929,500	—	\$437,700
Canadian Pacific ..	" 7	\$2,617,000	—	\$175,000	1	\$22,726,000	—	\$1,041,000
Gr. Trk. Main Line ..	" 7	185,596	—	11,660	1	1,420,679	—	154,863
Gr. Trk. Western ..	" 7	34,543	—	390	1	279,335	—	14,704
Detroit G. H. & M. ..	" 7	12,729	—	1934	1	97,361	—	4,322
Gr Trk Pac Prairie Sc ..	" 7	20,323	—	1,768	1	206,090	—	59,071
Mashonaland ..	Nov. 8	56,698	—	1,486	1	56,698	—	1,486
Mid. of Westn. Aus. ..	Jan. 1	9,296	—	790	7	54,517	—	4,005
New Cape Central ..	Feb. 2	2,547	—	672	1	11,286	—	1,356
Rhodesia ..	Nov. 8	9,498	—	3,364	1	9,498	—	3,364

\* Months. † July 1. † Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME	Month.	NETT EARNINGS FOR MONTH.			Mo.	NETT EARNINGS TO DATE.		
		Amount.	In. or Dec. on last year.	Dols.		Amount.	In. or Dec. on last year.	Dols.
Atchafalpa T. & S. Fd ..	Dec.	3,543,000	—	240,000	12	47,829,000	—	1,248,000
Atlantic Coast Line ..	"	2,036,000	—	420,000	12	12,014,000	—	607,000
Baltimore & Ohio ..	"	1,851,000	—	1,665,000	12	30,589,000	—	3,425,000
Canadian Northern ..	Jan.	65,300	—	758,500	6	3,375,160	—	2,961,000
Canadian Pacific ..	Jan.	1,168,000	—	1,263,000	1	1,168,000	—	1,263,000
Chesapeake & Ohio ..	Dec.	1,238,000	—	44,000	12	14,099,000	—	1,400,000
Chicago & N.W. ..	"	2,711,000	—	10,000	12	27,000,000	—	3,634,000
Chicago Buri. & Q. ..	Nov.	1,642,000	—	2,031,000	11	31,281,000	—	3,956,000
Chicago G.W. ..	Dec.	388,000	—	11,000	12	3,876,000	—	1,006,000
Chicago Mil. & S.P. ..	"	892,000	—	1,726,000	12	21,667,000	—	9,360,000
Chicago, Rock I. & P. ..	"	1,362,000	—	419,000	12	17,823,000	—	2,953,000
Colorado & Southern ..	Nov.	444,000	—	233,000	11	5,330,000	—	370,000
Cuba ..	Dec.	363,000	—	311,000	6	1,136,000	—	155,000
Delaware & Ind. ..	"	4,000	—	509,000	12	5,686,000	—	2,124,000
Denver & Rio Gran. ..	"	296,000	—	424,000	12	7,418,000	—	1,963,000
Erie ..	"	507,000	—	1,848,000	12	10,538,000	—	5,277,000
Gr. Tr. Main Line ..	Nov.	£86,200	—	£128,600	11	£1,907,300	—	£139,950
Grand Trunk Western ..	"	£15,650	—	£1,950	11	£23,200	—	£67,700
Gt. Northern ..	Dec.	1,165,000	—	1,401,000	12	22,937,000	—	6,179,000
Illinois Central ..	Nov.	1,466,000	—	409,000	11	17,538,000	—	2,559,000

# The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

Vol. XLI.—No. 1,055.]  
NEW SERIES.

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[Price 6d.]

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## CANADA.

### THE DOMINION BANK.

Head Office, TORONTO.

Total Assets - - \$109,436,000.

SIR EDMUND B. OSLER, President.

W. D. MATTHEWS, Vice-President.

C. A. BOGERT, General Manager.

London Branch, 73, CORNHILL, E.C. 3.

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.

General Banking business transacted. Informa-

tion furnished regarding Canadian matters.

### ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

PAID-UP CAPITAL .. \$2,000,000

RESERVE AND UNDIVIDED PROFITS .. 914,968

DEPOSITS .. 26,177,865

Head Office: ST. ANDREW SQUARE, EDINBURGH.

Cashier and General Manager, A. K. WRIGHT. Secretary, J. B. ADSHEAD.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager. ALEX. DICK, Deputy-Manager.

Glasgow Office: EXCHANGE SQUARE.

A. DENNISTOUN, Agent. THOMAS LILLIE, Sub-Agent.

167 Branches throughout Scotland.

Banking Business of every description transacted. Accounts opened and Agency business undertaken for Foreign and Colonial Banks and other financial establishments. Drafts, Circular Notes, and Letters of Credit issued—available throughout the world. Cable transfers are also made. Deposits received at interest repayable at call or at notice. Correspondence invited.

### THE WESTERN AUSTRALIAN BANK.

Established 1847.

Paid-up Capital .. \$200,000 0 0 25,000 Shares of £10 each.

Reserve Fund .. \$700,000 0 0 Reserve Profits .. \$10,085

Reserved Liability of Shareholders \$250,000.

Drafts issued Remittances cabled, Bills negotiated or collected, Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents, The Bank of Adelaide, 11, Leadenhall St., E.C.3.

### THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

### THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital .. .. Yen 48,000,000

Capital Paid Up .. .. Yen 36,000,000

Reserve Fund .. .. Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Bombay.	Honolulu.	New York.	Singapore.
Calcutta.	Hong Kong.	Osaka.	Sydney.
Changchun.	Kobe.	Peking.	Tientsin.
Dairen (Dalny).	Los Angeles.	Rangoon.	Tokyo.
Fengtien (Mukden).	Lyons.	San Francisco.	Tsinanfu.
Hankow.	Nagasaki.	Seattle.	Tsingtau.
Harbin.	Newchang.	Shanghai.	

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

### THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorized Capital .. £1,000,000. Subscribed Capital .. £225,000

Paid-up Capital .. .. £300,000

Reserve Fund .. .. £400,000

Uncalled Capital .. .. £1,040,000

Reserve Liability of Shareholders .. .. £125,000

£1,790,000

London Office—17, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD Manager.

## BANKS.

## THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised .....	£1,500,000
Capital Issued .....	1,125,000
Capital Paid Up .....	562,500
Reserve Fund .....	600,000

## Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS  
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

## THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital .....	£4,000,000
Paid-up Capital .....	1,800,000
Reserve Fund .....	2,000,000

## BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Río Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, São Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILI.—Valparaíso, Santiago. FRANCE.—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

## THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71, Old Broad Street, E.C. 3.

Subscribed Capital .. .. .	£1,276,747	10	0
Paid up Capital .. .. .	669,685	0	0
Reserve Fund and Undivided Profits ..	375,680	11	8
Reserve Liability of Proprietors .. ..	606,962	10	0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

## ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office—38, Lombard Street, E.C. 3.

Subscribed Capital .. .. .	£1,078,975	0	0
Paid-up Capital .. .. .	539,437	10	0
Further Liability of Proprietors .. ..	539,437	10	0
Reserve Fund .. .. .	500,000	0	0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION, Manager.

## BANK OF NEW ZEALAND.

(Incorporated July 25th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, Queen Victoria Street, London, E.C. 4.

AUTHORISED CAPITAL .. .. .	£5,500,000
SUBSCRIBED CAPITAL .. .. .	

Four per Cent. Guaranteed Stock .. ..	£549,988
"A" Preference Shares issued to New Zealand Government ..	500,000
"B" Preference Shares issued to New Zealand Government ..	250,000
Ordinary Shares .. .. .	1,500,000

Reserve Fund and Undivided Profits .. ..	£2,779,988
Negotiates and collects Bills of Exchange .. ..	£2,779,988

Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

## BANKS.

## BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital .. .. .	£3,904,860
Reserve Fund .. .. .	2,875,000
Reserve Liability of Proprietors .. ..	3,904,860
	£10,684,720

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.

H. L. M. TRITTON, Esq.

WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager.

J. S. CAMPBELL, Secretary.

HALKERSTONE MELDRUM,

DAVID GEDDIE,

Assistant Manager.

Accountant.

The Bank has 331 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

## THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £2,000,000; together £4,000,000

Reserve Liability of Proprietors .. .. . 4,000,000

Total Capital and Reserves .. .. . £8,000,000

HEAD OFFICE - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

## INSURANCE.

## A GREAT NATIONAL DISTRIBUTION

### THE PRUDENTIAL

Paid to its Policyholders in 1917 over  
£9,700,000

or over £31,000 for each Working Day.

## THE PROVIDENT ASSOCIATION OF LONDON

LIMITED.

Provident House, Bishopsgate, London, E.C. 2.

Founded 1877.

AUTHORISED BY ACT OF PARLIAMENT, INTITLED PROVIDENT ASSOCIATION OF LONDON ACT, 1910.

Invested Funds - - - £6,822,535.

Total Advances upon House Property to Policyholders and Certificate-holders exceed

8½ MILLIONS.

W. W. BENHAM, } Joint  
J. J. GREEN, } Managers.

PROVIDENT HOUSE, BISHOPSGATE, LONDON, E.C. 2.

## NOTICE.

### JAMES EADIE, LIMITED.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Debenture Stock and Preference Shares of this Company will be CLOSED from March 22nd to April 5th (both inclusive).

By Order of the Board,

CHARLES W. INSLEY, Secretary.

# The Investors' Review.

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*Letters from correspondents must, in every case be authenticated by the name and address of the writer.*

*The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and he cannot accept responsibility for statements made therein.*

## ANSWERS TO QUERIES.

**One Reply to One Question—One Shilling.** Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

**Telegrams** advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

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## Passing Events.

For some time it has been forced upon us that if THE INVESTORS' REVIEW was to surmount the difficulties arising from increased cost of production, and especially from increased cost of paper, it would have to be to some extent remodelled. We have been very reluctant to make changes; but it is now inevitable, for not only is the cost of paper five-fold what it was before the war, but supplies have been still further restricted. As a beginning, therefore, we have decided to discard our largest type and print the paper in the smaller type hitherto used for reports of all kinds. This will provide some compensation to readers for the reduced size of the paper, which must come. We shall try to crowd as much into the diminished page space as possible, and to condense the contents so as to retain variety.

Some of the results produced by the brilliant campaign undertaken by the advertising agencies employed by the Government are seen this week in the returns relating to War Bond sales. The actual amount encashed last week was £34,987,000, less than in the preceding week, but the amount applied for was £55,013,000, embraced in 51,526 applications. The total amount subscribed in War Bonds was, therefore, on Saturday last £577,423,450, embracing 456,138 applications. These figures include a considerable amount actually invested during the Business Men's Week, March 4 to 9 inclusive. In the fortnight, therefore, which contained that week, £167,034,000 has been added to the total amount credited to National War Bonds sold by the Bank of England, and the impulse given by the resolute campaigning appears to be not yet wholly spent. The Post Office issue of National War Bonds has also been encouraging. The figures for the week ended March 9 are not yet available, although an estimate of 2,900,000 is put out, raising the total sold to the public to the date named to £22,450,000. Up to March 9, the total number of War Savings Certificates sold since the issue began was 167,315,246, representing £129,669,315.

The revenue collected by the Exchequer in the week ended March 16 was £21,079,000 from taxes and State monopolies. This brought up the total income of the Exchequer for the fiscal year to Saturday last to

£653,360,000, or £14,760,000 more than the Budget estimate of revenue for the complete year. Last week's receipts were rather smaller than those of the preceding week, but still good enough to warrant us in expecting a revenue of at least £50,000,000 in excess of the estimate by March 31, and that is encouraging for the future more even than for the time being. Altogether last week's Exchequer overturn was £112,096,400, which compares with £173,962,000, the aggregate in the previous week. The principal source of the decline last week lay in the smaller amount of Treasury bills handled, fresh issues having amounted to only £33,269,000, and the repayments to £61,168,000. Of this larger amount paid off an undisclosed portion represented subscriptions for National War Bonds, but whatever the origin, thanks to the larger repayments, the total of Treasury bills outstanding has now been brought down to £995,596,000, a reduction of £27,899,000 on the week, and of nearly £56,000,000 within three weeks. The last date on which Treasury bills outstanding were under £1,000,000,000 was in the week ended November 3, 1917. The total was then £991,036,000. We shall be delighted to see the present figure brought down steadily and much further, because it will show that the country is resolutely providing fresh means with which to end the campaign in the requisite triumphant fashion. Expenditure on supply last week was only £46,000,000, or a daily average of £6,571,000. Including the small outlays on war debt interest and miscellaneous demands, the daily average was £6,747,000, quite a soothing reduction as things go, but that does not include £1,000,000 devoted to the sustenance of war loan prices on the market, or to "depreciation." Besides the Treasury bills paid off, £1,291,450 of War Loan and Exchequer bonds were redeemed, as also £52,100 of Expenditure certificates, presumably converted into National War Bonds. There was also £378,314 debited to the China indemnity, and £1,025,000 of temporary advances were paid off against £7,500,000 raised, so that the actual increase in this form of debt was £6,475,000. The revenue proved £2,066,000 short of meeting the demands, consequently Exchequer balances were reduced by that amount to £14,665,493. A year ago they were £32,194,000. It will be very interesting to have these figures classified and unravelled when the Budget comes to be presented.

At last we have been told the main facts about shipping losses, and they are not so alarming as public rumour, sustained by secretiveness, led the nation to fear. From the beginning of the war until December 31 last Sir Eric Geddes, First Lord of the Admiralty, told the House and the country on Wednesday evening, the nett figure of the world's tonnage, exclusive of enemy tonnage, has been reduced by, roughly, 2,500,000 gross tons. That is out of a pre-war total of 33,000,000 gross tons of estimated Allied and neutral ocean-going tonnage. We, our Allies, and the neutral world have, therefore, suffered a reduction of about 8 per cent. in the ocean-going tonnage, but the nett loss of British tonnage alone has reached about 20 per cent., or 3,500,000 tons, on a total of 18,000,000, and that is bad enough to account for a much worse food deficiency than anything we have yet experienced; especially bad is it in view of the fact that so large a proportion of our shipping, at least half, is taken up with military service. The figures are none the less satisfactory, and Sir Eric had also something more encouraging than was hoped for to state about the production of new shipping and the repair of ships damaged. At present there are 47 large shipyards, containing 209 berths, actually engaged in building ocean-going merchant ships, and in the fourth quarter of 1914 there were 420,000 tons of such ships produced, whereas in the fourth quarter of 1915 the production was down to 92,000 tons. From that figure it has risen steadily to the 420,000 tons just mentioned, and in the same last quarter of 1917 foreign construction was 512,000 tons, giving a total of 932,000 tons for one quarter of the year.

At this pace we ought soon to make good all our losses, especially as the work of repairs has been equally active. In February, 1918, as compared with August, 1917, the increase in the average weekly output has been 80 per cent., or 69 ships, representing 237,000 tons a week. In February repairs of merchant craft at an average of 166 ships a week, representing more than 500,000 tons, were completed, while last year ten times the naval craft for repairs and refits was docked than in peace times, and over 3,000 of these war vessels were docked and refitted in the final quarter of last year. During the last seven months labour in private yards has been increased by about 8,000, mainly unskilled hands, and the number of skilled men is likewise being steadily added to. This, if the complete truth, is all satisfactory, so much so that we are half disposed to regret that the truth as it is has been made public, for dread of something much worse was beginning to stimulate workmen where stimulus was required. As usual, Sir Eric Geddes wound up by announcing still another appointment, that of Lord Pirrie as Controller-General of Merchant Shipbuilding, directly responsible to himself as First Lord. Lord Pirrie is a man of wide experience and remarkable skill in shipbuilding. As controller of the famous Harland and Wolff yard at Belfast he probably stands first among builders, and he should therefore be able to do much to speed up production by clearing away the obstruction springing from a multiplicity of officials and of departments. By unselfishly giving the benefit of his unrivalled skill and experience to the nation, and by dealing equitably and generously with the men, he will also further the speeding-up most effectively.

Naturally there were criticisms of Sir Eric's presentment of the facts, but on the whole the House and the country seem to have accepted his story with a sense of relief. A few of the summary figures quoted by us were reviewed and corrected by Mr. Asquith in the brief speech he was allowed to make at the end of the discussion. The corrections were not made in any spirit of captiousness, but simply with a view to make the facts more plain. In 1915, said Mr. Asquith, the total losses of the United Kingdom shipping alone from all causes was roughly 1,100,000 tons. In 1916 they rose to 1,500,000 tons, of which by far the largest

item in the list was in the last quarter, when they rose from 284,000 tons in the preceding year to no less than 617,000 tons. For the year just ended the total has been double the previous year's figure, or 3,000,000 tons, but it would be unfair to draw an inference from this unfavourable to the vigilance of the supplanting Coalition Government. That is a point we have no desire to raise, but Mr. Asquith's concluding sentences deserve to be summarised. Speaking about the disquietude which has existed regarding our shipping position, he pointed out that it was largely due to two causes, first, to the misleading estimates from time to time put forward as to merchant shipbuilding, and, secondly, to non-disclosure of the tonnage facts and figures in regard to both losses and construction, a defect now remedied. We hope in future that there will be less disposition to soothe people's minds by glowing estimates founded upon an ill-balanced optimism of mind, and that periodically the facts about losses and about production will be made public. And we hope, too, that Lord Pirrie is going to prove as great a success in public service as he was when master of Harland and Wolff's, and a great trans-Atlantic shipping potentate.

Nothing could well exceed the disagreeableness excited in people's minds by that Marconi suit against the Postmaster-General. So bad, apparently, was the case of the Government, that it ought never to have been fought. If the Marconi Co. was right—as the withdrawal of the law officers of the Crown after the hearing had gone on for several days seems to prove—then to whose stupidity do we owe the raking of this scandal into the people's sight? The Marconi Co. alleged breach of contract, and claimed damages. Its contention and claim have been proved well founded. The contract is accepted and damages will be paid. That is all right, and need have caused no waste of the taxpayers' money in feeing Sir Edward Carson and other able advocates. Had it ended there we should have had nothing to say, but in the course of the hearing Mr. Godfrey Isaacs accused the Postmaster-General (Sir Charles Hobhouse) with whom they had to deal of breach of faith. It was alleged that Sir Charles Hobhouse and Sir Henry Norman had entered into negotiations with the German Telefunken Co. in order to induce it to come here and start in rivalry to the British Marconi Co. The statement, though disputed, was circumstantial, and before the Court there was no effective denial. One looked to see the gentlemen implicated in the witness-box giving their version of the story, and submitting, if need be, to cross-examination. They did not go into the witness-box, but the Government climbed down, accepted the essential facts as put forward by the Marconi Co., and agreed to pay damages. Then when all was over and settled Sir Charles Hobhouse in the House of Commons declares that the statements for which Mr. Godfrey Isaacs, managing director of the Marconi Co., was responsible "were wholly false and without foundation," and proceeded to describe what really took place. Sir Henry Norman was equally emphatic in his repudiation, and the consequence is that the public mind is left with the impression that there has been something the reverse of straight in the dealings of the officials with Mr. Godfrey Isaacs and his company. This is most unfortunate and disagreeable. Was Mr. Godfrey Isaacs lying? Was he deceived by the Germans, or carried away by the heat of his own imagination? We do not know, and hazard no opinion. But the collapse of the case and the flat contradiction of his testimony leaves the public mind sorely perplexed.

Another very excellent year has been experienced by British Insulated and Helsby Cables, Ltd., the nett profits to December 31 showing an increase of £63,000 at £363,060. With a larger balance brought in the amount available is £526,700, an increase of £66,000, and this allows of the dividend and bonus being raised from 20 per cent. to 25 per cent. Not only so, but the

appropriation to reserve is £180,000, against £70,000, and, as already announced, it is proposed to capitalise half-a-million of the reserves with the object of giving one new share for each share at present held. After setting aside £10,000 more at £30,000 for depreciation of buildings and plant, the carry forward is reduced by £80,000 to £84,800. The company is in an enormously strong position, and the directors seem perfectly justified in bringing the capital account more into harmony with the amount actually expended in the business, especially as patents and goodwill representing £251,670 have been completely written off. After carrying through the proposed duplication of ordinary shares the reserve will stand at £100,000, in addition to the substantial carry forward. Creditors have increased £420,000 to £804,000, but, on the other hand, cash has risen £270,000 to £646,000, and there are in addition investments in War Loans, &c., amounting to £297,000, against £10,000 a year ago.

It was only to be expected under existing conditions that the British Aluminium Co., Ltd., should make large profits in spite of the fact that the whole output of the metal has been used for munitions purposes, and the price fixed by the Government. Trading profits last year amounted to £423,660, an increase of £44,000, which follows a gain of £67,000 in 1916. Income-tax and other expenses absorbed £30,000 more at £103,000, and £10,000 more at £70,000 is set aside for depreciation, while £75,000 is again placed to reserve, raising it to £400,000. The dividend of 10 per cent. is repeated, and as £2,000 more was brought in the carry forward is £6,000 larger at £33,200. Capital expenditure during the year was £92,400, against £130,400, and the only other change of importance in the balance-sheet is the increase of £150,000 in reserve fund investments, raising the total to £220,600. It is stated that the costs of production show further large increases, owing to the continued advance in materials, labour, and freights, while the maintenance of supplies of raw materials at the various works in the United Kingdom and Norway has been increasingly difficult.

During the past year the authorised capital of Lever Bros., Ltd., was increased to £40,000,000, and the paid-up capital is now £15,203,000 (an increase of £1,180,000), divided between nine different classes of shares. Nett profits were £254,000 larger at £1,609,000, and the dividend on the ordinary shares is raised from 10 per cent. to 15 per cent., which absorbs £300,000, against £200,000. Repairs and renewals required £40,000 more at £125,700, and £24,000 more, at £123,300, was set aside for depreciation. After paying the preference and other dividends, the balance of £5,580 is, as usual, carried to reserves, the total of which will then be almost £1,400,000. Creditors have increased £290,000 to £1,850,000, debtors £190,000 to £808,000, stocks £440,000 to £3,434,000, and interests in associated companies £930,000 to £11,393,000. It is a wonderful business, and we note with satisfaction that the share of the employees under the co-partnership arrangement has risen £60,000 to £130,830.

Price's Patent Candle Co., Ltd., had another record year to December 31, the nett profit being £300,150, which compares with £211,400 for 1916 and £143,150 for 1915. It is necessary, however, to set aside £150,000, or £70,000 more, for excess profits duty, and the balance available, including £8,000 more brought in, is £27,000 higher at £172,360. After writing off the usual £10,000 for depreciation of buildings and plant, and placing £10,000 (new) to reserve, it is proposed to pay a dividend and bonus of £2 17s. 6d. (of which 20s. has been distributed as interim), against £2 12s. 6d. for the previous year, and £2 7s. 6d. for 1915, leaving £7,000 more at £29,550 to be carried forward. The shares, we may mention, are £16 each, fully paid, so that the dividend is equal to almost

18 per cent. Changes in the balance-sheet are unimportant, except for an increase of £212,000, to £370,000, in the cash holdings. It is a fine old company, which has always been well managed, and after passing its three score and ten years, it is stronger than ever. The factory at Concepcion (Chile), which was burnt down in 1916, has been rebuilt on a larger scale, and work was restarted in November.

Exact comparison of the results of Borax Consolidated, Ltd., for the year to September 30 last is not possible, as the profits on this occasion are stated after making provision for excess duty. They consequently show an apparent decrease of £180,000 at £419,200, and the nett profits are £184,000 lower at £385,500. But the directors feel justified in repeating the dividend of 15 per cent. after again placing £25,000 to reserve and starting a pensions fund with £10,000. On the other hand, the amount written off for depreciation of buildings and plant is £10,000 less at £40,000, and last year £130,000 was set aside as provision for excess duty, with the result that the carry-forward is reduced by only £20,000 to £92,700. The company has had difficulties with regard to freightage, but it has been a well-managed concern, and it is in a very strong position.

Mr. Malan, the South African Minister of Mines, made a very interesting speech in moving the appointment recently of a Select Committee to consider the position of the low-grade mines. Since the war broke out, the average cost of mining on the Rand has risen 3s. to 20s. per ton. Twenty of the lowest-grade mines, Mr. Malan pointed out, have had to reduce their production in 1917 by about a million pounds owing to certain ore being no longer profitable to treat, and because of the shortage of labour. In wages and stores these companies paid out £8,275,000 per annum, so that their stoppage would cause a serious economic problem in South Africa. In July, 1914, there were 13 gold mines on the Rand, making a total working profit of only £45,195, equal to an average of 2s. 5d. per ton. In July, 1917, only 10 of these companies were working. The profit in that month was £9,050 (two were working at a loss), equal to 7d. per ton milled. "If only the older mines had been taken, and the seven or eight mines recently started had not begun work, the position, said Mr. Malan, would have been much more serious. The Ginsberg,

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Reserve Fund -	4,342,826

Deposits -	£220,551,768
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Durban, Roodepoort, Glencairn, and Primrose are approaching exhaustion. These mines crush 50,000 tons a month. Almost another 50,000 tons are treated by the Bantjes and Knight Central, at both of which closing down was contemplated six months ago. The Robinson, which also crushes 50,000 tons a month, can scarcely outlast the present year. Mr. Malan mentioned that several suggestions had been made for meeting the situation. The first was a bounty either on tonnage milled or on the ratio of profit to working costs. But, as Mr. Malan said, it is doubtful whether this form of assistance is desirable. The second suggestion was that a loan should be made to the companies, repayable after the war, but it is questionable whether this would effect anything. A third suggestion was a reduction in taxation, but the low-grade mines do not pay much in direct taxation. Another proposal was that the insurance and freight charges, which since the war have been raised from 7s. 7d. to 25s. per cent., should be reduced to the pre-war level, which would save the mines £400,000, which could be used to assist the low-grade properties. The problem is a difficult one, but the situation is urgent, for unless assistance is shortly forthcoming, a number of mines will be closed down. In any case, the production of gold will be much smaller this year than last.

### A "League of Nations" with Russia Enslaved.

Everybody will sympathise with Lord Lansdowne in his efforts to form a "League of Nations." The subject came up in the House of Lords on Tuesday, when Lord Parmoor moved: "That this House approves the principle of a League of Nations, and the constitution of a tribunal whose orders shall be enforceable by an adequate sanction." No doubt that is an ideal to be cherished and struggled for, but much as we may sympathise with the aims of these privileged and noble personages we share the fear of Lord Parker that "we run some risk of being in too great a hurry in the matter." "International law," he asserted, "as an instrument of peace can have no permanency," and the very terms of Lord Parmoor's motion shows that it could have none. "A tribunal whose orders shall be enforceable by adequate sanction," says the motion. Who is to enforce, and how? To ask a question of that kind is to show that the dreamers must go further and probe deeper into the heart of the question. We want to see a "League of Nations" formed by the common accord and assent of civilised peoples, a league from which no race or nationality shall be excluded, not even German; but before any such ideal can be cherished with a hope of its practicability, militarism has to be destroyed, not merely Prussian militarism, but militarism everywhere, the militarism which has its foundation in privilege, in the "rights" founded on force by which a handful of people within a nation or community not only guide its affairs, but hold the lives of their fellow citizens in their hands. A mere international tribunal set up on the model of the Hague Tribunal will accomplish nothing unless the nations behind it are divested of selfish purposes, of exclusive rights and privileges, and are genuinely imbued with that sense of brotherhood which must be the foundation of any durable international concord. Probably no harm can be done by Lord Lansdowne and his fellow dreamers, because Germany takes care that none shall be possible. No influence has so effectually silenced and put to shame our pacifists as the exhibitions we have had of German unscrupulousness and rapacity in Russia, of German hypocrisy also as nauseatingly displayed in the latest utterance of that curious creature, Count Hertling, according to whom Russia has been made "free" through Prussian aggression, and the annexed western provinces become "independent" and "self governing." The man ignores the vaunts of his Kaiser! With the spectacle of what the Prussians are doing in Russia before their eyes, how can any free man

advocate treaties with such an abandoned caste or hope to convince his fellow-countrymen that good could come of negotiations therewith? Even Lord Lansdowne admits that we can make no treaty with the Berlin horde. We pay too little attention to the agony of Russia at the present time, but at least we should be conscious more and more of the cynical indifference to all humane feelings and all national and individual rights now being exhibited by the Prussians let loose in Russia, and again we say, Russia must not be abandoned by the Allies. A short article has been sent to us by the Russo-British News Bureau, which is so much to the purpose that we should gladly reprint it were that possible. As it is not, take a point or two from it, and begin with the last sentence of the article. "Do not forget," says the writer, Mr. Martens, "that during the first two years of the war Russia bore the brunt of the conflict. Do not forget East Prussia, Galicia, &c., nor the millions of lives Russia has given for the common cause." No, we must not forget, although that is a side of the story that we have been only too ready to ignore during the months of disappointment that have followed the uprising of the Lenin-Trotsky tyranny. But Russia is true still to the Allies, all that is best in her and most patriotic, and the time is at hand, if it has not already come, when we shall have to join the United States in sending sustenance and guides to help a people in sore distress. The Prussian invaders are scattering themselves over the country like brigands who, by chicane, have cleared all opposition out of their way, and think they have now only to abandon themselves to the gratification of all their evil lusts; but their strength is nothing like so formidable as the bulletins concocted in Berlin would lead one to suppose, and we have a suspicion that already more than one rallying centre has been formed which with nurture and guidance may presently develop energy enough to take in hand, with our help and the help of Japan, the expulsion of the enemy. His energies are being drained away elsewhere, and his hold over the Eastern Provinces of Russia is at best precarious until the issue is decided in the West.

All the more should we endeavour to support the broken forces of the nation and sustain them. "In Russia," says this letter by Mr. R. C. Martens, from which we quote, "there is only about half-a-mile of railway to each 100 square miles, as compared with nearly 20 miles in this country," and such railways as exist have been allowed to degenerate by the overwork of the rolling stock and the want of means to repair it. Thus the railway traffic has become disorganised, and that disorganisation lies at the root of Russia's economic crisis, with the result that the Russian people were unable to continue the war to a successful end. Mr. Martens declares that "no other European nation beside the long-suffering, patient and stoical Russian people, not even the barrack-drilled and inhumanly-disciplined German people, could carry active war to the point to which Russia has carried it." And we believe this true. Therefore, the deliverance of Russia must come before a League of Nations to guarantee the peace of the world.

During his visit to Russia last year, Mr. Martens says: "I saw long lines of flour queues in the city of Samara, a prosperous city in the agricultural part of Russia, and a centre of the grain trade. The grain warehouses in that city were chock-full of grain at the time of my visit. Large, modern steam flour mills, perfectly equipped to mill the grain into flour, stood idle for want of fuel, which the railways had failed to bring them, and as a result people had to go without bread in that huge storehouse of grain." This is given as an instance typical of the conditions prevailing in that part of agricultural Russia, and in Central and Northern Russia it was much worse. Can the Germans get at that grain? Is it still in store? We doubt it; and although we cannot be sure, a variety of testimony agrees in saying that the plunderers, gnawed by hunger, are not finding the quantities of

food they have come to seek. In that fact, is there not encouragement for us? Can we not find means to help the Russian people to disperse and retain that corn for their own use? The Germans are about to enter Petrograd, it is reported. Will they find food there? It is impossible, for the inhabitants are already starving. Is there no way by which we could aid the Russians to keep the enemy there till they starve? The further the enemy penetrates the greater his danger, if only the betrayed people are encouraged to resist, assured that whatever happens they will not be deserted by their Allies.

Many people are shocked and complaining about the repudiation of the Russian debt. But that is not the deed of the Russian people, and instead of damping our resolve to help them, should stimulate it. For the one sure way to procure the fulfilment of the national obligations to creditors abroad is to assist and sustain the Russian people in their efforts to overcome at one and the same time the invader and the traitors within. In Russia, in Armenia, in the Balkans, in Poland, and in Bohemia, and all through the Caucasus and Asia Minor, there is an infinity of work to be accomplished before we can set about forming a League of Nations. Are we to prattle about that far-away ideal while the robbers are stripping the betrayed peoples of all their hopes and of all they possess? We trust not. Lord Lansdowne and his fellow idealists are not practical statesmen. Let us get on with our gigantic task, and leave the dreamer to his dreams.

## Grand Trunk Railway and Increased Rates.

The announcement that an increase in railway rates has at last been authorised by the Canadian Government is welcome news. It is far from a remedy for the present unsatisfactory condition of Canadian railway finance, but it points to the assumption of a more reasonable frame of mind on the part of the Western farming community. The increase in rates was, as will be recollected, granted by the Railway Commission some months ago, but on account of opposition from Western interests, it was not allowed to take effect. Its operation was postponed, and the prospect of it coming into force seemed somewhat doubtful. Evidently the West is beginning to realise to what a pass its fetish of unworkably low transportation rates has brought the roads. It is also to be hoped that it is becoming conscious of the fact that it was largely the pursuit of this particular cult that was responsible for the extravagant construction programme of the past few years. Who but the West demanded and procured the expenditure of vast sums either of Government money or of Government credit for the construction of three railway systems, each and every one of which was desired as a means of effecting the lowering of railway rates by competition? This, it is no exaggeration to say, was the one desideratum. It was the one great political reason for the use of public credit for the construction of gigantic stretches of main line parallel to existing main line, and but five, ten, or fifteen miles away from it. It is certainly only equitable and just that the erstwhile advocates of competition and rate-cutting instead of agitating for nationalisation on something approaching confiscatory terms, and resisting by every means in their power any endeavour to extricate the lines from their difficulties, should spare no effort to bring up to a proper state of efficiency these essential arteries of the Canadian body economic. There is no doubt that this 15 per cent. increase in rates is utterly inadequate, and far less beneficial, than might appear at first sight. Take the case of the Grand Trunk, for instance, whose provisional revenue statement for 1917 has recently made its appearance. If 15 per cent. of the gross traffics, less, say, 10 per cent. allowance for miscellaneous traffic—on which the increased rate is apparently not operative—be added to the net receipts, the result is

a very substantial accession to revenue, but it is when account is taken of the fact that expenses now rule at a very much higher level than the average for 1917, and of the Grand Trunk Pacific obligation, that the paucity of the concession becomes obvious. The ratio of expenditure to receipts for the whole of 1917 comes out at 83.94 per cent., but it increased as the year advanced, and in the closing months was much higher than the average. For the six months to June last it was only 79.50 per cent. In October it was 83.75 per cent., while the month of November saw an increase to 90.39 per cent. The results for the month of December are not published separately, but the ratio for the three months ended December works out at 97.89 per cent. This figure, obtained by deduction of the results for nine months of the year from the final figures, which probably includes adjustments covering the whole year, may be excessive, but it is more likely than not that the December figure represented an advance on that of the previous month. In February last a further advance in wages was conceded to the men, and as this will probably be followed by further demands, it does not seem extravagant to assume, for the purpose of estimating expenditure for the current year, a ratio to receipts of 95 per cent. On the assumption that the traffics for the current year come out the same as in 1917, and that there is no deficit to make good in respect of the Western Detroit and Toledo lines, the surplus for 1918 would only just suffice to pay the 4 per cent. dividend on the guaranteed, as will be seen from the following statement:—

Gross receipts for 1917 .....	£ 10,725,500
Deduct, say, 10 per cent. for miscellaneous traffic....	1,072,550
Total freight and passenger traffic .....	9,652,950
15 per cent. increase on this would amount to .....	1,447,942
And total gross receipts would amount to .....	12,173,442
Working expenses (95 per cent. of 1917 gross receipts)	10,189,225
Nett receipts.....	1,984,217
Nett revenue charges, less credits and balance of income from rentals and hire of equipment .....	1,428,700
	555,517
4 per cent. on guaranteed.....	496,820
	58,697

But this is before taking into account the Grand Trunk Pacific guarantees. That the interest guaranteed by the parent company is at present being paid out of the loan made by the Dominion Government is true, but the obligation remains an obligation, and the granting of financial assistance is obviously only a temporary measure. Very little information is obtainable concerning the Pacific on this side, but according to the papers tabled last year in the Canadian Parliament, the surplus from operation for the year ended June next is estimated to amount to £231,000. But this estimate was framed when costs were much lower, and the actual results may be less favourable. Interest due amounts to £1,614,323, and the amount of the Grand Trunk's guarantee to something in excess of £800,000. The traffics only of the Prairie Division are published, and one is consequently unable to make anything like an accurate estimate, but it is pretty evident that much more than an increase of 15 per cent. would be required to enable the Pacific to meet its interest charges.

South African Dried Fruit Industry.—A trial consignment of five tons of prunes was recently sent to England from Wellington, Cape Province. This resulted in an order for 50 tons (4,000 boxes), in respect of which a most satisfactory report has been received. Since then three other shipments of dried fruit have been made—in all about 6,000 boxes—and two at least of these shipments have been sold advantageously.

## NOTICE.

### THE EASTERN TELEGRAPH COMPANY, LIMITED,

ANNOUNCE that CAPTAIN HENRY W. GRANT, C.B., R.N., has been appointed Joint Managing Director.

## Our Foreign Trade in February.

Not very much satisfaction can be extracted from the Board of Trade returns for last month, especially when it is remembered that the figures now include an unknown quantity of Government goods which were excluded previous to last July. Here is the summary for February and for the two months compared with the corresponding periods of the two previous years:—

	February, 1918.	Compared with 1917.	Compared with 1916.
Imports .....	£ 99,053,831	+ 28,106,145	+ 31,718,252
Exports .....	39,099,481	+ 1,811,935	+ 2,763,699
Re-exports .....	2,740,142	- 6,251,612	- 5,789,654
TWO MONTHS.			
Imports .....	198,105,545	+ 36,605,621	+ 55,834,225
Exports .....	80,765,416	- 3,382,612	+ 7,672,467
Re-exports .....	5,930,802	- 11,492,267	- 11,429,166
Excess of imports .....	111,409,327	+ 51,480,501	+ 59,590,924

Imports of grain and flour show a reduction of £3,428,000, or 26 per cent., and in view of higher prices the decline in quantity must be still more serious. Meat, however, increased £2,927,000, or 41 per cent., but to what extent this is due merely to higher prices we are not permitted to know. Other non-dutiable articles of food and drink are up £1,320,000, or 30 per cent., and dutiable articles (principally tea and sugar) £3,438,000, or 80 per cent., while there was also an increase of £233,000, or 75 per cent., in tobacco. Of raw materials we received £15,020 more, the bulk of the increase being accounted for by cotton, which rose £12,311,000, or 142 per cent., in value, while the increase in quantity was only 38½ per cent. Wool fell over 50 per cent. in amount and 43 per cent. in value, but there was an increase of £1,143,000, or 100 per cent., in wood and timber, while the quantity was only about 10 per cent. larger. Oil seeds, nuts, &c., increased £1,875,000, or 36 per cent., and paper-making materials £746,000, or 330 per cent., so that the position in this respect ought to be getting more comfortable, although we see no signs of it yet. Articles wholly or mainly manufactured have advanced £8,790,000, or over 80 per cent., but this is mainly due to an increase of £5,580,000 in unenumerated articles, which probably represent Government purchases. Metals other than iron and steel increased £950,000, machinery £597,000, and chemicals, dyes, &c., £488,000, but otherwise the changes are comparatively small.

Exports of food and drink fell £775,000, or almost 50 per cent., and coal dropped 9 per cent. in quantity, but only 1 per cent. in value. Shipments of other raw materials were on a trifling scale. Among manufactured articles almost the only pleasing item is cotton, which shows a total gain of £4,577,000, or 50 per cent. Piece goods increased 67½ per cent. in value, but only 10 per cent. in quantity. Nearly all the other headings show decreases, iron and steel being down £890,000, or 25 per cent., machinery £483,000, or 27 per cent., and apparel £355,000, or 45 per cent. There is nothing of special interest in the figures for the two months, but the heavy drop in re-exports may be noted. It already amounts to 66 per cent., and we are afraid it will be difficult to recapture a great deal of this trade when conditions again become normal.

As regards stocks in bond, it is interesting to note that the amount of tea available is now 70,293,000 lbs., as compared with 37,290,000 lbs. at the end of December, so the situation has greatly increased in this respect. A year ago the stocks were 94,441,000, but tea queues had not been invented then. Supplies of coffee, cocoa, wines and spirits are ample, and do not justify the profiteering that is allowed to go on, but the tobacco position is becoming dangerous, as stocks have fallen to 120,452,000 lbs., against 251,870,000 lbs. last year and 268,590,000 lbs. in 1916. A tobacco famine will not help us to bear all the other trials and tribulations of these times.

## Italian Trade and Exchange.

Italian commercial intercourse with the United States has been very active, and it is to be hoped that it may further increase after the war through the intensification of our agricultural production. Between July 1, 1916, and June 30, 1917, the United States have imported from Italy goods to the value of \$46,374,308, or about 11 millions less than in 1916, while exporting to Italy \$360,529,625, or about 91 million dollars more than in 1916. Italian exports show some increase against the preceding years in artistic goods, nuts, silk and wines. We have imported from American markets larger quantities of leather, meat, bacon, &c.

During the two earlier quarters of 1917 Italian imports have come up to little more than 4 milliards, i.e., half a milliard less than in the corresponding period 1916, while exports have been for about 1 milliard and 300 millions, consequently 300 millions less than in 1916. To this difference between exports and imports have contributed first the United States for an amount of 1,553 millions, Great Britain with 650 millions, Argentina 196 millions, India 213 millions, Spain 23 millions. In regard to Switzerland, France, and Egypt, exports have surpassed imports. Many are inclined to ascribe to this excess of imports over exports the position of our exchange rate, but the phenomenon is of too complex a character to be

accounted for by such explanation. One of its causes is doubtlessly to be found in the issue of paper money. It may be interesting to see what our rate of exchange has been during the last three years. In September, 1914, our exchange on Paris was 104.40; it went up to 112.75 in December, 1915, to 117.66 in October, 1916, reaching 133.73 in September, 1917, and 135.48 on October 25 last. The Italian rate of exchange on London, which was at 25.87 in December, 1914, went up to 31.28 in December, 1915, reaching 32.74 in December, 1916, and 37.30 on October 25 last.

Concerning paper circulation in Italy, we see from the Exchange accounts that it amounted to 498 millions on June 30, 1913, and to 499 millions one year later. On June 30, 1914, first year of war, it reached 765 millions, growing to 1,134 millions in 1916 and to 1 milliard and 459 millions on June 30, 1917.

As to the total circulation of the issuing institutes, which in July, 1914, was 1,730 millions for the Bank of Italy, 428 millions for the Bank of Naples and 106 millions for the Bank of Sicily, it was last August 4,692 millions for the Bank of Italy, 1,147 for the Bank of Naples, and 242 for the Bank of Sicily.

Deposits at the banks have increased, and if we add to them those at the saving and postal banks we have an average increase from July, 1914, to June, 1917, of 41 per cent.

The tariff problem for after the war was the subject of a discussion in January 10 at the meeting held by the Italian delegates of the Interparliamentary Committee for Commerce. The issue has been hotly debated between the supporters of agricultural and those of industrial interests. The latter, whose spokesman was Senator Esterle, proposed a system of autonomous maximum and minimum tariff. The others, among whom were many deputies for the South, strongly opposed it as a plan that would be pernicious to agricultural needs and development. It was decided that the question shall not be brought under discussion at the conference of the International Committee which will take place in London on May 6, being a matter for internal rather than general concern.—From our Italian Correspondent.

## By-the-Way War Notes.

Most encouraging was the information Mr. Macpherson, the Under-Secretary for War, gave to the House last Tuesday. It encouraged because proving that we have at last woke up to the immense power of aircraft as engines of destruction to be used with deadly effect on the enemy's war material, factories, and such like. "Since October," said Mr. Macpherson, "we have made 38 effective raids into Germany, and have dropped 48 tons of explosives." That reads smoothly enough, but the deeds were not easily done, for Lorraine is a difficult country to fly in or to see things in on the ground from the air; but the work was done, difficulties or no difficulties, and as we go on we increase in power, in the efficiency of our machines, and in the dominant skill of our airmen. Moreover, we always have a definite object in our attacks, and they are most times carried out with success in broad daylight. There is no vague sneaking across the country in the night, and no dropping of bombs promiscuously without regard to any chosen objective, in fulfilment merely of the coward's hope that some property will be damaged, some innocent people slain, and the rest frightened into offering peace. No greater contrast could be imagined than that between our method of conceiving and executing air raids and the enemy's. Verily Germany is in war, as in other barbarities, "the greatest anarchist in Europe," and the greatest beast. By our raids we have already destroyed much German war material, damaged many factories, aerodromes, railway stations, barracks, and possibly bridges, but we have not laid ourselves out to slay women and children. And we are only beginning. When our full energy is developed, and when America is able also to put forth her matured strength, there will soon be an end of Prussian brute force as world swayer.

At frequent intervals discussion springs up in the newspapers about that much-advertised coming, coming, German offensive, and many of our guides seem to favour the view that there will be no formidable offensive in the West, but that the armies of the Central Empires—now bankrupt in means as well as in all that renders Governments worthy of respect—will throw the weight of their forces on some unexpected point elsewhere in order to take the Allies by surprise, and snatch a victory of sorts. Supposing they did, what could that victory do to relieve the hunger pressure from which they more and more suffer? Would the driving in on the Italian front, and the overrunning of Venetia and Lombardy, which some of our cravens expect, help the two empires to a better peace? or would that much-talked-of assault upon our front in Macedonia bring the starving victims of the two Kaisers replenished larders, contentment, and abundant work? No, for the purpose of bringing peace, war triumphs in neither of these directions would be of the smallest use to the derelict empires now battling in despair for their existence.

So long as we hold the Germans by the throat in the West their "triumphs" elsewhere, ay, even in Russia, can do nothing to save them. Therefore, we deem it idle to discuss the question whether a great assault in the West is being prepared for, or whether the Prussian "high command" means to burrow and fortify in and behind the present defensive lines in order to hold us fast until we give up the struggle from exhaustion. All that talk is idle. The Prussians must assault; they are preparing for the great avalanche of

biped victims to be flung against our lines every day that passes. We see part of the preparation in the constant attacks made now at one point, now at another, and occasionally at many points all along our front from Switzerland to the English Channel. These attacks are no doubt intended to discover the weak spot through which the furious Prussians might rush their forces as droves of cattle are rushed into the slaughter pens, but they are also meant to harden up the troops and to accustom them to stand fire, so as if possible to evolve from accustom them a sufficient number of "shock" battalions to be used as spear-heads in the coming drive.

Have they any success in these efforts at discovering our positions, in this annealing to hardness in butchery process? None that is visible to us, and assuredly so far as strengthening the courage and morale of their troops goes, the effect of the persistent raiding must be the very reverse of what was hoped for. To be beaten every time, or, when momentarily successful, to be taken by the scruff of the neck and flung out of trenches gained in the first dash forward, cannot serve to heighten the courage and self-confidence of any army, let alone such armies as the enemy can now muster. Germany appears to us to be indeed now playing our game, and wearing down her own strength. In so doing she is rendering the results of the final assault so elaborately prepared for and advertised for, more surely a victory for us and our Allies than a defeat. It should be the final victory in some senses, though not the end of the war. Famine alone may bring us that now.

It is a pity that there is so much disposition on the part of some of our newspapers, and markedly on the part of the syndicated or family-group type of newspapers, to seize and press forward on every occasion the untoward and apparently unpropitious amongst events that happen. Above all does it seem short-sighted to a high degree of folly to keep harping upon the great deeds the Germans and Turks are performing all round the Black Sea, or in the Baltic region, or in Central and Western Russia, or in Rumania. The populations subjected to this rather belated and hedragged display of savagery and all-conquering heroics are worthy of, and deserve, profound commiseration, but their time of agony cannot now be so long, because nothing human can well seem more certain than that the end of the war is drawing near. Neither the men nor the means are possessed by the enemy to enable them to prolong the conflict in the West or anywhere very much longer. Hunger is more and more eating into the vitals of the victims of Habsburg and Hohenzollern oppressions. Probably enough this hunger is now goading the military leaders in Prussia to assume risks and take action sooner than they would. To play the safe game and hold the Allies until they are exhausted is no longer within their power, if it ever was. The Kaisers and their masters are much in the position of the Confederate States and their leaders and armies in the last year of the American Civil War. And we must hold them fast until they surrender.

To help us to do that our hold at sea in nowise slackens. Try as the enemy may, his boasted power to starve us into submission is manifestly derided by events, and his persistence in the attempt can only increase the ostracism from which he must suffer when we give him peace. There may be no room for German ships on the ocean when peace returns. He may coerce the Dutch into refusing their ships to the Allies because he is on their frontier, but neither he nor the Dutch can prevent us from seizing these ships and utilising them for the public good, aye, even for the good of Holland, itself beginning to be hungry. At no point is there grave danger, so far as we can see, in the war conditions—always provided we are not betrayed into some rash and foolish action, and thereby give ourselves into the enemy's hands. We have no necessity now to repeat the great assaults of the last two years, and ought not to waste a single man whose loss can be prevented. The Germans themselves proclaim the nearness of their discomfiture by the insanity of their behaviour and the increasing abandon and insolence of their swagger. As the air warfare develops, moreover, the necessity for trying to bore our way through countries stuffed with concrete "pill-boxes," and fortified after the most scientific designs known to modern warfare, surely grows less for the Allies, and as our power of distant flights increases, our ability to paralyse the enemy must do so likewise.

Most of our newspapers do not trouble themselves to set out fully the facts of shipping losses for the past week. Accordingly, read superficially, they appear to show that the German submarine has had a uniformity of success during the past month altogether remarkable; that is to say, in each week of the four ended last Saturday 18 ships have been sunk. Variations in the size of the craft happened, but that is all. So for the past week we have 11 ships of over 1,600 tons and six under that capacity returned as sunk, compared with 15 large and three small in the previous week, 12 large and six small in the week ended March 9, and 14 large and four small in the last week of February. But in the past week our position was really considerably more favourable than this recital shows, because of the 11 large ships returned as sunk, one should be credited to the week ended July 8, 1917, one to the week ended September 23, 1917, and another to the week ended January 19 last, so that only eight large vessels were actually sent to the bottom last week so far as is known. From the 11 unsuccessfully attacked, moreover, one should be deducted as having been attacked in the week ended March 9. The week was thus better than it looks, and we hope some of the U-boats were sunk.

The total arrivals and clearances of the week was 307 more than in the preceding week—viz., 2,098 in and 2,317 out. Both the French and Italian returns were likewise encouraging. The French lost two vessels of over and two of under 1,600 tons, and the Italians only one ship of over 1,500 tons. We have but to work on and hope.

It is the drawback of a weekly paper that its contents cannot all be produced in one day. An article written on Thursday morning, as the above was, may be made stale by the news of Friday. It is so in this instance so far as the German offensive is in question. That has begun, and the battle rages as we go to press. Have we fear as to the result? None; but the murder will be "grim and great."

## Insurance News.

A falling-off in the volume of new business is reported by the Scottish Amicable Life Assurance Society for 1917, the amount being £662,655, a decrease of £87,721, while the nett amount retained was £613,255, a reduction of £63,641. Nett new premiums came to £40,460, or £2,957 less than in 1916. Claims were £18,400 lighter at £372,065, the amount including £54,098 payable under 131 policies on the lives of 106 members who died from causes directly due to the war. The direct war claims were practically the same in amount as for the previous year. By the addition of £182,824 (against £92,237), the funds were increased to £6,273,551. Interest revenue at £302,864 showed an increase of £16,323, and the average rate of interest on the funds was 3s. 4d. per cent. higher at £5 os. 5d. per cent. Expenses of management and commission represented 11.84 per cent. of the premium income, or lower than the society's normal average, as contrasted with 12.64 per cent. for 1916, when there were special expenses connected with the quinquennial valuation.

Although the National Mutual Life Association of Australasia in 1917 issued only 10,930 policies, against 11,005 in 1916, the amount assured was £269,317 larger at £3,505,162, and the annual premiums were

## New Zealand.

**A Wealthy Country, Splendid Climate, Fertile Soil, Plenty of Water.**

**An Ideal Country for the farmer, the percentage of grain and lambs being phenomenally high.**

**New Zealand, a country as large as the United Kingdom, with but a million population, has an annual export of raw products exceeding Twenty Million Pounds sterling.**

**New Zealand is rich in COAL, IRON, TIMBER, GUM, GOLD AND SILVER. Total yield of Minerals, over One Hundred and Twenty Million Pounds.**

**Over Eighteen Million Pounds have been advanced by Government to Farmers and Workers for Improvements and Buildings at a low rate of interest.**

**The Railways, 3,000 miles, Telegraphs and Telephones, 124,000 miles, are owned and operated by the State.**

**New Zealand has the highest wealth-rate and the lowest death-rate in the World.**

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**Excellent Steamship Services are run direct to New Zealand by the Shaw Savill and Albion Company, Limited, New Zealand Shipping Company, Limited, and the Federal and Shire Lines.**

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£140,672, against £133,483. Including interest, the total income was £1,770,196, an increase of £108,548. A nett rate of interest of £4 18s. 1d. per cent. was earned on the funds. By the addition of £741,428 (against £729,842), the funds were raised to £10,869,000. Death claims were heavier by £50,288 at £455,932.

A surplus of £86,088 is disclosed by the quinquennial valuation of the Provident Mutual Life Assurance Association, which was made on a 3 per cent. basis; the surplus realised from the previous five years was £328,776, the poor results now shown being due to the depreciation of Stock Exchange investments, increased taxation of interest income, and claims on the lives of members killed on active service. No general distribution of profits is recommended, but it is proposed to pay an interim bonus of 10s. per cent. per annum in respect of each full year's premium paid since December 31, 1912, on all participating policies which mature or produce claims by death during the current year. The rate of bonus to be declared on policies producing claims after that date is to be reconsidered at the end of the year, with a view to such modification as the circumstances then prevailing make desirable. To provide for the depreciation of Stock Exchange securities, which form the bulk of the Association's assets, it was necessary to increase the investment reserve by £10,000 to £160,000, and in addition to write down the book values by £107,462.

A prominent place is taken among the large insurance offices by the Excess Insurance Company, and the figures for 1917 show a very large expansion in the business, premiums having risen from £1,740,000 to £2,451,000 for the 1917 underwriting account, the expansion being due to a large extent to the increase in premium for each given risk. The premium income has more than quadrupled in three years, the total having been £573,247 in the year of the outbreak of war. The dividend is raised from 20 to 25 per cent., but this absorbs only £12,500, general reserve now stands at £400,000, and the investment reserve at £121,000.

Exclusive of the marine account, the premium income of the Provident Accident and Guarantee Co., long known as the Provident Clerks' and General Guarantee and Accident Co., for the past year amounted to £154,727, an increase of £4,875. At the end of the year the marine fund stood at £247,255. The underwriting account for 1915 has now been closed, and shows a satisfactory profit which is left in the fund. During the year the company became associated with the Northern Assurance Co., and in consequence of the existing interests of that company in marine insurance it has been deemed expedient for the Provident Accident to cease transacting this class of business, which has accordingly been discontinued. Stock Exchange securities were valued on December 31 at market prices, and £12,000 has been added to the investment reserve from the profits, which amounted to £33,559. The dividend for the year is maintained at 22½ per cent., and the balance forward increased from £9,717 to £15,933.

### Egyptian Cotton Crop.

In Lancashire trade circles this week considerable interest has been taken in the decision of the British and Egyptian Governments to purchase the Egyptian cotton crop for next season. A Commission has been appointed to deal with the matter, and later an Advisory Board will assist the members of the Commission. The prices at which the raw cotton will be bought will be based on \$42 per cantar for fully good fair Sakellariadis, and the material will be sold on the basis of \$48 per cantar, f.o.b. at Alexandria. This action has led to some confusion in trade circles, but prices in Liverpool have advanced considerably during the week, and Lancashire spinners have purchased very freely on the spot. It is recognised that ordinary dealings will be restricted, but the action of the Government is generally approved. It may be said that in each year about half the Egyptian cotton grown is consumed in Lancashire, and the fine spinning section is a most important branch of the industry.

## The Truth about Aeroplanes

### Facts for the British Public.

Four years of war have shown the British people to be at their best when they are told the truth and what is demanded of them.

There is no service the people will not willingly render and no sacrifice they will not make to achieve a speedy and a victorious peace.

Millions of men have rushed to the Colours, and munitions have been forthcoming in millions of tons to defeat the Germanic forces.

The daily reports from the Front make it clear that corresponding effort must be made in the air to finally overthrow the common enemy.

The much-vaunted German Gotha has found its master in the British-built machine. For speed, lift, climb, equipment and dependability the British-built aeroplane has by innumerable and most severe tests proved its superiority over the German product.

**Britannia can and will rule the air as she rules the waves.**

It now resolves itself into a question of numbers—of ensuring such an overwhelming preponderance of British-built aeroplanes as will make life intolerable behind the German lines; and also stop the raids upon our civilian population.

This resolves itself into providing ample funds to build aeroplanes without delay.

WHITEHEAD AIRCRAFT, LIMITED, having received Treasury sanction to issue up to £1,000,000 capital, will make a supreme effort to ensure the overwhelming preponderance of British aeroplanes by immediately increasing the output.

The additional capital will be offered to the British public, and every investor is to be given a first opportunity to acquire Ordinary Shares in a soundly-established British aircraft company, that has during the past two years turned out a large number of machines for the Front.

These additional funds will greatly facilitate and increase the output of machines during the next few months.

**Aircraft Shares will become Valuable Investments in years to come.** The aeroplane in peace and war will play a wonderful part in the life of nations. Moreover, an important fact is that an aircraft factory is not restricted to the building of aeroplanes. Its equipment enables it to turn out almost anything connected with the wood or iron industry, notably motor buses and railway rolling-stock, for which there will be such an enormous demand when peace returns. This gives the Shares of an aircraft company a stability quite unique.

The works and factories of the Whitehead Aircraft Company, Ltd., are conveniently situated, admirably organised, equipped with the most modern machinery, and permit of further extensions.

The British investor is to be given his opportunity to co-operate. This is not an invitation to subscribe for shares, but those readers who would desire a copy of the Prospectus should at once send a written request to J. A. WHITEHEAD, Esq., Box No. 7, c/o "INVESTOR'S REVIEW."

## The Week in Mines.

This week has been noteworthy for the activity and buoyancy displayed by the Nigerian Tin market. Prices show a general advance, which is of appreciable extent in some cases. But the public would be wise not to participate in this movement, except perhaps as regards the better-class properties, for the movement is being engineered by professionals, based on the profits which the mines can earn with the price of the metal standing at its present high level. In other departments business has been quiet, but the tone fairly firm.

## SOUTH AND WEST AFRICANS.

A sharp advance in Modder Leases of 7-32 to 3½ has been an outstanding feature in the South African market. This was due to the adoption by the Union Parliament of the scheme between the Government and the company revising the terms of the lease. Springs Mines have been bought on the bringing into commission of additional stamps, and show a similar advance at 3 29-32. New Modderfonteins have risen ¼ to 23¼, and City Deep at 3. Crowns at 1¼, Brakpans at 5½, and Rand Selections at 4½, are also slightly higher. On the other hand, East Rand Minings have declined 1s. to 17s. 6d., and Knights 3-32 to 1½. Among Diamond descriptions, Jagersfonteins have risen ½ to 4½. In the Rhodesian section, Gaikas have been flat on news from the mine that the southern pay shoot has petered out entirely; the shares are ½ lower at ½. Rezendes have risen ¼ to 4½, and Tanganyikas ½ to 3½. West African gold shares are rather easier; Ashanti Goldfields have declined to 20s. 6d. on the reduction in the quarterly dividend from 25 to 20 per cent.

## COPPER AND MISCELLANEOUS.

With the exception of Arizonas, which have rallied to 2¾, Copper shares have shown a dull tendency. Namaquas have declined ¼ to 2¼ on the announcement that operations at the mines have been temporarily suspended, as all shipments of copper concentrates from South Africa have been stopped by the Ministry of Shipping. There has been further colonial buying of Broken Hill shares. Proprietaries have advanced 2s. 6d. to 68s. 6d., Norths 1s. 3d. to 61s. 3d., British Proprietaries 1s. to 40s. 9d., and Block Tens ½ to 1½, but Amalgamated Zincs have declined 1s. 6d. to 30s.

Business has been exceptionally active in Tin shares, particularly Nigerian descriptions. Nigerian Tin Corporations have advanced 4s. to 21s. 9d., and South Croftys have risen 3s. 9d. to 34s. 9d., in anticipation that the report to be issued shortly will announce a final dividend of 1s. 3d. per share, making 3s. for the year. Other rises include 3s. to 24s. in Ropps, 4s. 3d. to 26s. 9d. in Jantars, 2s. to 16s. in South Bokers, 2s. to 17s. 6d. in Mongus, ½ to 31-32 in Naragutas, 1s. to 7s. 6d. in Northern Nigeria (Bauchi), on the declaration of an interim dividend of 2½ per cent., 1s. to 14s. 6d. in Rayfields, and 1s. to 16s. 6d. in Anglos. Gevors have spurted 3s. to 22s. 3d., East Pools 1s. 9d. to 26s. 3d., and Renongs have recovered ½ to 2½. In the American group, Mining Corporations of Canada have improved to 16s. 9d., and Camp Birds have risen to 9s. Russians have scarcely moved. Of the Indians, Mysore has declined 3-32 to 2¾ on the reduction in dividend, but Burmas have risen to 4¾. West Australians have been neglected.

## MINING NEWS.

**WOLHUTER.**—During the year ended October 31 there were milled 406,750 tons, a decrease of 16,750 tons. Gold produced amounted to £500,456, against £531,383, and the working profit was £139,342, against £161,223. The yield declined from 25s. 1d. per ton to 24s. 7d., and as costs rose 3d. per ton, the average profit declined from 7s. 7d. to 6s. 10d. per ton. The dividend is reduced from 15 per cent. to 11¼ per cent., and £45,951, against £45,983, is carried forward. Owing to the change in the system of taxation, two years' taxes have been deducted from the profits of the past year, the total payment being £35,983. Reserves of ore show a decrease of 230,520 tons at 1,071,640 tons, the average value being 5.6 dwts., a decrease of .4 dwt. Development of the mine is now near completion.

**CORDOBA COPPER.**—Despite the high price of the metal, this company did nothing like so well in 1917 as in 1916, and, as a result, shareholders who got a dividend of 10 per cent. last year get nothing at all on the present occasion. The quantity of ore raised was 76,146 tons, and the production of blister copper was 1,554 tons, which realised £196,614, or £14,936 less than the 1,746 tons produced in 1916. Working costs amounted to £155,533, and £24,567 was spent in the purchase of ores. A profit of £13,513 was made, against £45,665, and £6,589 was brought in. A sum of £9,000 has been written off for depreciation of plant and machinery, and £11,103 is carried forward. The directors are of the opinion that in present circumstances it is prudent to conserve resources.

**LE ROT No. 2.**—The report for the year ended September 30 states that, after writing off £17,946 for mine exploration and development, machinery and plant, &c., there was a loss of £27. The credit balance brought in is reduced from £22,327 to £16,300. During the year 10,984 tons were shipped to the smelters, the average value being \$22.86 per ton, these figures comparing with 16,228 tons and \$20.61. Costs averaged \$15.82 per ton, against \$15.12.

**UNITED COLLIERIES.**—A sharp relapse in profits in 1917 is also

recorded by this company. The total was £144,551, as against £263,229 in 1916, £216,065 in 1915, £57,600 in 1914, and £100,500 in 1913. A sum of £20,000 is appropriated for capital expenditure. Debentures to the amount of £185,250 have been redeemed, and the year's interest on the first debentures, "A" and "B," paid. First debentures outstanding now amount to £136,100 of "A's" and £363,950 of "B's." The year's output of coal was 2,052,042 tons, against 2,080,956 tons in 1916, and 2,037,655 tons for 1915.

**UNITED NATIONAL COLLIERIES.**—The report for 1917 shows a marked decrease in profits. After providing for excess profits duty, the balance of profit was £225,821, as compared with £320,221. The reserve appropriation is reduced from £100,000 to £50,000. The dividend on the ordinary shares, however, is maintained by a final payment of 2s. per share, tax free, and the carry forward is reduced from £64,140 to £52,398. Scarcity of shipping tonnage caused a considerable loss of output at the Risca pits during the latter part of the year.

**TWEEFONTEIN COLLIERY.**—Sales of coal in 1917 rose from 436,898 tons to 444,115 tons, and the gross profit was £38,068, against £39,764. After deducting excess profits tax for 1915 and 1916, there remains £26,431, against £26,007. The preference dividend is raised to the maximum of 10 per cent., and a final dividend of 19 per cent. is to be paid on the ordinary shares, making 25 per cent. for the year, the same as for 1916. This will leave £22,121 to be carried forward, subject to excess profits duty for 1917.

## MINING RETURNS FOR FEBRUARY.

Ashanti.—6,699 tons; value, £32,957 (Jan., £33,253).  
Aurora West.—12,100 tons; profit, £398 (Jan., £2,970).  
Balaghat.—Output, 1,471 ozs. fine gold (Jan., 1,611 ozs.).  
Bantjes.—15,530 tons; loss, £1,204 (Jan., loss, £396).  
Brakpan.—49,400 tons; profit, £32,909 (Jan., £39,934).  
Cam and Motor.—8,325 output; £13,139 (Jan., £18,915).  
Champion Reef.—26,609 tons; 8,033 ozs. gold (Jan., 8,012 ozs.).  
City and Sub.—20,216 tons; profit, £6,152 (Jan., £8,034).  
City Deep.—50,800 tons; profit, £47,247 (Jan., £51,453).  
Cons. Langlaagte.—40,300 tons; profit, £12,141 (Jan., £15,118).  
Cons. Main Reef.—45,020 tons; profit, £8,767 (Jan., £14,858).  
Crown.—142,000 tons; profit, £25,552 (Jan., £38,128).  
Durban Road.—22,825 tons; profit, £1,010 (Jan., £820).  
Durban Road Deep.—21,700 tons; profit, £739 (Jan., £2,118).  
East Rand Prop.—117,000 tons; profit, £5,434 (Jan., £3,769).  
Ferreira Deep.—44,200 tons; profit, £16,505 (Jan., £1,568).  
Gaika.—2,946 tons; profit, £1,539 (Jan., £1,259).  
Geduld.—39,200 tons; profit, £19,468 (Jan., £20,000).  
Geldenhuis Deep.—46,200 tons; profit, £1,032 (Jan., £3,192).  
Ginsberg.—10,800 tons; £13,221; loss, £157 (Jan., £548).  
Glencairn.—17,500 tons; profit, £589 (Jan., £516).  
Globe and Phoenix.—6,193 tons; profit, £19,200 (Jan., £19,207).  
Glyn's Lydenburg.—3,410 tons; profit, £751 (Jan., £2,250).  
Golden Horse Shoe.—2,894 tons; profit, £9,601 (Jan., £10,060).  
Gov. Areas Mod.—103,000 tons; profit, £58,603 (Jan., £60,215).  
Ivanhoe G. Corp.—17,929 tons; profit, £5,400 (Jan., £9,006).  
Jubtil.—1,800 tons; 503 ozs. fine gold (Jan., 511 ozs.).  
Jupiter.—19,600 tons; profit, £1,115 (Jan., £1,216).  
Kalgurli.—6,193 tons; profit, £1,530.  
Knight Central.—24,200 tons; profit, £113 (Jan., £490).  
Knight's Deep.—89,600 tons; profit, £1,038 (Jan., £2,052).  
Langlaagte Estate.—37,854 tons; profit, £7,089 (Jan., £9,016).  
Lonely Reef.—4,700 tons; profit, £9,093 (Jan., £10,904).  
Luipaards Vlei.—16,950 tons; loss, £1,641 (Jan., £1,500).  
Meyer & Charlton.—8,710 tons; profit, £14,997 (Jan., £29,584).  
Modder "B."—39,000 tons; profit, £45,183 (Jan., £53,619).  
Modder Deep.—29,500 tons; profit, £49,459 (Jan., £51,385).  
Mysore.—72,492 tons, 15,105 ozs. fine gold (Jan., 15,425 ozs.).  
New Goch.—14,300 tons; profit, £74 (Jan., loss, £180).  
New Heriot.—7,700 tons; loss, £2,513 (Jan., profit, £4,454).  
New Kleinfontein.—51,810 tons; profit, £3,193 (Jan., £9,157).  
New Modder.—50,000 tons; £64,880 (Jan., £65,076).  
New Primrose.—17,200 tons; profit, £46 (Jan., £1,175).  
New Unified.—9,900 tons; profit, £642 (Jan., £3,002).  
N. Anantapur.—4,100 tons; 1,129 ozs. fine gold (Jan., 1,134 ozs.).  
Nourse.—36,400 tons; £47,219; profit, £2,329 (Jan., £1,892).  
Nundydroog.—19,898 tons, 6,186 ozs. fine gold (Jan., 6,328 ozs.).  
Ooregum.—29,686 tons; 7,460 ozs. fine gold (Jan., 7,499 ozs.).  
Princess Estate.—17,200 tons; loss, £538 (Jan., £538).  
Randfontein Cent.—149,000 tons; profit, £20,909 (Jan., £36,065).  
Robinson Deep.—45,000 tons; profit, £8,961 (Jan., £9,350).  
Robinson.—36,600 tons; profit, £3,003 (Jan., £8,632).  
Roodepoort United.—24,054 tons; loss, £1,232 (Jan., £2,265).  
Rose Deep.—50,400 tons; profit, £12,313 (Jan., £14,079).  
Shamva.—48,886 tons; profit, £11,137 (Jan., £13,054).  
Simmer and Jack.—47,000 tons; profit, £15,708 (Jan., £17,229).  
Simmer Deep.—37,900 tons; loss, £3,219 (Jan., loss, £1,617).  
Sudan.—£3,837 output (Jan., £3,858).  
Transvaal Gold.—12,120 tons; profit, £4,900 (Jan., £3,680).  
Van Ryn.—31,700 tons; profit, £8,346 (Jan., £9,027).  
Van Ryn Deep.—41,160 tons; profit, £52,062 (Jan., £55,049).  
Village Deep.—40,100 tons; profit, £2,438 (Jan., £12,110).  
Village Main Reef.—21,500 tons; profit, £8,846 (Jan., £8,737).  
Wanderer.—18,740 tons; loss, £960 (Jan., profit, £110).  
West Rand.—31,380 tons; loss, £1,690 (Jan., £2,013).  
Witwatersrand.—33,000 tons; profit, £7,301 (Jan., £9,384).  
Wit Deep.—29,500 tons; loss, £6,876 (Jan., loss, £2,979).  
Wolhuter.—25,100 tons; profit, £3,904 (Jan., £7,704).

## SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

ASSETS exceed £11,000,000.

FIRE (INCLUDING LOSS OF PROFITS), LIFE, ACCIDENT, ILLNESS, ANNUITIES, PENSIONS, LEASEHOLD, BURGLARY, CLASS BREAKAGE, TRANSIT OF SECURITIES, FIDELITY, PROPERTY OWNERS' LIABILITIES, HORSE DRIVING ACCIDENTS, MOTOR CAR RISKS, THIRD PARTY, EMPLOYERS' LIABILITY AND MARINE INSURANCES EFFECTED ON THE MOST FAVOURABLE TERMS.

Edinburgh: 35, St. Andrew Square.

London: 5, Walbrook, E.C. 4, and 4, St. James' St., S.W. 1.

## PHENIX ASSURANCE COMPANY LIMITED.

ESTABLISHED 1782.

Head Office: PHENIX HOUSE, KING WILLIAM STREET, LONDON, E.C. 4.

Total Assets Exceed £17,000,000.

Claims Paid Exceed £98,000,000.

Chairman—Rt. Hon. LORD GEORGE HAMILTON, P.C., G.C.S.I.

FIRE. LIFE. ACCIDENT. MARINE.

Loss of Profits following Fire, Workmen's Compensation, Fidelity Guarantees, Burglary, Trustee and Executor, &c.

Prospectuses and Proposal Forms may be obtained on application to any of the Branch Offices or Agencies, or to the Head Office.  
General Manager - SIR GERALD H. RYAN.

### NOTICE.

Owing to Good Friday falling next week, "The Investors' Review" will be published on Thursday morning.

## The Investors' Review.

### Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

#### Norfolk House, Friday Evening.

As the end of the Government year approaches, the effect of loan subscriptions and tax-gathering makes money scarce at times in the open market. Borrowers have been paying 3½ to 3 per cent. for day-to-day money, and a little business has been done at the Bank in seven-day loans at 4 per cent.; but all through these passing flutters discount rates remained unchanged, and our table, therefore, stands as before. Sometimes money has been obtainable at 3 per cent. or less, but, on the whole, it has been dearer this week, and may be still more difficult to come by in the last week of the month which ends the year.

The Bank return shows, however, that no very severe pinch is to be looked for. Other deposits, indeed, are £5,383,000 up, thanks to £2,979,000 drawn from public deposits and £1,624,000 added to other securities. The reserve is also £446,000 higher, through an increase of £520,000 in the coin and bullion, minimised only to the extent of £74,000 by an increase in the note circulation. The proportion remains at 18½ per cent.

Following the usual venerable formality, Lord Cunliffe, the retiring Governor of the Bank of England, presiding at the half-yearly meeting on Thursday, declared the dividend for the half-year as already worked out and announced by us. It was at the rate of 10 per cent. per annum, or 5 per cent. for the half-year, less tax, and after paying it, the "rest" will stand at £3,019,222. Some judicious references were made by Lord Cunliffe to the events that have taken place during the three years of his governorship—for his term was extended, as many hoped, to last out the war. It has not done so, and he now gives place to Sir Brien Cokayne, who has been his deputy all the time, and is well qualified to continue his work. Most interesting, however, will be felt in his lordship's words about the position of the Bank and the agitation for drastic changes in its charter. Upon this matter his words were reassuring. People are naturally disposed to think that a privileged body like the Bank of England Court would resent any interference with their domain. If that was ever their idea—and we rather suspect it was—then the war has chastened them, and Lord Cunliffe was able to tell the proprietors that they might rest assured that "more up-to-date machinery was in course of being set up, and would be ready to obtain Parliamentary sanction in time to combat successfully the many difficulties he saw in store for the Bank after the war." That is good news, for if anything is certain in this world it is that the difficulties our banks will have to encounter and overcome promise to be far more formidable when the war is finished than they look to be now. We hope, however, that the new system will not be

sanctioned without public discussion. The committee now sitting to examine the bank amalgamation and other problems is, Lord Cunliffe, who was its chairman, said, fully alive to the fact that both the old Charter and the Act of 1844, well as they have served their time, stand in much need of revision.

Two resolutions relating to Bank of England reform will be discussed at the meeting of the Associated Chambers of Commerce on April 9 and 10. One resolution has been put down by the Norwich Chamber and the other by the London Chamber. The London Chamber some time ago appointed a special committee, with Mr. Faithfull Begg as chairman, to consider and report on the constitution and functions of the Bank, and to make recommendations. The London resolution differs in important respects from the Norwich resolution. The latter advocates the repeal of the Bank Act of 1844, as suggested by Sir Edward Holden, but the former is not in favour of repeal, but only of amendment. The London Chamber proposes that the maximum amount of the Bank's note issue in normal times should be regulated by provisions for cover, consisting of not less than one-third of gold or cash balances, and at the same time bills of exchange. It is also proposed that the Bank should have the power to make an excess issue upon payment of a tax on the lines laid down in the Federal Reserve Act of the United States, or in some similar manner. The London resolution also states that it is essential to the efficient working of any system for the regulation of note issues by the Bank of England that there should be legislative control of and safeguards upon the issue of Treasury notes.

An agreement having at last been reached, a Bill is to be introduced in the United States Congress authorising the Government to melt down and sell 200 million silver dollars out of the 460 millions at present kept in the Treasury vaults against silver currency certificates. The silver to be thus released will be available for export to India, China, Japan, or elsewhere, and, in order to replace it, the American silver producers have agreed to sell their output from the mines for the next year or two to the United States Treasury at a fixed price, probably one dollar an ounce.

The marked weakness of the neutral exchanges has been the dominant feature of the foreign exchange market this week. A heavy fall has occurred in the Scandinavian rates, and the Spanish exchange has fallen to the lowest level on record. Stockholm has declined 1.15½ kr. to 13.65 kr., Copenhagen 67 points to 15.03 kr., and Christiania is 27½ points lower at 14.79 kr. Amsterdam is 16 points lower at 10.24½ fl. The extent of the decline indicates that Scandinavian and Dutch funds employed here are being withdrawn to some extent, and the fact that this is being done despite the loss involved shows that reasons other than financial are responsible for the movement. Purely financial considerations would tend to keep the money employed here. The Spanish exchange has declined 27½ points to 18.80 pesetas to the pound. The Italian exchange is a shade firmer at 41.10 lr., but Switzerland has declined 30 points to 20.75 fr. Montreal is 1½ cents lower at \$4.82½.

Count Roedern, Secretary to the German Treasury, in introducing the latest demand for credit, which is nominally a mere £750,000,000, disclosed the fact that Germany's monthly war expenditure has risen from £100,000,000 during the winter of 1915-16 to £187,500,000 in the last five months. We should have thought that the expenditure was considerably larger, but do not care enough about it just now to argue the point. The Count went on to declare that the cost of the war to all parties has been thus far £27,500,000,000, and he lays £18,500,000,000 of that fine mass to the charge of the Allies of the *Entente*, modestly claiming only £9,000,000,000 for the share of the Central Empires. It is well to have these landmarks from the lie factory, because, although they do not represent the facts, they set forth to some extent the German view of what the facts ought to be; reveal likewise something of the trickery by which the German people is lured on to its ruin.

The London County and Westminster Bank, Ltd., are authorised to receive subscriptions for £1,000,000 Port of London 5½ per cent. inscribed stock at the price of 99½ per cent. Principal is repayable at par on March 1, 1933, but the Port of London Authority retains the option to redeem at par on or after March 1, 1923, on giving six months' notice. The issue is made chiefly for the purpose of paying off temporary loans to meet capital expenditure on the improvement and development of the facilities of the Port. Interest is payable March 1 and September 1, and a payment of 1 per cent., representing interest on instalments, will be made on September 2 next. Of course, there is no question about the security of the stock as an investment.

The Law Debenture Corporation, Ltd., having purchased £600,000 6 per cent. first mortgage debentures in the Tees Power Station Co., Ltd., now offers them for sale at the price of 98½ per cent. Owing to the enormous increase in the demand for electric energy, the Newcastle-upon-Tyne Electric Supply Co., Ltd., has found it desirable to secure an additional power station, and it has formed the Tees company with a share capital of £700,000 as a subsidiary to carry out the work. The Newcastle company guarantees the debentures as to principal and interest, and they will be redeemable not later than 1950 by means of a sinking fund commencing in 1921, but the company will have the option of redeeming all the debentures outstanding after October 1, 1922, at 103, on giving six months' notice. As the Newcastle company last year made a net profit of £221,000, and has been making rapid progress recently, it is perfectly competent to carry out its obligations, and the debentures appear to be a sound industrial investment.

	Mar. 16, 1918.	Mar. 9, 1918.	Mar. 2, 1918.	Mar. 27, 1917.
Loans .. ..	£ 145,568,000	£ 145,324,000	£ 174,874,000	£ 154,394,000
Specie .. ..	24,914,000	2,906,000	3,500,000	13,816,000
Deposits .. ..	139,374,000	130,996,000	172,518,000	163,268,000
Legal Tenders	12,532,000	13,108,000	16,976,000	2,358,000

## BANK OF FRANCE (25 francs to the £).

	Mar. 14, 1918.	Mar. 7, 1918.	Feb. 28, 1918.	Mar. 15, 1917.
Gold in hand ..	133,316,160	133,295,000	133,241,520	128,856,160
Silver in hand ..	10,248,200	10,243,520	10,197,040	10,664,920
Bills discounted ..	42,561,560	44,926,040	52,489,360	19,341,600
Advances ..	47,020,800	47,432,520	46,815,320	49,125,240
Note circulation ..	989,764,800	986,001,080	972,332,280	734,461,960
Public deposits ..	1,552,040	1,161,360	2,089,080	900,680
Private deposits ..	103,927,440	105,228,320	103,249,000	97,756,680
Foreign Bills ..	434,200	389,200	350,000	92,840

Proportion between bullion and circulation 23.74 per cent., against 22.82 per cent. last week. Advances to the State £542,000,000, increase £8,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £19,537,000, decrease £37,680, and at the branches £24,897,600, decrease £32,720.

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	Mar. 7, 1918.	Feb. 28, 1918.	Feb. 23, 1918.	Mar. 7, 1917.
Total Coin & Bullion ..	126,223,550	126,181,450	126,169,150	127,228,550
Treasury Notes ..	65,287,500	65,653,150	62,713,500	14,475,050
Bills discounted ..	653,272,250	652,474,950	617,794,750	450,826,800
Advances ..	318,800	431,600	300,150	531,490
Note circulation ..	566,205,200	565,541,400	556,123,550	408,198,500
Deposits ..	329,552,050	324,501,550	303,460,900	302,028,500

Clearing House return during February £420,879,905, against £478,428,170 in January.

## BANK OF SPAIN (25 pesetas to the £).

	Mar. 9, 1918.	Mar. 2, 1918.	Feb. 23, 1918.	Mar. 10, 1917.
Gold ..	79,910,619	79,740,876	79,555,541	53,321,208
Silver ..	88,171,097	28,391,950	28,407,129	29,721,767
Foreign Bills ..	3,566,120	3,576,898	3,556,108	3,513,526
Discounts and Short Bills ..	30,669,071	31,408,464	31,236,108	25,491,147
Treasury Account, &c. ..	24,974,213	24,958,460	25,063,901	26,748,452
Notes in Circulation ..	114,767,490	113,958,279	113,335,219	95,995,087
Current Accounts, Deposits ..	34,240,597	34,288,890	34,776,066	30,454,997
Dividends, Interests, &c. ..	1,643,316	1,802,869	1,814,105	1,408,991
Government Securities ..	5,756,708	6,714,622	6,409,713	1,767,238

## SWISS NATIONAL BANK (25 francs to the £).

	Mar. 7, 1918.	Feb. 23, 1918.	Feb. 23, 1918.	Mar. 8, 1917.
Gold and silver ..	16,929,884	16,903,360	16,936,708	15,807,304
Bills ..	8,933,817	8,860,124	8,084,840	7,539,424
Note circulation ..	25,513,684	25,866,764	24,516,484	20,101,832
Current and deposit accounts ..	3,803,412	3,079,406	3,584,900	5,073,304

## BANK OF SWEDEN (18 kroner to the £).

	Mar. 2, 1918.	Feb. 23, 1918.	Feb. 16, 1918.	Mar. 3, 1917.
Gold ..	13,079,000	13,069,000	13,084,000	10,642,000
Balance abroad and Foreign Bills ..	7,316,000	7,364,000	7,529,000	8,197,000
Swedish and Foreign Govt. Securities ..	3,137,000	3,143,000	2,881,000	3,767,000
Discounts and Loans ..	12,720,000	11,421,000	11,432,000	3,939,000
Notes in circulation ..	31,721,000	29,596,000	29,500,000	22,066,000
Deposits at notice ..	5,519,000	5,766,000	6,003,000	3,891,000

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	Mar. 19, 1918.		Mar. 21, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	10.29	10.31	10.23	10.26
Paris ..	Cable transfers ..	27.18	27.21	27.19	27.22
..	Three months' bills ..	27.58	27.62	27.59	27.63
Switzerland ..	Cable transfers ..	20.83	20.93	20.58	20.63
..	Three months' bills ..	21.18	21.28	20.93	20.98
Petrograd ..	Cable transfers ..	nom.	nom.	nom.	nom.
Genoa, &c. ..	Cable transfers ..	41.10	41.20	41.19	41.24
Spain ..	Cable transfers ..	18.88	18.98	18.58	18.64
..	Three months' bills ..	59	60	60	61
Lisbon and Oporto ..	Cable transfers ..	27½	28½	27½	28½
Copenhagen ..	Cable transfers ..	15.18	15.28	15.12	15.22
Christiania ..	Cable transfers ..	14.90	15.00	14.90	15.00
Stockholm ..	Cable transfers ..	14.15	14.25	13.95	14.06

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22½	27.23	27.20
Amsterdam, cheques ..	Florins to £1 ..	12.107	10.33½	10.31½
Italy, sight ..	Lire to £1 ..	25.22½	41.03½	41.27½
Madrid, sight ..	Pesetas to £1 ..	25.22½	19.09½	18.62½
Lisbon, sight ..	Pence to milreis ..	53½d.	28½d.	28d.
Switzerland, sight ..	Francs to £1 ..	25.22½	20.97½	20.62½
Christiania, sight ..	Kroner to £1 ..	18.159	15.33½	14.95
Stockholm, sight ..	Kroner to £1 ..	18.159	14.72½	13.93½
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.70	15.17½
Petrograd, sight ..	Roubles to £10 ..	94.57	nom.	nom.
Alexandria, sight ..	Piastres to £1 ..	97½	97½	97½
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/4½
Hong Kong, T.T. ..	Sterling to dollar ..	—	3/0	3/1
Shanghai, T.T. ..	Sterling to tael ..	—	4/3½	4/5
Singapore, T.T. ..	Sterling to dollar ..	—	2/3½	2/3½
Yokohama, T.T. ..	Sterling to yen ..	24.58d.	21/4½	21/4½
New York, cable ..	Dollars to £1 ..	4.86½	4.76½	4.76½
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	50½d.	50½d.
Valparaiso, 90 days ..	Pence to peso ..	—	15d.	15½d.
Montevideo, T.T. ..	Pence to dollar ..	51d.	50½d.	50½d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13½d.	13½d.

## OPEN MARKET DISCOUNT.

	Last week.	This week
	Per cent.	Per cent.
Thirty and sixty day remitted ..	3½	3½
Three months ..	3½	3½
Four months ..	3½	3½
Six months ..	3½	3½
Three months fine inland bills ..	4½	4½
Four months ..	4½	4½
Six months ..	4½	4½

## BANK AND DEPOSIT RATES.

	Last week	This week
	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
.. short loan rates ..	—	—
Bankers' rate on deposits ..	3	3
Bill brokers' deposit rate (call) ..	3	3
.. 7 and 14 days' notice ..	3½	3½
Current rates for 7 day loans ..	3½	3½
.. for call loans ..	3½	3½

## The Week's Stock Markets.

Not until towards the end of the week did the Stock Exchange give any sign of animation, and even then it was of a rather spasmodic character. Business throughout was on a small scale, and the general feeling was rather miserable, if not actually depressed. There was no particular reason for this, unless, perhaps, it was due to a natural reaction following the wild excitement of Tank campaigns, which undoubtedly diverted a considerable amount of investment money from the House. Moreover, the delay in arriving at an understanding as to the method and scope of Japan's intervention in Siberia was regarded with some impatience, as it was thought that prompt action was the essence of the contract. But it may be a case of the more hurry the less speed, and there are all sorts of susceptibilities to be considered. Things began to wear a more cheerful aspect after the successful little scrap with Hun destroyers in the Channel, and after the news came that the expected offensive on the Western Front had begun on the whole favourably for us, the tone became more confident. But the next two weeks will be interrupted by the holidays, and nothing much in the way of activity need be looked for just at present.

Very few signs of activity have been displayed in the Stock markets this week, and, generally speaking, the tone has been exceedingly dull. It certainly improved a little towards the close, but the change in sentiment did not occur early enough to make much difference either in quotations or the amount of business passing. Consols and War Loans kept fairly steady, but with little change to record, and among other gilt-edged securities the leading issues were rather weak. The underwriting of £1,000,000 stock for the Port of London Authority also tended to restrict investment purchases. Colonial Loans were scarcely mentioned, and in the Foreign division prices mostly were weak under the lead of Japanese, which are still adversely affected by the political situation. Chinese also gave way to some extent, but Spanish and Greek bonds improved a point or more, and Brazilians also showed some strength. Chilean Fives gave way a point.

Home Railways have been weak throughout, and quotations sagged almost daily. Americans were neglected except for a brief period, when they developed a pronounced weakness. Canadian Pacifics were not helped by a poor traffic, and they did not benefit to the same extent as Grand Trunks by the favourable rate decision of the Canadian Government to which we refer more fully elsewhere. Mexicans were neglected, and Argentines started badly, but afterwards recovered smartly on the arrangement entered into with the Allies for the shipment of the coming harvest. United of Havana was weak.

Bank shares received a moderate amount of support, and Lloyd's were particularly strong. Breweries generally were weak, with City of London and Watney, Combe deferred rather pressed for sale. Other movements were unimportant. Egyptian securities were irregular, but closed rather better. Among Gas and Electric Lighting shares, South Metropolitan Gas was very weak at one time, but finished with a better appearance. Iron and Steel shares opened fairly well, but afterwards became dull with the Explosives division conspicuously weak. On the other hand, Canadian Car and Foundry and Otis Steel advanced from 10 to 13 points after having been left in the shade for some considerable time past. Land shares have not much to show, but at the finish Hudson's Bays, Nigers, and Pahangs were good. Nitrate shares were weak, and Shipping shares were dull without much change worth mentioning. Marconis advanced smartly on the result of the litigation with the Government. Miscellaneous Industrials were fairly good, but Textiles were dull, and Courtaulds gave way a good fraction. Price's Candle advanced on the report, and Callender's Cable also received support on the bonus scheme.

Oil shares were in considerable favour, especially at the start, and Anglo-Egyptian particularly seemed to be in favour. Afterwards, however, the tone became weak, and Burmahs, "Shells," Urals, and Venezuelans all gave way to a greater or less extent. Rubber shares were helped by the firmness of the market for the raw material, and after the persistent decline of the past few weeks there were evidently bargain hunters out to pick up shares that looked cheap. Consequently dealings have been on a better scale than for some time past, and a substantial recovery in values has taken place.

## LONDON PRODUCE MARKETS

SUGAR.—Market remained unaltered, while fair allocations were made, chiefly consisting of home refined descriptions.

COFFEE.—A fairly liberal assortment was offered at public sales, and with keen competition full rates were obtained, while fancy prices were paid for mild liquoring parcels. East India Mysore, good mid colory, sold, 132s.; Nelliampathy, small, good to fine, 108s. to 135s.; Nairobi, mid to fine, 117s. to 137s.; Costa Rica, good mid colory, 132s. 6d.; Guatemala, ditto, 116s. 6d.; Mocha longberry, 118s.; Santos, good to fine, 75s. to 78s. The market for future delivery remained steady, but quiet.

COCOA.—Small supplies brought forward at public sales passed off slowly, though generally steady prices were secured. Trinidad

## CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING MARCH 22, 1918.

	Last Week.	This Week.		Last Week.	This Week.
Sugar—per cwt., duty 14, 98% polarisation	£ s. d.	£ s. d.	Wool—per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granulated, first marks f.o.b., spot	nom.	nom.	Greasy Crossbred	nom.	nom.
German Cubes f.o.b.	nom.	nom.	New Zealand (scoured) Merino	nom.	nom.
French Cube ..	nom.	nom.	Greasy Crossbred	nom.	nom.
Crystallised, West	nom.	nom.	Cape snow white	nom.	nom.
India ..	2 6 9	2 6 9	Indian rubber p. lb.		
Beet, 88% f.o.b.	nom.	nom.	Plantation, Spot		
Tea—per lb., duty 1/-	s. d. s. d.	s. d. s. d.	Crope ..	0 2 6	0 2 5 1/2
Indian Pekoe ..	nom.	nom.	Coal—per ton		
Broken ..	nom.	nom.	Durham, best ..	nom.	nom.
Orange ..	nom.	nom.	Seconds ..	nom.	nom.
Broken ..	nom.	nom.	East Hartlepool ..	nom.	nom.
Pekoe Souchong	nom.	nom.	Seconds ..	nom.	nom.
Ceylon Pekoe ..	nom.	nom.	Steams, best ..	32 6	32 6
Broken ..	nom.	nom.	Seconds ..	29 6	29 6
Orange ..	nom.	nom.	Lead—per ton.	£ s. d.	£ s. d.
Broken ..	nom.	nom.	English Pig ..	nom.	nom.
Pekoe Souchong	nom.	nom.	Foreign soft, net	£29 1/2-£28 1/2	£29 1/2-£28 1/2
Cocoa—per cwt., duty 6d. per lb.	s. d. s. d.	s. d. s. d.	Quicksilver—per bottle firsthand	nom.	nom.
Trinidad—per cwt.	87 0-99 0	87 0-98 0	Tin—per ton		
Grenada ..	32 0-88 0	32 0-84 0	English Ingots	£323-£325	£323-£324
West Africa ..	62 6-70 0	62 6-70 0	Do. bars ..	£324-£326	£324-£325
Ceylon Plantation	79 0-95 0	77 0-95 0	Standard cash ..	£320	£316
Guayaquil Ariba.	110/-112/-	103/-110/-	Tin Plates, per box	nom.	nom.
Coffee—per cwt., duty 4s. per cwt.			Copper—per ton.		
East India ..	115 0 132 0	110 0 135 0	English, Tough	nom.	nom.
Jamaica ..	79 0 151 0	79 0 151 0	per ton ..	nom.	nom.
Costa Rica ..	115 0 139 0	110 0 139 0	Best Selected ..	£119-£123	£119-£123
Provisions—			Sheets ..	£149	£149
Butter, per cwt.	252/-	252/-	Standard ..	£110-110 1/2	£110-110 1/2
Australian finest	252/-	252/-	Jute—per ton.		
Irish Creameries	nom.	nom.	Native firsts for shipment	nom.	nom.
Dutch ditto ..	nom.	nom.	Oils—		
Russian finest ..	nom.	nom.	Linseed, per ton ..	£58	£58
Paris baskets ..	nom.	nom.	Rape, crude ..	£66	£66
Danish finest ..	nom.	nom.	Cott'n Seed, crude	£60	£60
Brittany rolls ..	nom.	nom.	Petroleum Oil, per 8 lbs.	1/7 1/2	1/7 1/2
doz. lb. ..	nom.	nom.	Water White ..	1/8 1/2	1/8 1/2
Bacon—per cwt.			Oil Seeds, Linseed	—	—
Irish ..	172/-	172/-	Calcutta—per ton		
Continental ..	172/-	172/-	Rape ..	29 15 0	29 15 0
Canadian ..	171/-172/-	171/-172/-	Cleveland Cash ..	£29-10/£30	£29-10/£30
American ..	171/-180/-	171/-180/-	Iron—per ton		
Hams—per cwt.			Cleveland Cash ..	nom.	nom.
Irish ..	203/-	203/-	Tobacco—duty, unmanufactured 7/4 to 8/0 per lb.		
Canadian ..	162/-165/-	162/-165/-	Maryland & Ohio		
American ..	125/-165/-	125/-165/-	per lb. bond ..	nom.	nom.
Cheese—per cwt.			Virginia leaf ..	0 8-2 1	0 8-2 1
Dutch ..	129/6-160/-	129/6-160/-	Kentucky leaf ..	0 7-0 11	0 7-0 11
Canadian ..	nom.	nom.	Latakia ..	2 0-5 0	2 0-5 0
English Cheddar	142/-	142/-	Havana ..	1 6-6 6	1 6-6 6
Willis leaf ..	nom.	nom.	Manilla ..	nom.	nom.
New Zealand ..	nom.	nom.	Cigars, duty 10/6 per lb.	2/ upds.	2/ upds.
Rice—per cwt.	s. d.	s. d.	Timber—Wood.		
Japan ..	nom.	nom.	Pitch Pine ..	300/-400	300/-400
Rangoon 2 stars ..	26 3	26 3	Indian Teak ..	380/-700	380/-700
Eggs—per 120.			Turpentine—		
English ..	34 6-36 0	34 6-36 0	American Spot ..	124/3	124/3
Irish ..	33 6-34 6	34 6-35 0	Copra—per ton		
Danish ..	nom.	nom.	Malabar ..	46 0 0	46 0 0
Spelter—			Ceylon ..	46 0 0	46 0 0
G.O.B. as to position	54 0-50 0	34 6-50 0	F.M.S. Singapore	45 10 0	45 10 0
Flour—per sack.			F.M. Straits ..	45 10 0	45 10 0
Country Straight	44/3	44/3			
Runs ex Mill ..	44/3	44/3			

good, sold at 95s.; St. Lucia, good to fine, 88s. to 94s.; and St. Thome, superior, 93s. Privately Trinidad realised 96s., and Guayaquil Ariba, 100s. to 103s. Cocoa butter steady, with sales at 2s. per lb.

SPICE.—Auctions went firmly with a good demand. Bombay ginger dearer at 80s. to 90s. for dark to small rough washed. East India mace also firmer at 3s. 4d. to 3s. 5d.; and West India, 2s. 9d. to 3s. 6d. West India nutmegs, 66s. to 131s., 1s. 11d. to 3s.; and Easterns, 80s. to 95s., 2s. 4d. to 2s. 7d. Private market for pepper ruled firm. Fair Black Singapore, spot, sold, 1s. 4 1/2d.; white ditto, 2s. 1d.; and Muntok, 2s. 1 1/2d. Tapioca firm. Fair flake, spot, sold, 8d. per lb.; and medium seed pearl, 72s. 6d. per cwt. Pimento, sold, 5 1/2d. to 5 1/2d. per lb.

	Last Week	This Week		Last Week	This Week
Consols.	53 1/2	54 1/2	N.S.W. 4 1/2% 5 yr. bds.	97 1/2	97 1/2
War Loan 3 1/2% ..	80 1/2	80 1/2	" 4 1/2% 1922-7 ..	92	92
" 4 1/2% ..	100 1/2	100 1/2	" 5% 1921-3 ..	97 1/2	97 1/2
" 5% 1920-47 ..	93 1/2	93 1/2	" 5 1/2% 1920-2 ..	97 1/2	97 1/2
" 4% 1919-42 ..	100 1/2	100 1/2	New Zealand 4% 1929 ..	86 1/2	86 1/2
India 3% ..	54	53 1/2	Queensland 4% ..	79	79
" 3 1/2% ..	63	62 1/2	" 4 1/2% 1920-5 ..	92 1/2	92 1/2
Australian 3 1/2% 1920-22 ..	99	99	Union of S. Africa 4 1/2% 1920-5 ..	92 1/2	92 1/2
Canada 4% 1940-60 ..	80	80	Victoria 4 1/2% 1920-5 ..	92 1/2	92 1/2
" 4 1/2% 1920-5 ..	94	94 1/2	Westn. Aus. 4% ..	79 1/2	79 1/2
N.S.W. 4% 1933 ..	82 1/2	82 1/2	French War Loan, 5% ..	75 1/2	75 1/2
Argentina 4% 1900 ..	67 1/2	68	Japan 4 1/2% (1st), 1905 ..	91 1/2	91 1/2
Belgian 3% ..	62 1/2	62 1/2	" 5% 1907 ..	84	83
Brazil, 1913 ..	70	70	Mexican 5% 1899 ..	57	57
" 5% 1914 ..	81	81	Russia 4% ..	34 1/2	35 1/2
Chinese 1896 ..	89	89	" 4 1/2% 1909 ..	39 1/2	39 1/2
" 1912 ..	76	77	" 5% 1906 ..	49 1/2	49 1/2
Egypt Unified 4% ..	87	87	London and N.W. ....	88 1/2	88 1/2
Caledonian defd. ....	87	9	London and S.W. defd. ....	22	22
Gt. Central pta. ....	12 1/2	12 1/2	Do red. pf. 1914 ..	95	95
" defd. ....	6 1/2	6 1/2	Metropolitan ..	20 1/2	20 1/2
Gt. Eastern ..	34 1/2	34 1/2	Do. 5% pf. ....	74 1/2	74 1/2
Gt. Northern defd. ....	34 1/2	34 1/2	Met. District ..	14 1/2	14 1/2
Gt. Western ..	83	82 1/2	Midland defd. ....	54 1/2	55
Lancs. and Yorks. ....	64	64	Nth. British defd. ....	13 1/2	13 1/2
London Brighton defd. ....	55	54 1/2	Nth.-Eastern ..	93 1/2	93 1/2
London Chatham ord. ....	8 1/2	8 1/2	Sth.-Eastern defd. ....	27 1/2	27 1/2
Canadian Pacific ..	160 1/2	160	Chesapeake ..	62	61
E. Indian Guar. 4 1/2% debts.	84	84	Erie ..	19 1/2	19 1/2
Grand Trunk ord. ....	82	98	Southern ..	26 1/2	26
Do. 1st pf. ....	50 1/2	53	Cent. Argentine ord. ....	56 1/2	57 1/2
Do. 3rd pf. ....	20 1/2	21 1/2	Leopoldina ..	37 1/2	37 1/2
Antofagasta defd. ....	133	133	Mexican ord. ....	18	18
Brazil Common ..	5	5	San Paulo (Brazilian) ..	183	183
B. A. & Pacific ..	38 1/2	39 1/2	United of Havana ..	75	74
B. A. Gt. Southern ..	68 1/2	68 1/2	London City & Midland ..	7 1/2	7 1/2
B. A. Western ..	66 1/2	66 1/2	London County & West ..	15	15
Anglo-South American ..	8	8	London Joint Stock ..	28 1/2	28 1/2
Bank of Australasia ..	116 1/2	116 1/2	Nat. Prov. of Eng. (£100 pd)	26 1/2	26
Bank of N.S. Wales ..	36	36	Do. (£12 pd) ..	29 1/2	30
Barclay & Co. "A" ..	7 1/2	7 1/2	Parr's ..	32	32
Do. "B" ..	11 1/2	11 1/2	Standard of S.A. ....	11 1/2	11 1/2
Capital & Counties ..	25 1/2	25 1/2	Union Discount ..	10 1/2	10 1/2
Chartered of India ..	72 1/2	72	Union & Smiths ..	26	26 1/2
Hongkong & Shanghai ..	83	82	Kynochs ..	42 1/2	41 1/2
Lloyds ..	23 1/2	24 1/2	Mond Nickel ord. ....	37 1/2	37 1/2
London & Brazilian ..	25 1/2	25 1/2	South Durham Steel ..	42 1/2	42 1/2
Armstrong, Whitworth ..	43 1/2	43 1/2	Thornycroft ..	41 1/2	41 1/2
Birmingham Small Arms	58 1/2	57 1/2	Vickers ..	44 1/2	44 1/2
Camell-Laird ..	64	64	Fine Cotton Spinners ..	34 1/2	34 1/2
Cargo Fleet ..	25 1/2	25 1/2	Forestal Land ..	48 1/2	48 1/2
Dorman, Long ..	38 1/2	38 1/2	Furness, Withy ..	65 1/2	66 1/2
Associated Cement ..	33 1/2	33 1/2	Harrods Stores ..	2 1/2	2 1/2
Borax defd. ....	39 1/2	39 1/2	Hudson's Bay ..	7 1/2	7 1/2
Bovril ..	20 1/2	20 1/2	Imperial Tobacco "C" pf.	33 1/2	33 1/2
Brazil Traction ..	44	43 1/2	Lever Bros. "C" pf. ....	20 1/2	20 1/2
British Amer. Tobacco pf.	18 1/2	18 1/2	Lyons, J. ....	4	4
British Aluminium ..	33 1/2	32 1/2	Marconi ..	3 1/2	3 1/2
British Oil & Cake ..	31 1/2	31 1/2	Maypole Dairy defd. ....	18 1/2	18 1/2
Brunner, Mond ..	14 1/2	14 1/2	National Steam Car ..	16 1/2	16 1/2
Castner-Kellner ..	3 1/2	3 1/2	Pears, A. & F. ....	14 1/2	14 1/2
Coats ..	6	6	P. & O. defd. ....	33 1/2	33 1/2
Courtaulds ..	7 1/2	7 1/2	Royal Mail ..	122 1/2	122
Cunard ..	47 1/2	47 1/2	Underground Inc. Bds. ..	79	79
Dennis Bros. ....	35 1/2	36 1/2	North Caucasian ..	11 1/2	11 1/2
Eastern Telegraph ..	15 1/2	15 1/2	Romanian Cons. ....	8 1/2	8 1/2
Kasimans ..	10 1/2	10 1/2	Shell ..	5	5 1/2
English Sewing Cotton ..	54 1/2	54 1/2	Spies (10/-) ..	5 1/2	5 1/2
Anglo-Egyptian "B" ..	34 1/2	37 1/2	Ural Caspian ..	18	18
Baku (ros.) ..	1 1/2	1 1/2	Perak 2/- ..	6 1/2	7 1/2
Burmah ..	63 1/2	63 1/2	Port Dickson 2/- ..	3 1/2	3 1/2
Lobitos ..	14 1/2	14 1/2	Rub. Estates Johore £1 ..	39 1/2	39 1/2
Malakoff Pipeline ..	2 1/2	2 1/2	Rub. Estates Krian 2/- ..	3 1/2	3 1/2
Mexican Eagle pf. ....	63 1/2	62 1/2	Rubber Trust £1 ..	26 1/2	26 1/2
Allagar 2/- ..	3 1/2	3 1/2	Sampang (Java) 2/- ..	2 1/2	2 1/2
Anglo-Java Rub. 2/- ..	5 1/2	5 1/2	Sapumalkande £1 ..	25 1/2	25 1/2
Anglo-Malay 2/- ..	12 1/2	14 1/2	Seaport £1 ..	26 1/2	26 1/2
Ayer Kuning £1 ..	42 1/2	45 1/2	Selangor ..	30 1/2	30 1/2
Batang Malaka 2/- ..	4 1/2	4 1/2	Sengat 2/- ..	3 1/2	3 1/2
Bekoh 2/- ..	4 1/2	4 1/2	Seremban £1 ..	37 1/2	38 1/2
Brit. N. Borneo Trust £1	16 1/2	16 1/2	Shelford £1 ..	36 1/2	35 1/2
Bukit Clob 2/- ..	4 1/2	4 1/2	Sialang £1 ..	6 1/2	6 1/2
Bukit Kajang £1 ..	67 1/2	72 1/2	Singapore Para 2/- ..	3 1/2	3 1/2
Bukit Mertajam 2/- ..	4 1/2	4 1/2	Singapore United 2/- ..	3 1/2	3 1/2
Bukit Sembawang 2/- ..	3 1/2	3 1/2	Somber Ajoie 2/- ..	2 1/2	2 1/2
Carey United £1 ..	41 1/2	41 1/2	Stagbrook £1 ..	33 1/2	33 1/2
Ceylon Para 2/- ..	9 1/2	9 1/2	Straits Bertam 2/- ..	5 1/2	6 1/2
Chersonese ..	3 1/2	3 1/2	Sumatra Para 2/- ..	7 1/2	8 1/2
Chevi. 2/- ..	5 1/2	6 1/2	Sungei Bahru £1 ..	36 1/2	36 1/2
Dalkeith 2/- ..	2 1/2	2 1/2	Sungei Kapar 2/- ..	10 1/2	10 1/2
Eastern Invest. Trust £1	25 1/2	25 1/2	Sungei Krut £1 ..	49 1/2	49 1/2
Grand Central £1 ..	27 1/2	27 1/2	Taipung 2/- ..	3 1/2	4 1/2
Gula Kulumpung £1 ..	35 1/2	35 1/2	Tali Ayer £1 ..	35 1/2	34 1/2
Highlands £1 ..	55 1/2	57 1/2	Tandjong £1 ..	79 1/2	87 1/2
Java Investment £1 ..	26 1/2	28 1/2	Tandjong Malim £1 ..	3 1/2	3 1/2
Java Para £1 ..	28 1/2	29 1/2	Tebrau £1 ..	59 1/2	62 1/2
Johore Rubber Lands £1	30 1/2	33 1/2	Telorejo £1 ..	39 1/2	44 1/2
Kamunin 2/- ..	3 1/2	3 1/2	Tempeh 2/- ..	2 1/2	2 1/2
Kinta Kellas 2/- ..	4 1/2	4 1/2	United Serdang 2/- ..	10 1/2	10 1/2
Kuala Kubu 2/- ..	2 1/2	2 1/2	Val United Sumatra 2/- ..	8 1/2	8 1/2
Labu 2/- ..	8 1/2	9 1/2	Val d'Or 2/- ..	3 1/2	3 1/2
Langen Java £1 ..	35 1/2	37 1/2	Vallambrosa 2/- ..	20 1/2	21 1/2
Linggi 2/- ..	24 1/2	26 1/2	Way Halim 1/8 pd. ....	—	—
London Asiatic 2/- ..	7 1/2	8 1/2	Gt. Boulder (2/-) ..	13 1/2	13 1/2
Malacca £1 ..	5	5	Kyshtim ..	1	1
Malayalam £					

RICE in good support. Coloured beans easier, at £37 5s., ex wharf, London.

SHELLAC.—Business is practically in abeyance, and quotations nominal.

RUBBER.—Market displayed a firm tone, though movements were somewhat irregular. A fair business transpired, including plantation crepe, spot, and March, at 2s. 6½d. to 2s. 6¾d. and 2s. 6d.; April-June, 2s. 7d. to 2s. 7½d. and 2s. 6½d.; July-December, 2s. 8d. to 2s. 8½d. and 2s. 7½d. Ribbed smoked sheet, spot, and March, 2s. 6d. to 2s. 6½d. and 2s. 5½d. Fine hard Para, spot, and March-April, 2s. 8½d. Soft fine, quoted, 2s. 5d. per lb.

CORN (Mark Lane).—The volume of business has been on a fair scale in a few cases, but, as a rule, offers continue reserved made, while all-round steadiness still characterises the market tone. Wheat: Native grain remains at 75s. 6d. per qr. (504 lbs.). Imported, No. 1 Northern Manitoba quoted at 81s. 6d., and No. 2 at 80s. Australian, 83s. 6d.; and Plate, 81s. 9d. Flour: Imported sorts have met a fair sale at 49s. 9d. to 51s. 3d., landed, according to quality, with more doing in English at the regulation rates. Oats: Canadian feed and American white clipped No. 2 have been placed at 63s. 6d. and 61s. 6d., landed, respectively. English quoted at 46s. 3d. Maize remains out of offer and nominal. Barley: English, 62s. 9d. per qr.

COTTON (from our Manchester correspondent).—Prices in the market during the past week have continued to go against buyers. The general inquiry has been considerable, but much difficulty has been experienced in arranging transactions. The conditions in the market seem to become more abnormal from week to week. Production, of course, is now very restricted, and a comparatively small amount of fresh business is sufficient to keep spinners and manufacturers very busy. The Government has decided to purchase the Egyptian cotton crop for next season, and it is believed that in this way adequate supplies for this country will be assured. An irregular trade has transpired in cloth for abroad. Very few bids for India and China have been at all workable. Occasional sales have been put through in light fabrics such as mull dhooties for Calcutta. Some business has been about in well-known "chops" for Shanghai. Operations for Java and Singapore have not been quite at a standstill. Many shippers to Egypt have resisted the higher figures required by sellers. Most manufacturers have been very independent, and a good deal of indifference has been shown as to whether fresh contracts are booked or not. Clearances in the home trade have again been very encouraging. In American yarns the question of delivery is more important than that of price, and many users, to secure small lots to be sent in at once, have been prepared to pay extraordinary rates. The strength of spinners seems to be greater than ever. In Egyptian yarns prices are distinctly dearer on the week, and a substantial trade has been done. Steady buying has been reported in yarns suitable for France.

## OILFIELDS PRODUCTION.

Anglo-Egyptian Oilfields.—Past week:—Gemsah, 21 tons (last 21 tons); Hurgada, 11,466 tons (last 2,780 tons).

Baku Russian Petroleum.—62,475 poods for week ended Feb. 2.

Bibi Eibat.—Crude oil from this company's wells for week ended Feb. 10 was 565 tons. 565 tons of crude oil for week ended February 17.

Black Sea Amalgamated.—333 tons of crude oil for week ended Feb. 16. 347 tons of crude oil for week ended Feb. 2.

British Burmah Petroleum.—Crude oil by this company and the Rangoon Oil Co. amounted to 72,207 barrels for month of Feb.

European Oilfields.—56,300 poods for week ended Jan. 27, and 57,300 poods for week ended Feb. 3. Week ended Feb. 17, 60,379 poods; week ended March 2, 51,600 poods.

Kansas-Oklahoma.—Total from own wells for month ended Dec. 31, 4,996 barrels; total oil run through pipe line to refinery for same period, 50,750 barrels; total from own wells for month ended Jan. 31, 1918, 5,410 barrels; total oil run through pipe line to refinery for same period, 47,500 barrels.

London and Maikop Oil.—Plot 435a, Well 3.—14,700 poods for week ended Feb. 9.

Maikop Combine.—408 tons of crude oil for week ended Feb. 16. 403 tons of crude oil for week ended Feb. 2.

New Schibaieff Petroleum.—For month of Dec., 5,035 tons; nett, 2,821 tons. For month of Jan., 5,260 tons; nett, 2,912 tons.

## BOOKS RECEIVED.

*The Mining Manual and Mining Year-Book for 1918*, by Walter R. Skinner. Price 17s. 6d. nett. Publishers, Walter R. Skinner, 11-12, Clement's Lane, London, E.C. 4, and *Financial Times*, 72, Coleman Street, London, E.C. 2.

Iron in Natal.—Natal industrialists are seriously considering the further exploitation of the iron ore occurrences in the vicinity of Pietermaritzburg. A small blast furnace has been in existence for some years past at Sweetwaters, and the experience gained in the treatment of these ores should serve a useful purpose now that a revival of interest in the iron industry has taken place.

## Abridged.

The List of Applications will be Closed on or before WEDNESDAY, 27th March, 1918.

## Issue of £1,000,000 PORT OF LONDON 5½% INSCRIBED STOCK, 1923—1933.

Price of Issue, £99 10s. per cent.

Interest payable 1st March and 1st September. A Payment of £1 per cent., representing Interest on instalments will be made on the 2nd September, 1918.

Principal repayable at par on the 1st March, 1933, the Port of London Authority having the option of redemption, in whole or in part, at par, on or after 1st March, 1923, on giving six months' notice.

THE LONDON COUNTY AND WESTMINSTER BANK, LIMITED are authorised to receive subscriptions for the above-mentioned amount of Stock.

The Stock now offered will rank as to security *pari passu* with the 5½ per cent. Inscribed Stock, the 4 per cent. Inscribed Stock, the 3½ per cent. Inscribed Stock, and the "B" Port Stock already issued, and will be inscribed in the books of the Stock to be kept by the LONDON COUNTY AND WESTMINSTER BANK, LIMITED, Lothbury, London, E.C. 2, and will be transferable without charge, and free of stamp duty at that Bank. All the above Stocks and that now offered rank as to security immediately after the £9,379,752 "A" Port Stock.

The Treasury has been consulted and raises no objection to this Issue.

Payment will be required as follows, viz.:—

£5	per cent. on Application.
£14 10s.	" " 8th April, 1918.
£30	" " 17th June, 1918.
£50	" " 9th August, 1918.
£99 10s.	

Payment may be made in full on the 8th April, 1918, or on any subsequent day, under discount at the rate of 4 per cent. per annum.

The net revenue of the Authority for the financial year ended 31st March, 1917, was £2,020,936, which, after paying all charges including interest on Stock and making full provision for maintenance and Sinking Funds in accordance with the Port of London Acts, enabled the Authority to carry forward £340,400 as compared with £232,000 brought into the account from the previous year.

The Authority's Reserve Fund now stands at over £600,000.

Copies of the Prospectus and Forms of Application can be obtained at the LONDON COUNTY AND WESTMINSTER BANK LIMITED, 41, Lothbury, E.C. 2, 21, Lombard Street, E.C. 3, or at any of the Branches of the Bank, at the ULSTER BANK LIMITED, Belfast, and Branches of that Bank, of Messrs. R. NIVISON & Co., Bank Buildings, Princes Street, E.C. 2, and Messrs. JAMES CAPEL AND Co., Basilston House, Moorgate Street, E.C. 2.

LONDON COUNTY AND WESTMINSTER

BANK LIMITED,  
41, LOTHBURY, LONDON, E.C. 2.

This form may be used.

No. 69.

## FORM OF APPLICATION for PORT OF LONDON 5½% INSCRIBED STOCK, 1923-1933.

ISSUE OF £1,000,000.

To the LONDON COUNTY AND WESTMINSTER BANK LIMITED.

GENTLEMEN,

I  
We hereby apply for £

say  
of Port of London 5½% Inscribed Stock, according to the Prospectus dated 22nd March, 1918, and undertake to pay £99 10s. for every £100 of Stock, and to accept the same or any less amount that may be allotted to me/us and to pay for the same in conformity with the terms of the said Prospectus.

I  
We enclose the required deposit of £  
being £5 per centum on the nominal amount applied for.

Name  
(Mr., Mrs., Miss)

Address

March, 1918.

N.B.—Applications must be for even hundreds of Stock, and must be accompanied by the amount of Deposit thereon.

FEBRUARY RUBBER OUTPUTS.

Company.	Current Estimate.	Last All-in Cost.	Feb. lbs.	(+) or (-) lbs.	Months.	Aggregate lbs.	(+) or (-) lbs.
Aboyne Clyde	444,374	1/0.50	44,287	+ 11,330	7	320,591	+ 61,196
Allagar	338,100	1/1.62	18,800	- 9,200	2	43,300	- 17,000
Alance	208,394	—	1,720	- 1,236	2	16,646	- 3,244
Alor Pongau	276,412	1/0.75	21,812	+ 2,897	2	48,397	+ 4,357
Ampat	180,000	1/1.35	16,570	- 260	5	92,120	+ 4,120
Anglo-Java	2,525,395	—	212,413	+ 24,015	2	421,483	+ 43,783
Anglo-Johore	300,000	1/3.20	27,013	+ 2,858	11	278,443	+ 35,680
Anglo-Malay	1,720,000	1/1.23	100,455	- 24,434	2	248,656	- 23,501
Anglo-Sum.	910,000	1/1.03	50,086	- 21,828	9	630,509	- 84,376
Asahan	550,000	1/3.26	38,792	+ 5,398	7	277,046	+ 15,044
As. T. Ceylon	255,000	—	23,500	+ 4,772	8	200,800	+ 28,498
Ayer Kuning	821,071	1/0.34	57,600	- 12,530	2	132,600	- 9,171
Bagan Serai.	413,182	1/1.82	26,500	- 3,827	2	59,000	- 9,047
Bah Lias	—	1/9.46	51,031	+ 32,717	4	219,975	+ 152,241
Bajoe Kidol.	454,000	1/6.81	58,000	+ 28,837	11	398,000	+ 176,602
Bakap	285,000	—	14,700	- 4,300	8	141,300	- 65,800
Bambrakelly	235,000	1/4.96	20,604	- 1,211	11	222,028	- 8,129
Bandar Sum.	440,000	—	37,582	+ 8,447	7	278,372	+ 45,978
Bandarjaria	243,019	1/2.48	20,466	- 2,525	2	41,420	- 3,305
Bandarapola	285,600	—	2,300	- 17,200	2	23,300	- 13,700
Bandardawa	340,000	—	21,370	- 7,230	8	213,854	+ 28,186
Bantam	915,000	1/1.65	57,059	- 10,370	8	601,926	+ 70,154
Banteng	434,000	1/1.37	30,070	- 2,04	10	356,310	+ 28,610
Batak Rabb.	440,000	1/1.64	25,000	- 5,623	8	252,248	+ 9,964
Batang Mal.	318,122	1/3	26,807	- 1,342	1	26,807	- 1,342
Batu Caves	777,995	1/9.13	41,752	- 22,092	2	87,497	- 51,473
" Matang	185,000	—	15,058	+ 1,624	8	134,732	+ 19,271
" Rata	495,030	1/1.50	41,000	+ 4,010	8	370,630	+ 28,320
" Tiga	236,000	1/0.25	58,000	+ 6,200	2	128,500	- 8,200
Be'ufri'no	540,000	1/5.75	15,000	- 4,800	10	165,000	- 32,800
Bekoh	540,000	—	30,882	- 4,996	7	281,967	+ 15,789
Beranang	315,000	—	18,161	- 5,327	8	219,288	+ 18,141
Bernam-Perk	300,000	1/2.65	22,757	- 337	8	178,907	- 13,393
Bidor	419,500	1/1.83	26,100	- 11,550	11	427,700	+ 44,950
Bikam	372,032	1/3.62	24,800	- 6,500	2	56,500	- 3,200
Bode	264,930	1/5.22	8,805	- 12,095	2	22,493	- 15,407
Bradwall	442,142	1/2.58	42,040	+ 5,780	2	97,423	+ 30,806
Braunston	500,000	1/1.80	41,250	+ 2,950	5	226,356	+ 28,056
Brit Born Malay	220,000	1/1	17,000	- 4,500	10	174,830	- 47,030
British Malay	718,388	—	67,000	+ 28,154	2	157,500	+ 79,380
Brooklands	620,000	1/2.5	54,547	+ 3,986	8	456,048	+ 53,727
Broome	450,000	1/4.42	34,265	+ 6,366	8	273,847	+ 9,259
Bruas-Perak	103,106	1/6.47	11,567	- 4,944	12	114,773	+ 61,393
Bukit Cloh	229,000	1/0.38	33,000	+ 14,000	2	69,000	+ 26,500
" Ilok	304,500	1/1.57	30,500	+ 7,000	2	63,500	+ 15,500
" Kajang	940,000	—	50,544	- 22,047	8	653,492	+ 9,642
" Lintang	280,000	1/2.73	18,000	- 5,050	8	173,120	- 16,030
" Mert'jin	932,000	1/0.74	68,323	+ 5,614	11	703,566	+ 82,004
" Pan'ng	536,900	1/0.45	48,377	+ 5,737	12	102,537	+ 26,537
" Rajah.	1,071,000	1/11.20	64,029	- 2,114	11	945,389	- 50,882
" Semba.	751,860	1/3.17	64,015	+ 12,315	2	—	—
Carey United	450,000	1/0.07	33,977	+ 9,009	5	199,552	+ 59,840
Castlefield	680,000	—	35,672	- 9,984	8	391,007	+ 6,520
Cent. Trav.	230,275	1/2.34	—	—	2	18,077	+ 1,643
Ceylon Para	1,055,544	—	44,674	+ 825	2	140,623	+ 11,011
Ceylon T. & R.	233,031	1/4.31	17,292	+ 4,599	2	42,928	+ 6,278
Changkat-Sal.	1,013,000	1/0.47	51,000	- 29,000	2	151,000	- 4,000
Chenab Malay	457,102	1/1.37	26,849	- 6,745	2	67,907	- 2,512
Cheras	284,300	1/3.39	21,500	+ 1,500	2	53,500	+ 13,000
Cheronase	689,659	1/0.58	42,277	- 2,252	2	108,161	- 5,148
Chivot	591,440	1/3.24	32,000	- 16,150	2	92,050	+ 9,290
Chimpul	250,000	1/6.9	18,957	- 1,743	8	181,93	+ 21,197
Chok	228,511	—	13,064	- 4,187	2	30,045	+ 6,292
Cibely	400,000	1/11.44	31,516	+ 1,929	11	377,291	+ 44,090
Clong	244,892	1/2.54	18,908	- 859	2	39,431	- 1,836
Cons. Malay	917,590	—	60,100	- 840	2	168,230	+ 58,618
Dalketh	475,000	1/4.78	34,500	+ 9,500	2	80,000	+ 26,500
Damansara	847,205	1/11.05	54,961	- 11,539	2	126,771	- 14,882
Dangan	225,000	—	23,235	+ 11,087	8	205,235	+ 59,673
Dennistown	58,671	—	38,000	- 7,129	2	90,500	- 11,864
Devitral	345,670	1/1.90	46,030	+ 21,430	2	88,230	+ 29,080
Dimbula	282,858	1/10.36	17,500	+ 4,205	2	38,500	+ 6,275
Djasinga	433,554	1/7.39	40,000	+ 374	8	374,000	+ 134,732
Djember	266,700	—	30,000	+ 10,300	2	61,000	+ 21,600
Dorankande	205,597	1/4.47	9,600	- 700	2	28,800	+ 2,400
Duff Develop.	804,170	1/7.40	74,000	+ 11,500	2	139,550	+ 19,550
Dusun Durian	790,371	1/0.71	79,017	+ 17,758	2	158,826	+ 21,388
E. Ind. & Cey.	210,000	1/1.15	12,741	+ 4,174	2	33,006	+ 10,334
Edinburgh	447,550	1/9.14	30,000	- 9,000	2	68,000	- 9,000
Elphib	252,000	1/5.88	16,644	- 1,528	2	39,494	+ 932
Emerald	565,700	1/2	39,000	+ 7,500	1	39,000	+ 7,500
Eow Seng	172,450	—	11,100	- 2,420	2	26,750	- 2,515
Escof	244,500	1/2.32	17,000	- 3,300	5	87,800	- 8,020
Fed. Malay S.	1,845,000	1/9.50	141,000	- 6,000	9	1,406,000	+ 65,000
Fed. Selangor	370,000	1/11.68	36,687	+ 2,800	11	350,374	+ 42,819
Galaha	125,583	—	7,825	+ 3,016	1	7,825	+ 3,016
Galang Besar	450,000	—	32,810	- 4,190	8	322,810	+ 26,590
Gan Kee	200,000	—	11,340	- 2,842	8	117,015	- 1,621
Garing	—	1/5.38	22,000	+ 8,000	5	109,226	+ 34,126
Gedong	277,508	1/1.75	23,940	+ 3,619	4	102,443	+ 21,881
Gen. Ceylon	1,085,000	1/1.27	69,480	+ 20,419	2	163,390	+ 48,658
Glen Bervie	300,000	—	27,430	- 9,271	5	137,904	+ 36,383
Glendon	275,000	—	16,313	- 9,777	5	109,226	+ 8,076
Glenshiel	488,940	1/2.18	32,960	- 6,710	2	79,440	+ 1,870
Golconda	596,104	1/11.36	47,422	- 6,643	2	97,402	- 16,526
Golden Hope	352,085	1/1.41	30,941	+ 8,341	2	67,713	+ 18,054
Grand Cent.	4,759,405	1/0.72	274,765	+ 79,738	2	746,668	+ 15,155
Gula Kal'p'g	1,066,000	1/11	97,000	- 11,000	2	217,000	- 23,220
Harpenden	311,107	1/11.49	21,000	- 24,847	2	53,550	- 45,577
Hayoop	512,405	—	41,650	+ 9,642	2	84,026	+ 11,621
Heawood	275,000	1/1.5	19,874	+ 1,835	2	48,770	+ 4,452
Hid. Streams	242,730	1/2.80	23,700	+ 4,700	2	86,700	+ 23,400
Highlands	1,426,518	1/0.01	19,500	- 2,000	2	39,000	- 3,900
Inch-Kenneth	440,000	1/3.71	98,543	- 59	2	222,439	+ 7,210
Insulinde	330,000	1/0.39	31,940	- 5,500	9	363,180	+ 23,790
Java Amal.	315,000	—	21,100	- 500	7	—	—
Java R & Prod	620,000	—	65,000	+ 7,000	2	132,000	+ 12,000
Java Para	265,692	1/1.40	32,000	+ 3,100	2	65,602	+ 7,900
Jeram	300,000	—	49,679	+ 12,158	2	97,221	+ 19,160
Johore Para.	190,362	1/2.14	32,700	+ 12,405	11	244,839	+ 616
" Rub. Lds	1,147,348	1/3	116,000	+ 3,000	8	141,100	+ 16,268
Jong Landor	680,000	—	48,494	+ 32,837	2	233,832	+ 86,820
Jugra Estate	378,613	1/0.60	38,722	- 6,978	8	433,062	- 22,195
Jugra Land	1,398,000	1/0.02	6,724	+ 6,724	11	387,476	+ 6,724
Juru Estates	200,000	1/1.88	112,350	+ 11,566	10	1,081,429	+ 90,876
Kajang	391,000	1/1.95	29,830	- 2,000	11	159,200	+ 13,084
Kali Glangah	250,000	—	19,450	- 1,126	2	69,130	+ 4,490
Kamp Kua't'n	362,500	1/2.07	30,000	+ 4,350	11	301,957	+ 29,957
Kamuning	810,000	1/1.49	56,320	- 29,100	2	62,000	+ 3,000
Kapar Para	1,075,138	1/10.91	113,835	+ 25,163	8	599,220	+ 58,840
Karak	241,019	—	16,722	- 1,134	8	233,393	+ 47,356
Kasintee	582,675	1/8.56	44,000	+ 778	2	37,189	+ 1,198
Kawie Java	900,000	—	—	—	—	—	—
Keptigalla	640,000	—	—	—	—	—	—
Kepong	334,500	—	—	—	—	—	—
Kerala	250,000	—	—	—	—	—	—
Khota Tamp'n	237,000	1/3.30	—	—	—	—	—
Killinghall	344,000	—	—	—	—	—	—
Kimanis	390,000	1/9.22	—	—	—	—	—
Kinta Kelas	610,000	—	—	—	—	—	—
Klabang	301,412	1/4.30	—	—	—	—	—
Klanang	502,010	1/1.02	—	—	—	—	—
Kombok	594,000	1/11.88	—	—	—	—	—
Kuala Klang	200,000	1/10.80	—	—	—	—	—
" Kubu	158,950	—	—	—	—	—	—
" Lumpur	1,700,000	1/2.34	—	—	—	—	—
" Nal	187,800	1/2.36	—	—	—	—	—
" Pahi	200,000	—	—	—	—	—	—
" Selangor	630,994	1/9.3	—	—	—	—	—
Kurau	283,300	1/11.75	—	—	—	—	—
Labu	766,000	1/11.80	—	—	—	—	—
Langadron	1,401,373	1/4.05	—	—	—	—	—
Lanang River	—	—	—	—	—	—	—
Langkat Sum.	773,710	1/2.93	—	—	—	—	—
Langkat Sum.	520,000	1/4.23	—	—	—	—	—
Langkat N.B.	290,000	1/3	—				

## COMPANY RESULTS IN BRIEF.

Taiping...	700,000	1/10.29	49,560	-	10,678	5	285,507	-	35,262
Tali Ayer...	1,080,000	1/10.25	66,500	-	15,500	10	819,697	-	52,524
Tamang...	—	—	77,189	+	18,328	5	961,332	+	82,961
Tangka Batu	172,569a	1/3.59	11,101	+	3,309	2	28,930	-	1,143
Tangkah	530,000	1/6.41	45,136	+	11,209	5	231,199	+	54,653
Tanj. Malim.	1,400,000	1/5.50	127,760	+	3,960	8	1,016,730	+	235,620
Tandjong	1,595,000	1/5.18	94,845	-	9,740	8	861,268	-	83,060
Tangoel	308,000	1/12	34,210	+	7,430	8	218,695	+	41,623
Tebrau	1,046,480	1/10.70	74,893	+	20,165	8	517,630	-	145,982
Tekoy	250,000	1/5.12	*19,950	+	6,610	6	174,566	-	7,497
Telagoredjo	854,020a	—	83,000	+	22,000	2	164,000	+	38,400
Tenomb'neio	599,800a	1/11.98	58,200	+	13,200	2	106,000	+	4,900
Third Mile	198,835a	—	22,800	+	9,284	2	87,300	+	29,465
Tremelbye	750,000	1/10.54	63,000	+	8,500	8	451,200	-	26,300
Trolak	332,040a	1/22	29,518	-	2,078	5	145,838	+	2,620
Ulu Rantau	285,066a	1/1.16	22,314	-	948	2	49,905	+	6,123
U. Sua Betong	930,724a	1/1.15	35,764	-	43,062	2	123,510	-	24,727
U. Serdang	3,395,000	1/3.96	225,124	-	38,674	6	1,545,013	-	170,059
U. Sumatra	991,700a	1/10.73	79,730	+	6,790	2	171,870	+	19,030
U. Temiang	800,000	1/5.80	43,540	-	3,580	7	464,230	+	186,700
Uva	185,692a	—	19,419	+	6,458	2	37,66	-	10,292
Val d'Or	360,000	—	17,000	+	6,900	4	23,050	-	26,000
Victoria	250,000	1/4.49	16,700	+	8,300	8	192,100	+	80,900
Windsor	404,800a	1/4.10	31,000	+	955	2	68,900	+	4,173
Woodend	256,772a	—	6,294	+	1,999	2	2,788	+	6,725
Yam Seng	—	—	36,069	+	1,748	4	146,753	+	2,494
Yatliantola	520,823a	—	20,272	+	2,875	2	68,933	+	14,136

a Last year's crop.

\* For January, or previous month.

## DIVIDENDS ANNOUNCED.

Ashanti Goldfields Corporation.—No. 37 of 20 per cent. (9 3-d. per share), payable, less tax, on April 25. A year ago 25 per cent.

Banca Commerciale Italiana.—9 per cent. (i.e., lire 45 per share) for 1917, against 7 per cent. (lire 35) for 1916.

Baldwins, Limited.—Interim, payable on April 6 of 2½ per cent., free of tax, on amount paid up on ordinary shares for half-year ended December 31, the same as a year ago.

Broadwater Rubber Estate Co.—Interim 2½ per cent., less tax, equivalent to 4½d. nett per share. The profit for year to June 30, 1917, was £1,089.

Canadian Northern Prairie Lands Co.—4 per cent. for half-year ended December 31, being at rate of 8 per cent. per annum, payable on April 1. A year ago dividend was 5 per cent., or at rate of 10 per cent.

Chargola Tea Association.—Interim 5 per cent. (less tax) on ordinary shares on account of year ended November 30, 1917, payable April 15.

Chargola Tea.—Interim 5 per cent. on account of season 1917.

Cockshutt Plow Co.—1 per cent. on preference shares, payable May 1.

Deebook Dredging.—1s. per share, less tax, payable on April 11.

Eastern Kodak Co. of New Jersey.—Extra 7½ per cent. on common stock, payable on June 1. The usual quarterly 2½ per cent. on outstanding common stock will be paid on July 1. A year ago the extra on common was 2½ per cent.

Glen Rubber and Tea Co.—Usual interim 5 per cent., less tax, on account of year 1917-18.

Goldfields Rhodesian Development Co.—Interim 6d. per share, less income-tax, in respect of year ending May 31.

Gopeng Consolidated.—8d. per share, less tax, on account of year ending September 30, 1918, and bonus of 10d. per share, less tax, on account of year to September 30, 1917. A year ago bonus was 5d. a share.

Harpender (Selangor) Rubber Co.—Fourth interim 25 per cent. (less tax) on account of year 1917.

Ivanhoe Gold Corporation.—Final in respect of year 1917 of 3s. per share (making total for year of 10s. 6d. per share), less tax.

International Banking Corporation.—At rate of 6 per cent. per annum for half-year ended December 31 last, after which U.S. \$364,914 have been added to undivided profits, which will then amount to U.S. \$1,713,491.

Labu (F.M.S.) Rubber Co.—Final 20 per cent. (actual), making 30 per cent. for 1917, against 40 per cent. for 1916.

London Assurance Corporation.—22 per cent., free of tax, being £2.15s. per share, payable as follows:—£1 7s. 6d. on April 1 and £1 7s. 6d. on October 1. A year ago dividend was 20 per cent.

P. and W. Maclellan.—Interim payable March 30 of 6 per cent. on preference and ordinary shares.

McFarlane and Robinson.—Final 12½ per cent. for half-year to December 31.

National Bank of Greece.—For second half-year, 1917, at 140 drachmae per share, will be paid by the Bank of Athens, 22, Fenchurch Street, E.C., against surrender of Coupon No. 10.

New Geduld Deep.—25 per cent., equal to 6d. per share, same as a year ago.

Phoenix Assurance Co.—5s. per share, less tax (against 4s. 6d. per share a year ago), will be paid on May 1.

Shanghai Water Works.—Final for 1917 of 28s. per share and bonus of 10s. per share, less tax, payable March 28. A year ago the same, with bonus of 4s. 6d.

Shawinigan Water and Power Co.—1½ dollars, or at rate of 7 per cent. per annum for quarter ending March 31.

Tongkah Harbour Tin Dredging Co.—2s., and bonus of 1s. per share, payable on April 22.

Workington Iron and Steel Co.—Interim on ordinary at rate of 10 per cent. per annum, payable on April 1, free of income-tax.

Western Telegraph Co.—Second quarterly interim 3s. per share, free of tax, for year ending June 30, 1918, being at rate of 6 per cent. per annum, same as a year ago.

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re-serves.	Divi-dend.	Carried For-ward.
	£	£	£	%	£
Adelaide Electric Supply Co. .... (Aug.)	154,450	58,210	60,000	12	1,640
Do. .... Prev.	136,540	52,040	60,000	12	1,240
Alex. Pirie and Sons (Dec.)	—	83,830	110,000	6	24,210
Do. .... Prev.	—	76,170	100,000	6	19,880
Automatic Telephone Mfg. Co. .... (Dec.)	46,820	33,150	nil	6	11,550
Do. .... Prev.	56,450	32,770	nil	5	14,770
Ben Evans and Co. (Feb.)	—	21,440	1,720	7	6,640
Do. .... Prev.	—	19,960	940	7	4,800
Bon Marché (Feb.)	—	43,780	70,000	18	12,600
Do. .... Prev.	—	39,380	70,000	16	14,920
B. Vickerman and Sons (Feb.)	—	18,230	31,000	15	5,770
Do. .... Prev.	—	5,920	31,000	10	6,030
C. and W. Walker (Jan.)	—	13,220	20,000	10	11,670
Do. .... Prev.	—	13,930	50,000	10	11,430
Davis Gas Stove Co. (Dec.)	18,710	16,800	70,000	10	11,140
Do. .... Prev.	22,310	20,220	67,000	10	11,100
Direct Spanish Telegraph Co. .... (Dec.)	72,140	45,490	93,260	7	32,970
Do. .... Prev.	82,500	57,700	82,810	7	42,040
Dundee Floorcloth and Linoleum .... (Jan.)	16,000	8,530	10,120	10	6,090
Do. .... Prev.	22,660	14,926	10,120	7½	9,080
Edinburgh American Land Mortgage Co. (Dec.)	59,810	38,250	150,000	11	2,950
Do. .... Prev.	58,090	39,050	144,000	11	1,750
Evans, Sons, Lescher, and Webb (Dec.)	—	43,040	17,500	10	9,430
Do. .... Prev.	—	43,950	15,000	12½	8,590
James W. Cook & Co. (Dec.)	97,980	47,670	2,150	10	74,760
Do. .... Prev.	114,870	60,940	2,150	10	74,060
John Wright and Eagle Range (Dec.)	—	71,670	72,000	1/6	12,890
Do. .... Prev.	—	69,000	60,000	1/6½	12,170
Lilley and Skinner (Oct.)	42,200	35,670	55,000	10	11,860
Do. .... Prev.	46,980	42,500	45,000	7	26,040
Locke, Blackett and Co. (Dec.)	45,130	21,860	30,000	10	1,160
Do. .... Prev.	55,550	30,790	25,000	10	1,300
M. C. Thomson & Co. (Jan.)	—	21,500	55,000	25	9,000
Do. .... Prev.	—	30,170	55,000	25	7,600
Milwaukee and Chicago Breweries .... (Sept.)	55,040	51,490	nil	6	1,160
Do. .... Prev.	71,546	59,740	nil	7	820
Moss' Empires .... (Dec.)	203,650	134,610	275,000	8	37,870
Do. .... Prev.	155,350	92,690	241,060	7	22,820
National Mort. and Agency Co. of N.Z. .... (Sept.)	158,000	58,590	240,000	15	23,590
Do. .... Prev.	147,500	54,590	235,000	12½	24,590
Newbury's (Feb.)	—	12,630	54,000	7	6,500
Do. .... Prev.	—	12,050	52,000	6	6,120
New Tamarugal Nitrate (July)	112,570	47,450	100,000	15	2,050
Do. .... Prev.	90,200	56,060	100,000	10½	50,470
Plummer Roddis (Feb.)	—	37,030	41,000	8	14,910
Do. .... Prev.	—	28,200	36,000	7½	14,810
Rivet, Bolt & Nut Co. (Dec.)	—	100,620	100,000	14	9,460
Do. .... Prev.	—	97,000	75,000	14	9,810
Schill Bros. .... (Dec.)	—	59,340	40,000	20	13,060
Do. .... Prev.	—	33,090	12,000	15	4,500
Sir Wm. Arrol and Co. (Dec.)	—	55,110	54,120	10	10,100
Do. .... Prev.	122,140	85,350	54,120	10	84,830
Waste Heat and Gas (Jan.)	—	40,730	87,850	8	17,540
Do. .... Prev.	—	40,080	75,850	8	19,910
Western Wagon & Property (Dec.)	25,880	18,310	88,500	10	470
Do. .... Prev.	26,270	18,590	88,500	10	420
United Carlo Gatti, Stevenson, and Slaters (Dec.)	26,420	23,050	25,000	2½	6,450
Do. .... Prev.	24,610	22,400	20,000	2½	6,630

## RIVER PLATE TRUST, LOAN AND AGENCY CO., LTD.

Revenue was £3,000 smaller at £432,600 last year, and the nett profits, mainly owing to higher income-tax, fell £9,000 to £300,600. However, £20,000 more was brought in, so there is no difficulty in repeating the dividend of 22 per cent. on the A shares and of 8 per cent. on the B shares, while £60,000 is again placed to reserve (raising it to £1,170,000), and the balance forward is increased by £10,500 to £137,300. During the year terminable debentures were reduced by £165,000 to £357,000. Loans on first mortgage ran off to the extent of £630,000, the total being now £3,315,000; but, on the other hand, investments are £215,000 up at £668,000, British Government securities £200,000 at £936,000, and bills receivable £227,000 at £510,000. It is explained that during the past year the repayments of mortgage loans have been exceptionally heavy, and there is at present little demand for new loans, with the result that rates of interest have fallen considerably. All this is a pretty clear indication that the country is exceptionally prosperous, and if this strong company loses it one direction it will make good in others.

### Shipping Losses and Output.

A White Paper has been issued giving in tabular form the figures of shipping losses and output from August, 1914, down to the end of last year, and it will be useful to have them on record for future reference. The following statement summarises the position at December 31:—

	British.	Foreign.	World.
Losses .....	7,079,492	4,748,080	11,827,572
Gains:—			
New construction.....	3,031,555	3,574,720	6,606,275
Enemy tonnage captured .....	780,000	1,809,000	2,589,000
Total gains .....	3,811,555	5,383,720	9,195,275
Nett los- (world) .....			2,632,297

In the next statement is shown in quarterly periods the amount of tonnage lost through enemy action and marine risks since the outbreak of the war:—

Period.	United Kingdom.	Foreign.	Total for World.
1914.	Gross Tons.	Gross Tons.	Gross Tons.
August and September .....	314,000	85,947	399,947*
4th Quarter.....	154,728	126,688	281,416
1915.			
1st Quarter .....	215,905	104,542	320,447
2nd " .....	223,676	156,743	380,419
3rd " .....	356,659	172,822	529,481
4th " .....	307,139	187,234	494,373
1916.			
1st Quarter .....	325,237	198,958	524,195
2nd " .....	270,690	251,599	522,289
3rd " .....	284,358	307,681	592,039
4th " .....	617,563	541,780	1,159,343
1917.			
1st Quarter .....	911,840	707,533	1,619,373
2nd " .....	1,361,870	875,064	2,236,934
3rd " .....	952,938	541,535	1,494,473
4th " .....	782,889	489,954	1,272,843
Totals .....	7,079,492	4,748,080	11,827,572

\* This figure includes 182,829 gross tonnage interned in enemy ports.

The following statement shows the output of merchant ship-building (excluding enemy countries) since 1914:—

Period.	United Kingdom.	Foreign.	Total for World.
1914.	Gross Tons.	Gross Tons.	Gross Tons.
August and September .....	253,290		253,290
4th Quarter.....	422,320	337,310	1,012,920
1915.			
1st Quarter .....	266,267		266,267
2nd " .....	146,870		146,870
3rd " .....	145,070	551,081	1,202,000
4th " .....	91,712		91,712
1916.			
1st Quarter .....	95,566		95,566
2nd " .....	107,693		107,693
3rd " .....	124,961	1,146,448	1,688,000
4th " .....	213,332		213,332
1917.			
1st Quarter .....	246,239	282,200	528,439
2nd " .....	249,331	377,109	626,440
3rd " .....	248,283	568,170	816,453
4th " .....	419,621	512,402	932,023
Totals .....	3,031,555	3,574,720	6,606,275

Particulars of the enemy tonnage captured or seized in port and brought into service by the Allies are given in the subjoined table:—

Period.	United Kingdom.	Allies.	Total.
1914.	Gross Tons.	Gross Tons.	Gross Tons.
August and September .....	725,500	453,000	1,178,500
4th Quarter .....	28,000	5,000	33,000
1915.			
1st Quarter .....	5,000	1,000	6,000
2nd " .....	500	500	1,000
3rd " .....	3,500	6,000	9,500
4th " .....	2,500	—	2,500
1916.			
1st Quarter .....	—	241,000	241,000
2nd " .....	3,500	8,000	11,500
3rd " .....	—	47,500	47,500
4th " .....	—	—	—
1917.			
1st Quarter .....	—	—	—
2nd " .....	7,000	702,500	709,500
3rd " .....	4,500	266,500	271,000
4th " .....	—	78,000	78,000
Totals .....	780,000	1,809,000	2,589,000

### Income-Tax Guides and Lessons.

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II.

#### ABATEMENT FOR CHILDREN.

The allowance is now the tax on £25 for each child, step-child, or adopted child in life and under 16 years of age on April 6 of the year of assessment. The rules have varied a good deal, and if a claim is to be made which goes back a few years, each year must be separately considered. Thus it is only this year that adopted children count, and it is right to state that that expression has a very wide meaning for this purpose. Thus the income limit is now £700, but two years ago the abatement was refused to anyone whose income exceeded £500. Except in the case of adopted children, it is not necessary that the claimant is maintaining the children.

But apart altogether from these statutory concessions, there may be very important relief in respect of children—without the above restrictions. Thus, sometimes a widow is entitled under her husband's will to the income of his estate under the express obligation of maintaining and educating the children. Where this is the position it may usually be handled to great advantage, but the subject is rather too special to be gone into here. The mention of it may serve the purpose. In any

likely case, if assistance is required, it will be properly advised upon if submitted through the Editor. This benefit is not limited to cases where the income does not exceed £700, nor does the age limit of 16 apply.

#### LIFE INSURANCE ABATEMENT.

The money applied in paying premiums of insurance on the life of oneself or wife is entitled to exemption. This is subject to a limit of one-sixth of the income of the year, or of 1913-14 if the income was larger that year. The one-sixth limit is waived as regards extra premiums for war risk. There are now certain other restrictions, of which the most important is that on new policies the allowance of tax relief shall not exceed 3s. per £. That is no restriction at all in the case of earned income unless the total income exceeds £1,500. With this qualification the insurance abatement is allowed to everyone, no matter how large the income may be.

#### MODE OF GIVING ABATEMENTS.

The rule is that all ordinary abatements—scale, children, life insurance—are allowed off that part of the income which is taxed at the lower rate. That usually means that they are given off the earned income before trenching on the higher-taxed unearned income. The object and the result are to diminish the value of the abatements. Put otherwise the rule often deprives the taxpayer of the earned rate altogether. Thus, suppose the total income is £300, half earned and half unearned, and that the abatements come to £150. That £150 cancels the earned income, and the tax paid is wholly at the higher unearned rate. There is an exception to this rule in the case of war-service pay.

#### MARGINAL RELIEF.

This is a very recent introduction to prevent the taxpayer being prejudiced by the fact that his income is a very little above some step in the scale. Otherwise it might happen that a trifling excess of income would alter the whole taxation basis and result in, say, a small increase of salary or profits being a loss instead of a gain. The mischief was that, not only was the excess income itself taxable, but its existence increased the tax on the other income. Thus, if the rule had not been altered, £130 income would have been exempt, but a man with £131 would have paid tax (not on £1 but) on £11. Again, a man with £700 would have got the scale abatement and the children abatement, but if it was £701 both of these benefits would have been lost. Or £1,000 unearned would have paid 3s. 6d. per £, while £1,005 would have had to pay 4s. per £ on the whole. All these absurd results are made impossible by the new rule, which is that nothing of that kind shall result in the payment of more tax than would be payable if the rise in income, or gain in profits, or other excess over the scale did not exist plus the amount of that rise, or gain, or excess. Thus

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the man whose old income of £130 becomes £131 will pay £1. The man with £701 and four young children will pay £1 and tax on £530. The taxpayer with an unearned income of £1,005 will pay £5 plus tax on £1,000 at 3s. 6d. But, all the same, it will be noted that even this relief is open to the criticism that it leaves a man, who has possibly a very moderate income, paying tax at 20s. per £ on part of it.

#### LOAN INTEREST.

Loans from banks, stockbrokers, and discount houses have usually this peculiarity, that the interest on them is debited without deduction of tax. When that is so, there may be a claim against the Inland Revenue for repayment at the standard rate of 5s. per £. For a long time back this has been allowed in the case of loans from banks, but only as an act of grace. It was put on a basis of legal right in the year 1915-16, and it was extended to loans from stockbrokers and discount houses in 1917-18. The bank or other creditor will furnish the certificates required. The official form is No. 40 A. But, of course, if the loan is for the purposes of a business, the interest will be debited as an item of expense of earning the profit, and the matter is kept right in that way.

#### MAINTENANCE OF LANDS AND HOUSES.

In Schedule A, assessments on ownership of lands and houses, deductions are made in order to meet the estimated expense of maintenance repairs, insurance, and management. The amount deducted is one-sixth for houses and one-eighth for land, farm houses, and other farm buildings. These deductions are sometimes not enough. To meet that, a partial and rather complicated remedy is provided. It is limited to lands, &c., and to houses not exceeding £12 a year. To gain any extra allowance it must be shown that on the average of the preceding five years the cost has exceeded the proportions stated. When that is proved, the excess will be allowed off the assessment, and tax repaid accordingly. "Maintenance" is held to be limited to what is required to maintain the existing rent, including in this, if required, replacement of farm houses, buildings, fencing, &c. Outlay on a mansion house and pleasure grounds does not count. This extra maintenance, when established, is not a mere tax abatement, but an actual deduction from income.

(To be continued.)

## Tea, Oil and Rubber.

Last month's imports of rubber, according to the Board of Trade returns, amounted to 132,689 centals, a decrease of 31,000 centals as compared with February, 1917, and in the past two months we have received 33,000 centals less at 309,535 centals. On the other hand, exports amounted to only 34,121 centals, a decrease of 111,300 centals, and for the two months the shipments are 208,000 centals smaller at 65,612 centals. No wonder stocks have been accumulating, but with the embargo on shipments from the East until May, there is no reason to anticipate a serious glut in the immediate future. On the other hand, there is equally little reason to fear a dangerous shortage.

There was quite a grand spurt in the Rubber market at the beginning of the week, and the price of standard crepe was carried up to 2s. 6¾d., for what particular reason was not easily discoverable. Naturally the share market followed suit, and dealings became more active than for some considerable time past, while quotations rose appreciably. However, the burst of enthusiasm did not last long. Standard slipped back, and although the share market did not respond immediately, a sagging tendency has developed, with the result that sellers appear to be about as numerous as bargain-hunters. It cannot be pleasing news to the bulls that spot rubber in Singapore has been quoted round 1s. 5d., f.o.b., and even if this is due to local and temporary conditions, it is a danger signal which cannot safely be entirely disregarded. But it is useless to attempt to forecast the immediate future, and, of course, the restriction of output, whether voluntary or compulsory, must have a steady effect for a time.

#### WEBLEY AND SCOTT, LTD.

Last year the nett profits amounted to £86,980, an increase of £8,000, after charging £5,000 more for depreciation, but £54,000 is set aside to provide for excess profits duty, which amounted to £54,540 for the years 1915 and 1916. Consequently, the dividend and bonus are reduced from 21 per cent. to 20 per cent., and the balance forward is £3,000 less at £21,300. All the same, the company has not done so badly, but it would be more prudent to pay smaller dividends until a reserve fund is accumulated against goodwill, &c., figuring at £79,200.

## PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and March 16, 1918:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Mar. 16, 1918.	Total Receipts into the Exchequer from April 1, 1916, to Mar. 17, 1917.
Balances in Exchequer on April 1—Bank of England ..	—	25,209,947	25,111,665
Bank of Ireland ..	—	1,225,912	463,941
REVENUE.		26,435,859	25,575,006
Customs .....	70,750,000	67,612,000	67,511,000
Excise .....	34,950,000	37,067,000	54,625,000
Estate, &c., Duties .....	29,000,000	30,329,000	29,780,000
Stamps .....	8,000,000	7,567,000	7,281,000
Land Tax .....	—	—	—
House Duty .....	2,600,000	2,450,000	2,480,000
Property and Income Tax and Super Tax .....	224,000,000	221,581,000	189,151,000
Excess Profits Duties, &c. ....	209,000,000	203,327,000	130,218,000
Land Value Duties .....	400,000	625,000	481,000
Post Office .....	33,700,000	32,050,000	32,800,000
Crown Lands .....	600,000	630,000	580,000
Receipts from Sundry Loans, &c. ....	7,500,000	1,925,975	5,155,989
Miscellaneous .....	27,100,000	48,195,683	12,568,457
Revenue .....	638,600,000	653,359,658	532,571,446
Total .....		679,795,517	558,146,452
OTHER RECEIPTS.			
Repayment of Advances for Bullion .....		2,610,000	3,550,000
Repayment of Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		169,818	91,370
Under Telegraph (Money) Act, 1913 .....		100,000	210,000
Under Post Office (London) Railway Act, 1913 .....		68,000	160,000
Under Military Works Acts, 1897 to 1903 .....		—	8,824
Under Public Buildings Expenses Act, 1903 .....		—	8,000
Under Housing Act, 1914 .....		394,500	74,600
For Treasury Bills (for supply) .....		2,707,209,000	1,768,161,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....		1,300,000	—
For 4½ per Cent. War Loan, 1925-1945 .....		—	424
For 5 per Cent. Exchequer Bonds, 1919 .....		—	34,262,604
For 5 per Cent. Exchequer Bonds, 1920 .....		—	84,140,469
For 5 per Cent. Exchequer Bonds, 1921 .....		—	62,495,527
For 5 per Cent. Exchequer Bonds, 1922 .....		82,270,400	—
For 6 per Cent. Exchequer Bonds, 1920 .....		48,000	160,951,700
For War Expenditure Certificates .....		—	29,878,500
For War Savings Certificates .....		57,000,000	70,550,000
For other Debt created under the War Loan Acts, 1914-1917 .....		683,612,059	248,052,245
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .....		68,082,610	741,360,000
For National War Bonds .....		494,395,000	—
East Africa Protectorate Loan: Repayments on account of Principal and Interest .....		5,940	5,940
Cunard Loan: Repayment on a/c. of Principal .....		130,000	130,000
Suez Canal Drawn Shares .....		12,797	10,795
China Indemnity .....		378,314	400,000
Temporary Advances—Ways & Means (including Treasury Bills £345,000,000 in 1916-1917) .....		912,953,500	893,701,000
Total .....		5,790,535,465	4,659,639,050

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

\* Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Mar. 16, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Mar. 17, 1917.
EXPENDITURE.			
Permanent Charge of Debt ..	17,000,000	18,935,666	19,220,157
Interest, &c., on War Debt ..	194,500,000	163,257,771	104,687,873
Payments to Local Taxation Accounts, &c. ....	9,700,000	7,594,773	7,811,201
Other Consolidated Fund Services .....	1,695,000	1,528,464	1,844,881
Supply Services .....	2,541,736,000	2,365,423,504	1,888,553,358
Expenditure .....	2,767,631,000	2,557,307,778	2,022,122,470
OTHER ISSUES.			
For Advances for Bullion .....		2,870,000	3,730,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		169,818	91,370
Under Telegraph (Money) Act, 1913 .....		145,000	290,000
Under Post Office (London) Railway Act, 1913 .....		95,000	234,000
Under Military Works Acts, 1897 to 1903 .....		—	8,000
Under Public Buildings Expenses Act, 1903 .....		—	8,000
Under Housing Act, 1914 .....		455,900	98,900
For Treasury Bills for Supply .....		12,175,433,000	1,786,593,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....		1,300,000	—
For War Loans, Exchequer Bonds, &c., under Section 34 of Finance Act, 1917 .....		17,368,191	1,144,200
For War Expenditure Certificates under War Loan Act, 1916 .....		1376,500	3,000,000
For other Debt under the War Loan Acts, 1914 to 1917 .....		87,930,494	17,600,724
For Depreciation Fund under the Finance Act, 1917 .....		32,788,240	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908 .....		10,100	94,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..		80,000	53,160
Old Sinking Funds, 1911-12 and 1913-14, issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914 .....		949,000	250,000
East Africa Protectorate Loan Repayments—Issued to reduce Debt under the Finance Act, 1911 .....		5,940	5,940
Cunard Loan Repayments—Issued to reduce Debt under the Cunard Agreement (Money) Act, 1904 .....		130,000	130,000
Suez Canal Drawn Shares—Issued to reduce Debt under the Finance Act, 1898 .....		12,797	10,795
China Indemnity—Issued to reduce Debt under the Finance Act, 1906 .....		378,314	400,000
Temporary Advances repaid—Ways and Means (inclg. Treasury Bills £345,000,000 in 1916-17) .....		898,124,000	788,553,000
		5,775,869,978	4,627,445,167
Balances in Exchequer—			
Bank of England .....	1918. Mar. 16.	1917. Mar. 17.	
Bank of Ireland .....	13,190,583	30,652,073	14,665,493
	1,474,910	1,541,810	32,193,583
Total .....			4,659,639,050

MEMO.—Treasury Bills outstanding on Mar. 16, 1918, £993,596,000.

\* Includes £123,000, the proceeds of which were not carried to the Exchequer within the period of the account, besides a part (not yet ascertained and brought to account) of the Bills tendered as subscriptions to National War Bonds.

† Includes part payment of Bills and Certificates tendered as subscriptions to National War Bonds.

## Notes on Books.

*Directory of Directors for 1918.* Thomas Skinner and Co., Gresham House, Old Broad Street, E.C. 2. Price 15s. nett.

This invaluable directory has reached its thirty-ninth year of publication, and it is now a bulky volume of 1,236 pages. The preface tells us that, in spite of the restrictions placed upon the formation of new companies, the number of directors has increased during the past year, for while over 1,500 names have fallen out, 2,300 new names have been added, and the list now numbers upwards of 23,000. These directors are engaged in the management of 66,130 joint stock companies with a paid-up capital of 2,738 million pounds, and also all such companies as are based on Acts of Parliament and charters. The book is so well known, and so indispensable to the business community, that it requires no further commendation from us.

*Mining Manual and Mining Year-Book for 1918.* Walter R. Skinner, 11-12, Clement's Lane, E.C. 4, and *Financial Times*, 72, Coleman Street, E.C. 2. Price 17s. 6d. nett.

Mr. Walter Skinner's indispensable handbook for 1918 has just been published, and he is quite right in describing it in the preface as "the standard reference work on mines." Its price, unfortunately, has had to be raised to 17s. 6d., but that is a very moderate increase on the usual 15s., looking at the enormous increase in the cost of materials and labour. Knowing something of the difficulties these impose upon proprietors and publishers of all kinds, we can only congratulate Mr. Skinner on the excellent style in which the book is produced. Its information is brought close up to date, and is as accurate as it can be made.

## What Balance Sheets Tell.

## BANK OF BENGAL.

For the past half-year the profits showed a slight increase at Rs. 20,84,000, but less was brought in, and the available balance is Rs. 16,000 down at Rs. 26,00,000. However, in addition to the dividend and bonus at the rate of 16 per cent. per annum, tax free, there is a special bonus of 1 per cent. per annum, but one lac less at four lacs is placed to reserve, and the balance forward is reduced by Rs. 16,000 to Rs. 4,50,000. Evidently business has been good, and deposits, &c., have increased Rs. 8,00,00,000 to Rs. 29,34,00,000, while bills discounted are up Rs. 1,84,00,000 at Rs. 5,00,30,000. The balance-sheet now totals at Rs. 38,32,24,000, an increase of nearly Rs. 10,00,00,000.

## BILBAO RIVER AND CANTABRIAN RAILWAY CO., LTD.

For 1917 the gross receipts were only £47,000, or £12,400 less than in 1916, while the expenses were practically the same at £29,300. With rather more nett revenue credits, the profit, including a similar balance brought in, is £8,700 less at £35,300. The dividend of 9s. per share is, however, repeated, and as £15,000 last year had to be written off for depreciation of investments, whereas no similar appropriation has to be made on this occasion, the balance forward is increased by £6,000 to £10,670. Working expense ratio was 64½ per cent., against 52 per cent., owing to the diminished traffic and the higher cost of fuel and other materials. Shipments of iron ore from Bilbao were 397,000 tons less at 2,033,000 tons, and the traffic carried over the company's line was 87,000 tons smaller at 353,500 tons. The decrease has been mainly due to shipping difficulties, and business will doubtless revive under more favourable working conditions.

## BRISTOL TRAMWAYS AND CARRIAGE CO., LTD.

Last year the gross receipts were £642,800, an increase of £87,000, following a gain of £43,000 in 1916. Expenses, however, advanced £80,000 to £530,200, and, including the amount brought in, the balance is £12,000 higher at £122,240. It is consequently proposed to raise the dividend from 6 per cent. to 6½ per cent., and, after again placing £30,000 to reserve, the balance forward is increased by £8,500 to £18,150. With £25,000 set aside for deferred renewals, the total addition to reserve is £66,000, raising it to £390,600. Receipts in the tramways department increased £30,700, and those of the carriage department £53,000, while the number of passengers carried was 3,350,000 larger at 63,982,000. The option of the British Corporation to purchase the tramways undertaking has been further extended by the Board of Trade till October 31 next.

## SAVOY HOTEL, LTD.

Like most catering businesses, this company did extremely well last year, the nett profits at £178,000 showing an increase of £61,000, which follows a gain of £32,000 in 1916. Interest required £7,000 more, and the balance is just doubled at £108,000. Under the scheme of arrangement entered into at the end of 1915, interest on certain debenture issues is payable in deferred certificates during the war, and no profits can be distributed during the "suspension period," so that the undivided balance, amounting to £162,000, is carried forward. It is stated that the gross receipts of all the company's hotels and restaurants show a large increase on those of the previous year, and the rate of nett profit earned, though not so high a percentage of the gross receipts as in pre-war times, has also been satisfactory, having regard to the continued rise in wages, the heavy charge for income-tax, and the increased cost of all commodities.

## WILLIAM WHITELEY, LTD.

Trading profits in the year to February 14 amounted to £144,150, an increase of £8,500. Interest required rather less, and, including the amount brought in, the available balance is £11,000 larger at £126,100. After again placing £10,000 to reserve (raising it to £170,000) and setting aside £4,000 more at £11,000 for depreciation, &c., the dividend of 6 per cent. is repeated, and the balance forward is increased by £7,000 to £19,650. Changes in the accounts are mostly unimportant, but stock is up £55,000 at £346,000, and cash £27,000 at £72,200.

## LINOLEUM MANUFACTURING CO., LTD.

Gross profits for the past year amounted to £94,630, an increase of £7,000, and the nett profit comes out £3,000 up at £52,000. With a little more brought in the dividend is raised from 7½ per cent. to 10 per cent., and as £8,500 less has to be provided for depreciation of investments, the carry forward is £8,200 higher at £28,100 after again placing £10,000 to reserve, which now amounts to £142,300. It is stated that the home business has increased, but the export trade, owing to shipping difficulties and advanced prices, shows a decline. Stocks have also been reduced owing to the increasing difficulty of procuring raw materials, and the money thus released has been placed in War Loans and other Government securities. The company is in a strong financial position.

## VENESTA, LTD.

In the year to June 30, 1916, the trading profits advanced £106,000, and for the last 12 months there is a further increase of £136,000, making the total £357,000. Expenses and loss on exchange rose £34,000, and £100,000 is set aside as a provision for losses on Continental assets, against £50,000 placed to reserve last time. Nett profits come out at £136,000, or only £2,000 up, but £48,000 more was brought in, and the dividend is doubled at 20 per cent., leaving £133,000, an increase of £71,000, to be carried forward. It is pointed out that the dividends for the past four years have averaged 10.3 per cent. The company's factory at Silvertown was destroyed in February, 1917, but good progress has been made in re-establishing it. In Russia conditions are extremely difficult, as may easily be imagined, but everything possible is being done to conserve the company's interests.

## SPRATT'S PATENT, LTD.

A rather serious drop in the profits occurred in 1916, but last year there was some improvement, the trading results showing a gain of £4,000 at £68,200. However, increased expenses absorbed practically the whole of the advance, but the amount brought in was £3,400 larger, and the dividend is again made up to 2s. 3d. per share for the year. Reserve fund and other appropriations amounting to £18,000 are repeated, and the carry forward is £4,000 up at £17,950. Changes in the balance-sheet do not call for remark. The company has been largely employed on Government work, and its ordinary trade has been somewhat restricted owing to the position with regard to raw materials and other difficulties. We are not surprised to hear that, and in the circumstances the results may be considered very satisfactory.

## C. AND E. MORTON, LTD.

Trading profits last year amounted to £180,700, and while income-tax required double at £10,000, there was a saving of £5,600 on the allowance for depreciation, with the result that the nett profit is £9,500 higher at £160,800. Moreover, £20,500 more was brought in, so that the balance is £30,000 higher at £258,300. The directors keep the dividend at 17½ per cent., and again place £20,000 to reserve, raising it to £121,000, but nothing as against £10,000 has to be set aside for depreciation of investments, and after granting £2,500 more to the pension fund there remains £131,000, or £33,000 more, to be carried forward. Except for an increase of £240,000 to £428,000 in cash balances, changes in the balance-sheet are of no particular significance, but the company is in a very strong financial position, and no valuation is attached to the goodwill.

## DE DION BOUTON (1907), LTD.

Such meagre information is given in this company's report (to September 30 last) that it is quite impossible to form any intelligent opinion as to its actual position. Twelve months ago the nett profit for two years was brought out at £26,400, but since then goodwill and patent rights have been transferred to the French company, amounting to £78,000, and a debit of £51,200 is brought into the present balance-sheet. The bald statement is made that the profit for the past year amounted to £29,250, "subject to munitions levy or excess profits duty, if any," and the debit balance is thereby reduced to £21,930. It is stated that the business, almost entirely confined to Government work, continues to show satisfactory progress, but is this a straightforward way of dealing with the shareholders or with the public, who may be otherwise interested in the concern?

## RANSOMES, SIMS AND JEFFRIES, LTD.

In 1916 this company had an increase of £57,000 in trading profits, and there was a further gain of £3,000 last year, raising the total to £106,100. Nett profits at £90,000 are a little lower, but £14,000 more was brought in, and the balance of £112,840 shows an increase of £13,000. After placing £10,000 more at £50,000 to reserve, the dividend of 8 per cent., tax free, is repeated, and £3,000 more at £36,500 is carried forward. Capital expenditure amounted to £55,800, an increase of £19,000. Stocks have risen £190,000 to £550,000, and this has evidently put some strain on the finances, as there is now a bank overdraft of £78,000 against a cash balance of £63,000 a year ago.

## COMPANY MEETINGS.

## THE EMPLOYERS' LIABILITY ASSURANCE CORPORATION.

The 37th annual general meeting of the Employers' Liability Assurance Corporation, Ltd., was held on Wednesday at Hamilton House, Victoria Embankment, E.C.

Lord Claud Hamilton, M.P., who presided, said that the report and accounts now submitted were the best in the experience of the corporation, and he was glad to be able to state that they neither showed nor contained any weak spot in any class of their business, or in any Allied or neutral country in which they were established. One subject for congratulation was the removal of the anxiety felt in a more or less degree as to the ultimate result of the very great increase in the corporation's casualty or workmen's compensation business in the United States, owing to its being the outcome of new legislation. They had now three or more years' experience, and though it was too early to say that it could be run at a profit, it might be assumed that such business could be carried, if wisely selected, without the risk of heavy loss. The account showed total premiums for the year of £3,396,000, against £2,456,000 in the previous year, an increase of £940,000. This increase was derived from almost every country where they operated and in every class of business. The great increase was again, as last year, in America. The payments under policies amounted to £1,554,700, or 45.8 per cent., against £1,193,000 in the previous year, an increase in money of £361,700, but a decrease in percentage of 2.8. The commission paid amounted to £693,900, against £536,300, and the expenses of management were £255,200, against £179,500. The reserve for unexpired risks stood at £1,371,300, compared with £982,400. In dealing with this reserve last year he pointed out that owing to the unusual amount of excess premiums they might have well reduced this reserve, and the running off of that reserve had more than justified that remark. The same was true of this year, as the increase in premium shown was very largely made up of excess premiums, all the liability of which was already earned. Notwithstanding that, they had still made the reserve the full 40 per cent., as in respect of the other premiums. Moreover, they had reserved in the marine business the whole balance of the account, and not only 40 per cent. as in the other classes of business. The reserve for outstanding losses was £1,185,300, as compared with £905,800 a year ago. The directors believed that the amount reserved was a very full provision for the liabilities of the corporation in this respect. The total fund amounted to £2,556,600, compared with £1,888,300 at December 31, 1916. The balance of revenue account transferred to profit and loss was £238,700, compared with £35,500 a year ago, or an increase of £203,200. In paying the dividend of 20s. per share, free of tax, the shareholders must not overlook the fact that the corporation was paying on their behalf a further £25,000 in respect of income-tax. The interest arising from their investments as they stood on January 1 this year was approximately £130,000 per annum. The investments amounted at December 31 last to £3,126,500, against £2,610,700 in the previous year, or an increase of £515,800. The depreciation on their investments of £261,100 was fully protected by the investment reserve fund of £267,400. The amounts due from other companies stood at £89,400, against £62,100 last year. Included in that amount was a considerable sum due from German, Austrian and Russian companies. The fire business had steadily improved, and the volume of the marine insurance business, which they had started in September last, had come fully up to their expectations. A suggestion had been brought forward that the time had arrived when they might, with advantage, reduce the amount of the uncalled capital, but he strongly deprecated any idea of tampering with their share capital while the war was in progress.

The report and accounts were unanimously adopted, and a resolution was also unanimously passed increasing the remuneration of the board from £5,000 to £8,000.

## THE LONDON ASSURANCE.

The annual general court of the corporation of the London Assurance was held on Wednesday at their offices in the Royal Exchange, under the presidency of Mr. Colin Frederick Campbell, the governor.

The Secretary (Mr. C. A. Denton) read the notice convening the meeting, the resolutions approving the provisional agreement dated the 4th instant, and made between the British Law Fire Insurance Co., Ltd., and the corporation for the acquisition by the latter of the undertaking of the British Law Fire Co., and the auditors' report. Other formal business having been disposed of,

The Governor said: We have continued to carry out the policy approved by you a year ago of meeting the requirements of our friends to the utmost of our power, so as to enable them to continue their business in spite of the many and unexpected risks with which all those engaged in trade are confronted. At the same time, we have endeavoured to make steady progress in the development of our various departments and to lay the foundations for increasing our scope and sphere of usefulness; so I hope, when you have gone through the accounts now laid before you, you will agree with me that the year under review has been one of real progress. Turning now to the accounts, the life assurance fund still reflects the war conditions. Nearly all the young lives are engaged in fighting of some kind, so that new

business has been much restricted, and we consider ourselves fortunate to have achieved the results which have been attained, viz., a net increase of £42,000 in new business and nearly £8,000 in the total premium income. Further, the life assurance fund has increased by over £53,000, and now amounts to £2,754,366. The rate of interest earned on the life fund was £4 17s. 1d. per cent. The fire account has again been a satisfactory one, and the premium income shows a substantial increase, which has been obtained from business both at home and abroad. To some extent this increase is the result of the higher cost of replacements in every department, but it also represents a substantial amount of new business. The fire fund has been increased from £820,000 to £900,000, after carrying £84,993 to profit and loss account. The marine account shows the effect of the war to a greater degree than any of our other departments. The figures can only be called gigantic, and it is satisfactory that under the abnormal conditions the result attained has been so good. It is not to be expected that after the war the marine figures will continue on the same scale as at present, and competition also is likely to be increasingly severe. We have increased the marine fund from £1,000,000 to £1,350,000, after carrying £239,461 to profit and loss account. With regard to the accident department, you will recollect I told you last year that the directors had decided to push this department more actively. Consequently we established it as a separate department under its own manager, and the result during the first year has fully justified our expectations. The premium income has, comparatively speaking, been substantially increased, and we look forward to a further increase as soon as our new manager is able to develop the plans he has in contemplation. In the meantime, in addition to all kinds of accident business, the corporation now undertakes fidelity guarantee, third party, motor-car, property owners, and personal accident (aircraft). The fund has been increased from £32,220 to £37,897. Turning now to the profit and loss account, the result of the transfers that we have been able to make from our different departments, together with the interest and dividends on our securities, has enabled us to apply £100,000 to the general reserve fund, thus bringing it up to £650,000; to transfer £75,000 to our investments depreciation and contingencies fund, bringing it up to £300,000; to apply £20,000 towards writing down our freehold premises, and, after making the necessary provision for income-tax and excess profits—which this year you will notice is a very heavy item, amounting to £100,000—the amount carried forward to the next year's account will be £188,786, showing a slight increase over the balance of the previous year. We propose to the shareholders a dividend of 22 per cent., free of income-tax, being 2 per cent. more than has been paid during recent years, and which is, in fact, equivalent to 29½ per cent., less tax. With regard to the balance-sheet, our holding in Government securities continues to increase, and we endeavour to invest our surplus funds as they become available in one or other of the Government war stocks, in which our total at the present time exceeds £2,000,000.

The Sub-Governor (Mr. Charles Seton Sinclair Guthrie) seconded the motion, which was carried unanimously.

## ROLLS-ROYCE, LIMITED.

## ANNUAL MEETING OF SHAREHOLDERS.

The eleventh annual shareholders' meeting of this company was held at the Midland Hotel, Derby, yesterday, Mr. Ernest Claremont, the chairman of the company, presiding.

After the Secretary had read the notice convening the meeting, the Chairman asked the shareholders to excuse the absence of some members of the board, whose duties of national importance required their attendance elsewhere.

The Chairman said: "The date of this meeting is rather later than that of last year, for the reason I have previously given—of the continual expansion of the business. Just as at this stage last year, we have to hold our meeting without having the accounts before us. It will accordingly be necessary later in the year, when the accounts are ready, to hold another meeting. We are fortunate, however, in being able to foresee that the profits will not be less than last year, and to so conclude that the same dividend can be safely declared. Beyond that I am quite unable to say what the profits will be. So far during the war our profits have been small compared with peace times, and we have had no excess profits to pay. The delay in completing the balance-sheet is in arriving at the values of buildings and plant provided solely for the purpose of the war. It is impossible to state with any certainty the ultimate value of such items of property on the return of normal times, and all we can do is to be as cautious as the circumstances permit.

"When the war is over," continued the chairman, "the company will find itself in possession of premises and equipment greatly in excess of the figures of 1914, and it will then be a question of whether or not they can be used to advantage, and I need hardly say your directors are fully aware of the importance of such points, and are closely watching your interests. Apart from the cash dividend, the directors are recommending the distribution of bonus shares—'share for share.' That is to say for every share you now hold you will receive another. Such distribution is, of course, subject to the approval of the Treasury. You will understand that the distributing of these shares has merely the effect of declaring that the various reserves which have been created in past years will now irrevocably be retained in the business. Reserves can always be distributed as dividends if so decided, but once such reserves are transformed into share capital that facility ceases. Now the reserves amount to £186,000, which, together with the amount carried forward last year of £43,000

odd, makes a grand total of £229,000. Now all that money has been accumulated by the company during the last seven years, and notwithstanding that the company has since the outbreak of war so far only earned considerably reduced profits.

#### CAPITALISING RESERVES.

"Although the business made satisfactory profits before the war," said the chairman, "the shareholders were very wisely content with moderate dividends in order that by every year allotting a portion of the profits to reserves they might strengthen the financial position of the company. Indeed, by reason of the expansion of the business continually demanding increased working capital, no other course was practicable. Seeing the impracticability of distributing these reserves, the directors have concluded (as far as £200,000 is concerned) the best course would be to declare them to be what they have in fact been since their creation, viz., working capital, and to represent them by shares, which process is known as capitalising reserves. You will appreciate we should be no better off by such action, and, as I have said, would be merely calling them by the name of share capital in order to carry out our intention of irrevocably leaving them in the business. Each shareholder will, if this suggestion be adopted, secure to himself his proportion of these reserves which have in the past years been created, for he will receive new shares to represent it. It must not be supposed that the money in question will earn larger profits when it is called shares than when it was called reserves. Now, it is only practicable to capitalise these reserves, because at the present time there is no emergency for which they are needed, but as you will readily appreciate the same cautious policy of the past is very necessary, and as fast as we are able we should create reserves for the future, which is full of possibilities for and against us."

#### THE NEW NOMINAL CAPITAL.

"With regard to the nominal capital of the company," the Chairman continued, "an increase is necessary to allow of the creation of the very shares I have just been referring to. They would amount to 200,000 of £1 each, and as our capital to-day is £200,000, the figure in future would be exactly doubled—i.e., £400,000. As mentioned in the directors' report, the company's energies continue to be fully engaged on the production of munitions of war, and, I have no doubt, will continue to be so whilst the war lasts. I take much pleasure once more in expressing on behalf of the board their appreciation of the whole-hearted efforts of the company's staff, from Mr. Royce, our engineer-in-chief, and Mr. Claude Johnson, our general managing director, downwards. I have been told by a shareholder that there is a rumour of the company amalgamating with another company, and to prevent any misunderstanding I should like to state that nothing of the kind is in contemplation. I have also been asked to give some information with regard to our American works. We have no works in America, and are only obtaining materials and goods from that country to increase our output. I wish I could tell you all about the business, its expansion, and the wonderful achievements with its engines, but as I have previously explained, my tongue is tied. Some day I may tell you all, and I am sure you will be more than satisfied and very proud."

A cash dividend of 10 per cent. for the year (less income-tax) was declared, and the proposed distribution of bonus shares was agreed to. The retiring directors and auditors were re-elected. The meeting closed with a vote of thanks to the chairman.

#### MESSINA (TRANSVAAL) DEVELOPMENT CO.

The adjourned annual general meeting of the Messina (Transvaal) Development Co., Ltd., was held on Wednesday at Salisbury House, London Wall, Mr. C. F. H. Leslie (chairman of the company) presiding.

The Secretary (Mr. A. A. Kelsey, F.C.I.S.) read the notice convening the meeting and the report of the auditors.

The Chairman, in the course of his remarks, said: With regard to the profit and loss account, there is one new item in the account—namely, £35,000, under the heading of debenture stock redemption. This is the amount which has to be assigned out of the profits of each year towards the redemption of debentures. If no profit is made in any year, then there is no obligation to repay debentures in that particular year, and it seems possible, I regret to say, that we may be in that position in November next, when the question of redemption in each year has to be decided. With the £35,000 available for redemption during the year ended June 30, 1917, debenture stock for £41,036 was redeemed, and the amount now outstanding has been reduced to £208,964. With regard to the amount carried forward—namely, £156,687—this is a very considerable figure, and it is only under the best advice obtainable that we have adopted this course. There are exceptional difficulties in the case of this company in arriving at a determination of excess profits tax, but we hope shortly to be in a position to agree with the Inland Revenue authorities as to the statutory capital, and, having done so, the next step will be to go before the Board of Referees. Meanwhile, I am in the unfortunate position of not being able to tell you whether the £156,687 belongs to the company, or whether it belongs to the Government, or whether it is partly one and partly the other. The figures in the profit and loss account show that, notwithstanding the lower grade of ore produced from the mine, the revenue has not only been maintained, but rather increased—due partly to higher prices realised for copper, namely, £143 per ton, as compared with £112 in the previous year, and partly to an increased production of ore, namely, 140,000 tons, as compared with 111,000 tons in the

previous year. The assay value of the ore treated, however, fell from 5.43 per cent. to 3.98 per cent. In these circumstances, and the increased cost of both labour, transport, and material, the results will, I feel sure, have given you the greatest satisfaction. This now brings me to the point at which we must survey the position since June 30 last, and more particularly to the question of ore reserves. It is a great disappointment to know that, although we have pursued a vigorous policy of development, and have as a result of that policy developed considerable reserves of ore—namely, an increase of 60,000 tons so far as tonnage is concerned—yet the total copper contents of those reserves are only the same as at June 30, 1916, and the grade has fallen to 3.7 per cent. for the proved ore, and for the whole reserves, including possible ore, to 3.5 per cent. Meanwhile, the price of copper has fallen, the cost of transport to the markets of consumption has further increased, the transport itself has been and is very precarious, and smelting charges are higher, and although our revenue up to the end of December last probably exceeded our expenditure by some £25,000, and there is some additional revenue to come in from the ore in transit at June 30 last, it is very doubtful to-day if we are working at a profit. At times we have been much encouraged by finds of higher-grade ore, as well as by the view of Mr. Gratton—one of the great base metal geologists of the world—that there was no inherent reason why we should not find as rich ore in the lower levels as in the upper levels of the mine. Yet we have got to look at this fact—that ever since the year 1913, although the tonnage of the ore reserves has sometimes shown considerable increases, the average assay value of that tonnage has shown a constant fall, from 10 per cent. in the year 1913 to 3.7 per cent. up to June 30 last. Since the date of the report there has been no improvement in the assay value of the ore, but we are still able to continue development and to hope that there may be a change in that condition. We have, however, got to contemplate the unpleasant fact that the life of the mine—and by that I mean the profitable life of the mine—may be approaching its end. I have purposely put to you what I consider to be an unfavourable view of affairs, because I do not know—in fact, no one knows—in what respect we may expect any betterment of the position. On the other hand, should we be compelled to stop operations altogether, we have large liquid assets, easily realisable, and it might well turn out, after the adjustment of the many outstanding questions, due principally to war taxation, that there will be some considerable fund available for the shareholders after meeting all the company's liabilities. In these circumstances, it is the policy of the board to carry on the operations at the mine with a view, if not to profit, at any rate to the opening out of additional ore reserves. He concluded by moving the adoption of the report and accounts.

Mr. R. J. Frecheville, M.Inst.C.E., seconded the resolution, which was carried unanimously.

#### ILLUSTRATED LONDON NEWS AND SKETCH.

The nineteenth ordinary general meeting of the Illustrated London News and Sketch, Ltd., was held on Thursday, at Winchester House, Mr. Charles L. N. Ingram presiding.

The Chairman said: We have not been able to show you such a good balance-sheet this year as we did last year, but it was quite beyond the power of the board to obviate this. The paper question has affected us most seriously, as has also the cost of other materials and of labour. Paper alone has cost us many thousands of pounds extra. I consider that we have managed to weather the storm very satisfactorily, and if it had been a normal year you can easily understand what a splendid balance-sheet we should have had. With regard to the future it is impossible for me to say anything definite. I see no prospect of the price of paper going down, or the cost of materials or labour, and until the war is over I am afraid we shall have to encounter very great difficulties. The advertisement revenue has increased by several thousands of pounds, but when the cost of paper and other things is taken into account, the advertisements really hardly cover the cost to us.

Mr. G. J. Maddick said: At first sight the result is perhaps a little disappointing, but, having regard to the cost of paper and other materials, it is a wonder that we have been able to make any profit at all, much less the substantial one of over £28,000. I think it speaks volumes for the stability and popularity of your two great papers that your directors are in the pleasant position of being able to inform you that the revenue of each paper, from both circulation and advertisements, has increased by very many thousands of pounds. The Government have thought it necessary to curtail very considerably the amount of tonnage they are going to allow for the import of paper and paper-making materials into this country. That is going to cause the paper mills to work less time, and their output will be considerably lessened, and I fear that if any of them have a surplus there will be a wild scramble amongst newspaper proprietors to obtain even this small quantity, absolutely irrespective of cost. We are users of a colossal amount of paper, and every rise in the paper market is a very serious thing for us. It is unfortunate from the balance-sheet point of view, but it is an exceedingly fortunate thing for our future prosperity, that our consumption is so large, because when this war ends we shall be in a position, I trust, to retain our popularity and the friendship of our readers, and we shall be well on towards the prosperity that we have enjoyed in former years.

The report and accounts were adopted, and Mr. Maddick was re-elected a director.

## INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Amount	In. or dec. on last year.	
Assam Bengal	Jan. 26	Rs. 166,613	+ 50,152	Rs. 23,06,302	+ 1,57,061	
Barsi ..	Feb. 2	28,700	— 29,600	7,93,500	— 2,10,800	
Bengal & N.W.	Jan. 26	5,01,000	+ 71,130	63,93,753	+ 6,60,312	
Bombay Nagpur	Feb. 2	10,48,000	+ 1,000	4,53,96,032	+ 36,02,366	
Bombay, Baroda	Mar. 2	15,18,000	+ 51,000	3,14,45,000	+ 6,04,000	
Birma	Jan. 5	4,88,919	+ 11,523	1,58,66,620	+ 85,397	
Delhi Umballa	Mar. 9	92,700	+ 21,764	20,27,086	+ 2,66,315	
East India	" 16	22,34,000	+ 3,40,000	5,36,51,000	+ 14,38,000	
Gt. Indian Penin.	" 2	24,55,700	+ 2,09,100	4,88,99,753	+ 29,28,048	
Lucknow-Bareilly	Jan. 26	34,359	+ 7,216	8,20,109	+ 83,175	
Madras and S.	" 19	9,50,000	— 79,295	1,59,27,643	+ 10,02,877	
Mahratta	" 19	1,40,648	+ 12,421	20,05,604	+ 5,002	
Nizam's Gd. (Broad)	" 19	1,00,158	— 10,581	13,08,102	+ 8,671	
Robilund and	" 26	86,701	— 2,290	700,330	+ 57,477	
Kumaon	" 19	5,66,196	+ 4,038	1,02,91,924	+ 6,32,036	
South Indian	" 19					

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Amount	In. or dec. on last year.
Dublin United	Mar. 1	£ 7,305	+ 1,364	£ 61,814	+ 11,088
Hastings and Dist.	" 18	1,093	+ 124	10,521	+ 840
Isle of Thanet	Feb. 23	170	— 52	3,587	+ 1,612
Lancashire United	Mar. 13	2,596	+ 815	25,880	+ 8,124
Provincial	Jan. 25	2,479	+ 729	39,274	+ 5,569
Yorks. (Wat. Rng.)	Mar. 17	2,258	+ 930	25,665	+ 5,962

† From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last year.	Amount	In. or dec. on last year.
Alabama Power	Jan. 8	£ 129,919	+ 19,173	£ 129,919	+ 19,173
Anglo-Argentine	Oct. 16	56,612	+ 3,781	594,673	+ 38,937
Auckland Electric	Mar. 2	22,380	+ 880	92,118	+ 7,832
Brazilian Traction	Jan. 8	M 3,606,000	+ M 306,000	M 3,606,000	+ M 306,000
Brisbane Elec. Inv.	Oct. 3	33,580	+ 820	328,420	+ 2,000
British Columbia	Dec. 3	£ 167,333	+ £ 30,967	£ 599,797	+ £ 60,091
B.A. Lacroze	Feb. 3	34,397	+ 1,580	303,775	+ 1,239
Burmah Electric	" b	Rs. 22,985	+ Rs. 73	157,522	+ Rs. 217
Calcutta	Mar. 16	Rs. 75,884	+ Rs. 7,214	Rs. 71,671	+ Rs. 35,199
Carthage and	"				
Herreras	Feb. b	4,031	+ 808	8,042	+ 837
Cordoba Light	"				
P. & T.	Jan.	12,845	+ 413	134,066	+ 641
Hongkong	" 19	12,272	+ 1,368	35,883	+ 705
La Plata	" b	4,711	+ 396	48,062	+ 73
Lima	"	22,519	+ 5,211	22,519	+ 5,211
Madras Electric	Mar. 15	Rs. 39,530	+ Rs. 5,363	Rs. 188,724	+ Rs. 20,620
Manila Electric	Aug. 8	55,467	+ 4,667	547,492	+ 70,625
Mexico	Nov. 3	£ 215,256	+ £ 108,669	£ 3,193,106	+ £ 197,227
Rangoon	Feb. 3	5,662	+ 1,057	11,023	+ 1,785
Singapore Electric	Dec. 29	£ 13,201	+ £ 1,173	£ 668,805	+ £ 11,901
Toronto	Nov. 3	£ 423,556	+ £ 8,753	£ 5,031,176	+ £ 239,133
United of Monte V.	Feb.	34,573	+ 2,269	135,674	+ 10,261
Vera Cruz	Dec. 3	51,000	—	618,000	—
Winnipeg	Nov.	£ 86,888	+ £ 14,744	£ 748,976	+ £ 327,782

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Amount	In. or dec. on last year.
Alecyand Gandia	Mar. 9	Ps. 9,000	— 2,000	Ps. 89,900	— Ps. 16,170
Antofagasta (Chili)	" 10	40,060	+ 11,390	376,535	+ 5,305
Arauco	Jan. 10	14,000	+ 2,000	14,000	+ 2,000
Argentine N.E.	Mar. 16	10,300	+ 3,300	368,400	+ 63,298
Bilbao R. and Canta	Feb.	2,953	+ 655	8,062	+ 433
Bolivar	"	9,500	+ 639	89,236	+ 19,320
Brazil	Nov. *	M 4,746,000	+ M 661,379	M 4,533,300	+ M 523,897
Brazil Gt. Southern	"	M 14,404,050	+ M 850	M 471,527	+ M 51,057
B. Ayres & Pacific	Mar. 16	145,000	+ 63,000	3,110,000	+ 104,000
Do. Central	Jan.	29,421	+ 8,949	175,607	+ 4,155
Do. Gt. South'n	Mar. 17	153,000	+ 33,000	3,990,705	+ 206,549
Do. Western	" 17	76,000	+ 33,000	1,763,000	+ 119,000
Central Argentine	" 16	173,000	+ 77,000	3,736,200	+ 214,200
C. Ur'g'ay of Mte V.	" 16	21,961	+ 8,231	668,057	+ 187,772
Do. East'n Ex.	" 16	6,214	+ 617	181,986	+ 8,063
Do. North'n Ex.	" 16	3,704	+ 566	116,430	+ 30,171
Do. West'n Ex.	" 16	2,848	+ 982	81,203	+ 11,821
Cordoba Central	" 16	40,000	+ 9,020	1,077,980	+ 5,380
Costa Rica	Jan. 19	3,996	+ 2,749	81,054	+ 66,253
Cuban Central	Mar. 16	36,218	+ 1,579	668,096	+ 131,447
Dorada Extension	Feb. *	7,400	+ 1,400	15,700	+ 2,300
Egyptian Delta	Jan. 31	11,173	+ 3,595	240,609	+ 57,320
Entre Rios	Mar. 16	21,600	+ 8,000	544,200	+ 109,500
French Sante Fé	Aug.	132,000	+ 29,099	900,336	+ 173,429
Gt. South. of Spain	Mar. 9	Ps. 32,015	+ Ps. 68,863	Ps. 305,276	+ Ps. 67,516
Gt. West. of Brazil	" 16	21,200	+ 8,300	210,100	+ 58,250
Havana Central	Feb. 23	11,079	+ 3,208	280,549	+ 51,497
Inter. of C. Amer.	" c	24,247	+ 9,386	47,671	+ 17,585
La Guaira and Car.	"	5,500	+ 3,500	13,750	+ 4,250
Leopoldina	Mar. 16	29,968	+ 5,886	355,719	+ 94,238
Midland Uruguay	Feb.	10,000	+ 3,280	104,920	+ 4,170
Mogiana	Nov.	M 2,242,000	+ M 222,440	M 216,600	+ M 247,712
N.W. of Uruguay	Feb.	£ 23,000	+ £ 1,202	£ 212,065	+ £ 19,748
Nitrate	Mar. 15	34,871	+ 2,218	142,664	+ 18,174
Paraguay Central	" 16	3,080	+ 330	106,310	+ 13,860
Paulista	Nov. *	M 3,506,000	+ M 589,750	M 306,540	+ M 142,618
Peruvian Corp'n	Feb. *	S 925,410	+ S 80,640	S 8,203,030	+ S 917,638
Salvador	" 23	£ 3,112	+ £ 1,055	£ 87,556	+ £ 36,350
State of Bahia S.W.	"	M 76,000	+ M 25,000	M 190,000	+ M 33,000
S. Paulo (Brazilian)	Mar. 17	23,797	+ 6,006	384,957	+ 139,775
Sorocabana	Dec. *	M 2,107,000	+ M 224,206	M 16,988	+ M 173,520
Taitai	Feb. *	22,298	+ 5,348	204,286	+ 56,904
United of Havana	Mar. 16	93,769	+ 31,307	1,938,840	+ 478,796
West'n of Havana	" 16	12,838	+ 4,562	307,301	+ 83,683
Zafra and Huelva	Jan. *	10,923	+ 782	10,923	+ 782

\* Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Amount	In. or dec. on last year.
Beira	Nov. *c	£ 56,698	— 1,436	£ 124,329	+ £ 8,374
Canadian Northern	Mar. 14	£ 733,000	+ £ 5,200	£ 28,662,500	+ £ 432,500
Canadian Pacific	" 14	£ 2,496,000	+ £ 174,000	£ 25,222,000	+ £ 867,000
Gt. Trk. Main Line	" 14	189,699	+ 17,890	1,610,378	+ 136,964
Gt. Trk. Western	" 14	32,754	+ 2,855	312,099	+ 17,289
Detroit G. H. & M.	" 14	10,880	+ 1,605	108,261	+ 5,927
Gt. Trk. Prairie Sc.	" 14	25,324	+ 5,196	231,614	+ 64,267
Manitoba	Nov. *	56,698	+ 1,486	56,698	+ 1,486
Mid. of West. Aus.	Jan. *	9,296	+ 790	52,517	+ 4,005
New Cape Central	Feb. *	2,521	+ 672	11,286	+ 1,356
Rhodesia	Dec. *c	79,220	+ 2,472	269,405	+ 11,925

\* Months. † July 1. † Jan. 1. \* From Oct. 7.

## MONTHLY STATEMENTS.

NAME	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.
Atchafalpa T. & S. Fé	Dec.	Dols. 3,543,000	+ 240,000	12	47,829,000	+ 1,248,000
Atlantic Coast Line	"	2,036,000	+ 420,000	12	12,014,000	+ 607,000
Baltimore & Ohio	"	1,851,000	+ 1,165,000	12	30,588,000	+ 3,425,000
Canadian Northern	"	65,300	+ 758,500	6	3,315,100	+ 2,961,000
Canadian Pacific	Jan.	1,168,000	+ 1,263,000	1	1,168,000	+ 1,263,000
Chesapeake & Ohio	Dec.	1,238,000	+ 44,000	12	14,099,000	+ 1,400,000
Chicago & N.W.	"	4,711,000	+ 10,000	12	27,015,000	+ 3,634,000
Chicago Burl. & Q.	Nov.	1,642,000	+ 2,031,000	11	31,281,000	+ 3,956,000
Chicago G.W.	Dec.	388,000	+ 11,000	12	3,876,000	+ 1,006,000
Chicago Mil. & S.P.	"	892,000	+ 1,726,000	12	22,026,000	+ 9,338,000
Chicago, Rock I. & P.	"	1,362,000	+ 419,000	12	17,823,000	+ 2,953,000
Colorado & Southern	Nov.	444,000	+ 233,000	11	5,320,000	+ 370,000
Cuba	Dec.	383,000	+ 311,000	6	1,136,000	+ 153,000
Delaware & Hud.	"	4,000	+ 509,000	12	5,686,000	+ 2,124,000
Denver & Rio Gran.	"	296,000	+ 424,000	12	7,418,000	+ 1,963,000
Erie	"	507,000	+ 1,848,000	12	9,538,000	+ 5,277,000
Gr. Tr. Main Line	Nov.	£ 86,200	+ £ 128,600	11	£ 1,957,300	+ £ 627,900
Grand Trunk Westn	"	b £ 15,650	+ £ 1,959	11	£ 23,200	+ £ 139,050
Detroit G. H. & Mil.	"	"	+ 11,100	11	£ 67,700	+ £ 69,900
Gt. Northern	Dec.	1,165,000	+ 1,401,000	12	22,917,000	+ 6,179,000
Illinois Central	Nov.	1,466,000	+ 409,000	11	17,538,000	+ 2,590,000
Kansas City South	Dec.	294,000	+ 80,000	12	4,495,000	+ 569,000
Lehigh Valley	Nov.	628,000	+ 376,000	11	9,240,000	+ 2,410,000
Louisville & Nashv.	"	1,296,000	+ 788,000	11	16,949,000	+ 836,000
Minn. S.P. (Sooj.)	Dec.	357,000	+ 297,000	12	9,331,000	+ 3,648,000
Miss. K. & Texas	"	912,000	+ 126,000	12	8,305,000	+ 2,573,000
Missouri Pacific	Nov.	1,690,000	+ 321,000	5	9,425,000	+ 1,920,000
New York Cent. & H.	"	2,939,000	+ 1,742,000	11	45,049,000	+ 13,335,000
N.Y. N. Haven & H.	"	1,499,000	+ 604,000	12	19,597,000	+ 1,665,000
New York Cent. & W.	Dec.	1,111,000	+ 26,000	11	2,228,000	+ 97,600
Norfolk & Western	"	1,281,000	+ 200,000	12	19,654,000	+ 3,808,000
Norfolk Pacific	"	1,414,000	+ 1,832,000	12	27,423,000	+ 4,110,000
Pennsylvania East	"					
and West Lines	Jan.	5,940,000	+ 1,107,200	1	5,940,000	+ 1,107,200
Phil. and Reading	Nov.	1,064,000	+ 1,199,202	11	11,877,000	+ 6,626,000
Reading	"	577,033	+ 5,826	11	8,806,000	+ 212,860
St. Louis & San F.	"	1,304,000	+ 353,000	5	8,569,000	+ 1,093,000
Seaboard Air Line	Dec.	673,000	+ 206,000	12	8,628,000	+ 24,000
Southern	"	2,953,000	+ 241,000	6	14,753,000	+ 2,098,000
Southern Pacific	Nov.	4,405,000	+ 1,038,000	11	55,577,000	+ 7,255,000
Union Pacific	Dec.	3,247,000	+ 197,000	12	44,942,000	+ 2,115,000
Wabash	"	316,000	+ 1,026,000	12	12,003,000	+ 844,000

‡ Includes Wisconsin Central. \* Gross earnings. † Surplus. b Deficit.

## Answers to Correspondents.

\* A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months. Deposits against future queries may be lodged with the Publisher.

Francis.—An old-established company, but these shares are not worth 28s. premium as an investment. Both 6 per cent. debentures and preference shares stand ahead of

# The Investors' Review

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## THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	...	£1,500,000
Capital Issued	...	1,125,000
Capital Paid Up	...	562,500
Reserve Fund	...	600,000

### Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS, CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

## THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital	£4,000,000
Paid-up Capital	1,800,000
Reserve Fund	2,000,000

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ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahía Blanca, Córdoba, Tucumán, Paraná Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires) URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, São Paulo, Santos, Pernambuco, Para, Bahia, Victoria Curityba, Mankos (Agency). CHILE.—Valparaíso, Santiago. FRANCE.—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

## THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - - - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	Yen 50,000,000
Capital Paid Up	Yen 35,000,000
Reserve Fund	Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Bombay.	Honolulu.	Newchang.	Shanghai.
Calcutta.	Hong Kong.	New York.	Shimonseki.
Changchun.	Kobe.	Osaka.	Singapore.
Dairen (Dalny).	Los Angeles.	Peking.	Sydney.
Fengtien (Mukden).	Lyons.	Rangoon.	Tientsin.
Hankow.	Manila.	San Francisco.	Tokyo.
Harbin.	Nagasaki.	Seattle.	Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 3.

K. TATSUMI, Manager.

## HONGKONG AND SHANGHAI BANKING CORPORATION.

Capital (all paid up)	£15,000,000
Starting Reserve, held in London at exchange of 2s. per \$	\$15,000,000
Silver Reserve	\$15,000,000

Reserve Liability of Proprietors... £15,000,000

HEAD OFFICE—HONGKONG. Chief Manager—N. J. STABB.

BRANCHES AND AGENCIES:—Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Colombo, Foochow, Hankow, Harbin, Hongkew (Shanghai), Ipoh, Johore, Kobe (Hiogo), Kuala Lumpur, London, Lyons, Malacca, Manila, Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San Francisco, Shanghai, Singapore, Sourabaya, Tientsin, Tsingtau, Yloilo, Yokohama.

LONDON COMMITTEE:

HENRY KESWICK, Esq., M.P.

WM. GAIR RATHBONE, Esq.

J. R. M. SMITH, Esq.

A. M. TOWNSEND, Esq.

GRACECHURCH STREET, LONDON, E.C. 3.

SIR CHARLES ADDIS,  
H. D. C. JONES,

Managers in London.

JOHN MACLENNAN, Sub-Manager.  
W. M. BLACKIE, Accountant.

## BANKS.

# CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA, 38, Bishopsgate, London, E.C. 2.

INCORPORATED BY ROYAL CHARTER.

Capital, £1,200,000. Reserve Fund, £1,900,000.

## Court of Directors.

SIR MONTAGU CORNISH  
TURNER, Chairman.  
SIR HENRY S. CUNNINGHAM,  
K.C.I.E.  
THOMAS CUTHBERTSON, Esq.  
SIR ALFRED DENT, K.C.M.G.

WILLIAM HENRY NEVILLE  
GOSCHEN, Esq.  
THE RIGHT HON. LORD GEORGE  
HAMILTON, G.C.S.I.  
WILLIAM FOOT MITCHELL, Esq.  
LEWIS ALEXANDER WALLACE, Esq.

Managers: T. H. WHITEHEAD and W. E. PRESTON.

Sub-Manager: J. S. BRUCE.

## Bankers:

THE BANK OF ENGLAND.  
THE LONDON CITY AND MIDLAND BANK, Limited.  
THE LONDON COUNTY & WESTMINSTER BANK, Limited.  
THE NATIONAL PROVINCIAL BANK OF ENGLAND, Limited.  
THE NATIONAL BANK OF SCOTLAND, Limited.

The Corporation buy and receive for collection Bills of Exchange, grant Drafts and transact general banking business connected with the East.

DEPOSITS OF MONEY are received for fixed periods on terms which may be ascertained on application. Interest payable half-yearly, 30th June and 31st December.

## CANADA.

# THE BANK OF BRITISH NORTH AMERICA.

Established 1836.

INCORPORATED by ROYAL CHARTER 1840.

PAID-UP CAPITAL .. £1,000,000. RESERVE FUND .. £620,000.  
Head Office:—5, GRACECHURCH STREET, LONDON, E.C.

## Court of Directors.

Lt.-Col. F. R. S. BALFOUR, Lieut. E. GEOFFREY Hon. A. R. MILLS, M.P.  
J. H. BRODIE, HOARE, R.N.V.R. Major C. W. TOMKINSON.  
J. H. MAYNE CAMPBELL, F. LUBBOCK, G. D. WHATMAN.  
E. A. HOARE.

Deposits received at rates which may be obtained on application.

Current Accounts opened.  
Coupons purchased.

ALL KINDS OF BANKING BUSINESS TRANSACTED.

# THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—77, Old Broad Street, E.C.

Subscribed Capital .. .. £1,276,747 10 0  
Paid up Capital .. .. 889,885 0 0  
Reserve Fund and Undivided Profits .. 375,680 11 8  
Reserve Liability of Proprietors .. 606,962 10 0

REMITTANCES made by CABLE.  
DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.  
DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

# THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £2,000,000; together £4,000,000  
Reserve Liability of Proprietors .. .. 4,000,000

Total Capital and Reserves .. .. £8,000,000

HEAD OFFICE - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

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## Passing Events.

From one point of view we must not be too disappointed at the falling off in National War Bond sales shown in the Exchequer return for the past week. The "Business Men's Week" and other special rouse-ups were bound to produce just such a result, and only £17,454,000 of the Bank of England issue was sold last week, bringing up the total realised since the beginning of January by these sales to £410,218,000, and the aggregate since the issue began to £594,877,000. This, although not nearly enough, would have been most cheering if all new cash. How much is that we do not know. The Post Office Bonds also produced less at £1,638,000 for the week ended March 16, raising the entire amount contributed from that tap to £23,273,000. And there was an excellent sale of War Savings Certificates, one of the best yet recorded, 4,061,255 having been disposed of, furnishing £3,147,471. All these rivulets, however, do not make a stream of volume sufficient to keep the Treasury reservoir full, and nothing is more urgent at the present time than that the nation should be roused to emulation in sacrifice, in order to back up its heroic troops. Instead of selling 4,000,000 War Savings Certificates in a week, the public ought to buy, and easily could buy, at least as many per diem. And, as we long ago insisted, the wealthy of all ranks will have to divest themselves of no small part of their surplus wealth if the nation and Empire are to be saved from a withering financial catastrophe after the war. Let them try to realise what their wealth would be worth to them should they, by their selfish indifference, allow the Prussian beast to win.

Last week's income from taxation and State monopolies was £27,980,000, and the expenditure on current services was £62,502,000, of which £55,837,000, or £7,977,000 per diem, was on supply. In addition, £5,214,000 was absorbed by interest on war debt, and miscellaneous demands took £1,452,000. Thus the aggregate of the week's expenditure of £62,502,000 equalled £8,929,000 per diem. To this has to be added credit expenditure, which brought up the overturn of the week to £165,357,000. Happily some portion of this was reduction in the floating debt, thanks to £90,483,000 received from the recent sales of War

Bonds. Accordingly, £51,770,000 of supply Treasury bills were repaid and £40,000,000 of temporary advances, a most welcome reduction in this last embarrassing item. Against these large repayments, however, £32,253,000 of fresh Treasury bills had to be issued, and £3,414,000 of temporary advances were obtained. "Other war debt" to the extent of £8,218,000 was redeemed, but £11,799,000 of fresh obligations under this category were contracted. A solid £3,200,000 was, however, obtained from the sale of War Savings Certificates, and altogether the gross income of £169,129,000 was £3,772,000 in excess of the gross expenditure. Exchequer balances accordingly swelled out to £18,438,000, and a year ago they were only £22,345,000. The figures bring us now to within one week of the end of the fiscal year, and it is interesting to note the fact that up to Saturday last £681,340,000 had been paid over to the Exchequer, the product of ordinary taxation and State monopolies. Property and income-tax has produced £229,760,000, and excess profits duty and munitions levy £209,815,000, and most other sources of revenue have shown equal or at worst hopeful fertility. The total revenue up to last Saturday was £42,740,000 in excess of the Budget estimate.

A Note has been sent by the Belgian Government to Mr. Nelidoff, the Russian Minister accredited to it by the last recognised Russian Government, in which the Belgians request Russia not to forsake her ally or forget the pact. "Russia," the Note says, "guaranteed the independence and neutrality of Belgium by the treaty of April 19, 1839. On August 4, 1914, this neutrality having been violated by the Germany which had also guaranteed it—that is Prussia had—Belgium called Russia to her assistance. To that appeal Russia gave a favourable answer. On February 16, 1916, she renewed her engagements to Belgium, 'heroically faithful to her international obligations,' declaring that she would not put an end to the hostilities until Belgium was re-established in her independence and largely compensated for the injuries she had suffered. Russia also promised Belgium her assistance in assuring the commercial and financial reinstatement of the country, and now those anarchists whom the Russian Revolution has allowed to seize power, have just signed treaties dated February 9 and March 3 of the current year, by which they lay down their arms before the German and Austro-Hungarian Empires. 'Meanwhile, Belgium is still the prey of the Imperial German Armies who oppress her, decimate her population with pitiless

privations and repressions, and overwhelm her with the worst moral sufferings. The Belgian nation continues to oppose these violences with the force of resistance that she gathers in the consciousness of her right, in the beauty of her cause, in her attachment to liberty." And she considers that Russia is still in honour bound to stand by her and to come to her assistance. "Belgium," the memorandum winds up, "drawn into the war by her will to respect an agreement guaranteed by Russia, continues the struggle without flinching and at the price of the most painful sacrifices. She refuses to believe that the Russian people, master of its destinies, will irrevocably persist in denying the solemn promises made in the name of Russia."

Belgium does well to publish this reminder and appeal at the present time. It will help Russian patriots by shaming some of their opponents, and it should check many amongst us here who are showing a tendency to malign Russia.

We appealed last week for help to enable the Russian people to resist the Germans and overcome the anarchy of Bolshevism, and some have asked: "What could we do to help the Russians? We cannot send troops to Russia; it would be useless, perhaps dangerous, to waste further military supplies by sending them there; what can we do?" We can encourage the Russians to self-respect by refusing to regard them as defaulters, derelects from civilisation, or otherwise showing our displeasure. In the matter of the Russian debt interest, for example, it is surely both ungenerous and indiscreet to blame the whole Russian nation for the Bolshevik default. We know that Russia is not guilty, that the Russian people are as much the victims of this stroke of anarchy as the foreign creditor, and that the source of the present humiliation is not the disposition of Russia as a whole, but a product of the misrule and corruption which preceded the fall of the empire. Probably Russia is beginning to recover her moral balance even now, and as the great conflict in the West draws on towards its inevitable end, Russian courage, Russian love of and sympathy with his fellow-man, all the nobler impulses of the Slav, will find courage and strength to manifest themselves, and the end of the brief German triumph in the East will be an overwhelming confusion.

Japan, it is said, has declined to intervene in Manchuria. We cannot regret that decision. Intervention was not the simple affair our scared ones chose to regard it, and had it been undertaken might have led to many complications. For one thing, it might have humiliated Russia, the real Russia, and we must above everything avoid that. Russia is still capable of delivering herself, and will do so given time. To imagine that a country larger and of greater population than the United States can be managed and held in slavery by a horde of Prussian thieves and landgrabbers is surely to proclaim our own lack of manliness.

Particulars have now come to hand through the *Australasian Insurance and Banking Record* relating to the public finances of the six States of Australia for their past fiscal year, and some of these must be given here. Actually the taxation of the various States, plus the Commonwealth, produced in the year ended June 30 last £33,507,483, of which £24,523,013 was collected by the Commonwealth, the States individually gathering in £8,984,470 additional. Of the Commonwealth's share, however, about £6,250,000 was allocated to the several States, the per head average of taxation for the whole country having been £6 16s. 10d. In 1913-14 it was £4 14s. This latest average is calculated on the population actually within Australia, exclusive of those absent on active service. If the absent ones were included, the taxation would amount to £6 9s. per head, a sufficiently heavy load.

The subjoined duplicate tables give the gross and nett revenue and expenditure of the whole country for the past year. In the first table the gross earnings of the railways are included, and also their expenses, whereas in the second gross revenue and expenses are excluded, and we only get the nett on both sides of the account. We give the two sets of figures mainly for the purpose of showing the great place which the railways hold in the public accounts, and it is significant that they should make so large a difference in the totals. The working expenses of the railways were actually £18,817,658, which, deducted from their gross earnings of £24,746,695, give £7,929,010 as the nett income before charging interest. Interest alone took £6,245,000, and the nett income was nearly £578,000 less than that of the previous year, but still the railways would seem to continue to pay their way, and they are undoubtedly a valuable asset. We hope they will continue to be that after the war has ended.

The other sources of income possessed by the Australian States and Commonwealth do not indicate elasticity such as we should expect in a progressive country. This is hardly the time to discuss the question of staying power with a view to obtaining a satisfactory answer, but it is at least hopeful to find direct taxation capable still of yielding increased amounts to the Treasury. The yield from taxation was almost £10,000,000 larger in production last year than in 1914-15. In the individual States alone it rose £840,000, of which £512,000 was contributed by New South Wales and £146,000 by Victoria. Last year the expenditure exceeded the income by £2,495,000, and the public debts of the whole of Australia, including the nett debt of the Commonwealth, was £523,406,000. Of this total New South Wales owed £136,138,000, Victoria £78,125,000, Queensland £61,303,000, South Australia £39,364,000, Western Australia £40,915,000 and Tasmania £14,672,000. The gross debt of the Commonwealth was £169,178,000, but from that has to be deducted £7,500,000 lent by it to the various States and £10,790,000, the value of properties transferred from the States to the Commonwealth, thus bringing down the nett debt to £150,888,000.

The total expenditure of the Commonwealth and States together was last year £80,919,000, and the expenditure charged to loans £68,158,000, or, together, £149,077,000. This includes public works outlays by the Commonwealth charged to revenue, but the States charged £15,058,000 of public works expenditure to capital. It is included in the above total, and was about £5,000,000 less than that of the previous year.

For the current year ending June 30 next the gross expenditure is put at nearly £185,000,000, more or less, according as outlay on public works goes up or down, and of the total the Commonwealth is to provide £86,794,000 from loans, including £2,743,000 for public works. Its income is put at £30,068,000, which includes £13,109,000 of the war costs, and the revenue clear is set down at £28,040,000. For the six States the income is estimated at £54,697,000, and the expenditure at £54,923,000.

A word may be added about wheat, in which we have a proprietary interest. There is still about 133,000,000 bushels of the last two crops on hand. Total cost was £36,394,000 in 1915-16 and £23,210,000 in 1916-17, of which £31,915,000 were advances in the former and £19,805,000 last year. The current year's crop is estimated at 110 to 120 million bushels, compared with 150,652,000 bushels last year and 179,066,000 bushels for 1915-16. But the 1914-15 crop was only 24,892,000 bushels.

#### AUSTRALIAN STATE PUBLIC FINANCE, 1916-17.

	REVENUE.			
	From Commonwealth	Railways.*	All Other.†	Total.
New South Wales .....	£2,286,913	£10,390,622	£7,818,481	£20,495,996
Victoria .....	1,722,409	5,882,968	3,855,453	11,461,030
Queensland .....	820,604	3,834,436	3,225,853	7,880,893
South Australia .....	531,340	2,294,368	2,048,895	4,874,603
Western Australia .....	569,982	2,004,148	2,002,877	4,577,007
Tasmania .....	336,004†	340,173	693,191	1,369,368
Total .....	6,267,252	24,746,695	10,644,910	50,658,897

	EXPENDITURE.			
	Interest, &c.	Railways.	All Other.	Total.
New South Wales .....	£5,119,211	£7,605,046	£8,017,369	£20,741,626
Victoria .....	3,063,998	4,308,990	4,127,357	11,500,345
Queensland .....	2,278,832	3,003,743	2,851,812	8,134,387
South Australia .....	1,474,275	1,736,423	1,979,755	5,190,453
West Australia .....	1,765,839	1,554,704	1,956,221	5,276,764
Tasmania .....	608,779	293,018	511,096	1,412,893
Total .....	14,310,934	18,501,924	19,443,610	52,256,468

\* Including tramway revenue: New South Wales, £2,020,377; and Western Australia, £125,714. The New South Wales tramway expenditure was £1,687,884. † Including special grant, £90,000. ‡ Including direct taxation by States.

#### STATE REVENUE AND EXPENDITURE (ORDINARY).

	REVENUE. (Inclusive of Net Railway Earnings.)		
	1914-15.	1915-16.	1916-17.
New South Wales .....	£12,000,172	£12,724,911	£12,890,950
Victoria .....	5,980,631	7,020,388	7,152,040
Queensland .....	4,794,193	4,956,145	4,877,150
South Australia .....	2,533,128	2,798,228	3,138,180
Western Australia .....	3,557,171	3,760,120	3,027,305*
Tasmania .....	1,018,149	1,122,505	1,076,350
Total .....	29,881,444	32,382,297	32,156,973

	EXPENDITURE.		
	£	£	£
New South Wales .....	11,506,777	12,617,102	13,136,580
Victoria .....	7,176,101	7,253,263	7,191,355
Queensland .....	4,788,934	4,921,353	5,130,644
South Australia .....	3,222,213	3,182,637	3,454,030
Western Australia .....	4,122,988	4,108,343	3,728,065*
Tasmania .....	1,158,205	1,086,723	1,119,875
Total .....	31,975,218	33,169,461	33,756,544

\* Under revised system the corresponding figures (adjusted to include certain Government trading concerns for 1915-16) were:—Revenue, £3,155,040; expenditure, £3,490,314.

Great prosperity is revealed by the Egyptian Budget for the year ended March 31 next. It shows a revenue of £22,900,000 and an expenditure of £23,250,000. This gives a deficit of £350,000, which will be debited to the reserve fund. It is not a matter of much consequence because the £500,000 recently voted by the Council of Ministers towards the British war expenditure is included in the total. Then, again, the cost of the rise in prices has caused an increase in the expenses in all departments, notably one of £950,000 in the cost of fuel for the railways. The satisfactory point to emphasise is that Egypt should have a revenue which enables her to meet these temporarily heightened charges. The Budget for the year now closing was £3,375,000 larger than that of the year before, and in the estimates for the new year Customs are expected to show an improvement of £1,060,000, of which £634,000 is to come from the new sugar Excise. An increase of £2,156,000 is also expected from the railway, telegraph and telephone services, and increases are also looked for as result of higher passenger fares and goods rates on the railways. Generally speaking, the increase in the revenue is product of the high cotton and cereal prices and of the prosperity induced by the presence of the British forces. We must not, therefore, expect this prosperity to continue without a dip when the war is over, but it is well that it should prevail now in the years of crisis. When it goes down by and by expenses will likewise diminish.

Probably the Dutch Government was really thankful when the United States led the way in forcibly taking possession of the Dutch merchant vessels interned in her ports. President Wilson has conducted that delicate affair with great skill. Holland dare not accede to the American demand and ours to hand over her interned ships for use by us in our emergency without bringing down upon her the brutal wrath of the Prussians. At the same time, there was no valid excuse for her refusal either in international law or usage. The Government was, therefore, in a most delicate position, and that must be recognised if we are to do the Dutch people justice. Those who abuse them here have never betrayed the slightest understanding of the position. Surely with the fate of Belgium before them we ought at least to make allowances for Holland. Why should she bring down upon herself the wrath of this Prussian barbarian gone insane? Had Holland and Denmark thrown in their lot with the Allies of the *Entente*, could they have helped us much in the earlier phases of the world war? They would have been overrun and stripped of everything the aggressors could have laid hands on before we could have prevented it; and had the Germans been victorious in the end, their whole territories would have been annexed and their nationalities obliterated. Surely the Dutch were justified in doing their utmost to avert the danger of such a catastrophe, and in view of that danger their management of relations with the belligerents on both sides has often been most prudent and skilful. And the Dutch will lose nothing in the end by submitting to *force majeure* in the matter of their seized merchant ships, for this additional tonnage of between 600,000 and 700,000 tons will make it possible for us to spare for them some of the food coming to us, and full compensation will be given them for the use of their vessels or for any damage done.

The Swiss Bank Corporation seems to have done a very profitable business last year, its nett profit of £339,123 being £24,000 larger than that of 1916. This nett profit includes £15,188 brought forward, but is arrived at after transferring £8,000 to the pension fund and making various other depreciation allowances, reserves, and adjustments. Of this profit the directors and managers get £40,492, or £3,000 more than a year ago, and from the balance a dividend of 8 per cent., the same as in previous year, is paid, leaving £36,231, or £21,000 more, to be carried forward. The balance-sheet is increased by £7,470,000 to £34,379,250, and the source of this increase is mainly current account balances, which are up £6,427,000 to £23,568,000. There is also an increase of £140,000 in fixed deposits, bringing them up to £4,110,170. Amongst the assets, cash, &c., is £90,000 larger at £1,637,894, and banks and bankers owe the corporation £1,500,000 more at £4,587,363. There is also an increase of £1,830,000 in bills receivable, raising that item to £8,945,349, and current account advances are £3,009,000 higher at £15,835,875. The only change amongst the securities held is an increase of £340,000 in the Government, Railway and other securities owned, which stand now at £1,395,204. Gross receipts, it may be added, are £44,000 up, but £28,000 of that increase was absorbed in general expenses and taxes, and a £14,000 increase was also shown in the various depreciations

and assignments to reserves mentioned above, which altogether aggregate £47,000. On the other hand, £22,000 less at £8,259 had to be set aside for bad and doubtful debts. During the year the Banque de Nyon, with its agencies at Morges and Vallorbe, were taken over, and this will increase the corporation's influence in the wine and watchmaking districts of Switzerland. The only public issues in which the corporation was interested last year were the 6th and 7th Mobilisation 4½ per cent. Loans of the Swiss Confederation.

Surely the directors of the Maypole Dairy Co., Ltd.—Sir W. George Watson, Bart., C. H. Watson, J. A. Watson, A. E. Watson, P. O. Watson, and others—must be peculiar people. They are always whining, although for last year they get a dividend of 22½ per cent.—apart from a fat bonus by the issue of new shares at par—and for the past eight years the distribution on the deferred has averaged 145 per cent. What that represents on the original capital they put into the business is not worth calculating, but most people would be inclined to think that the remuneration has been more than ample. A year ago they only felt justified in paying an interim dividend of 25 per cent., “owing to the necessity of carrying increased stocks of raw materials, and the uncertainty of the sugar position.” And this time, after declaring the dividend of 22½ per cent., and providing the bonus already alluded to, they wail that “future prospects are very discouraging, owing to the transfer of Maypole margarine supplies and retail trade in so many towns to the sugar retailers, and the directors fear that this will seriously injure the valuable goodwill of the company's retail trade.” In order to make provision for this horrible contingency, they place £10,000 to reserve out of a nett profit of nearly three-quarters of a million! It is true the total reserve is £670,000, but the great bulk of this has been derived from premiums on previous share issues, and it may be useful to point out that goodwill stands at £423,000, while the market valuation of the share capital is about £7,000,000. We are all in favour of directors taking a reasonably cautious view of the outlook, but their actions ought to be consistent with it, and these hardly seem to square in this case. Possibly, however, the desperate timidity which prevented the payment of a final dividend a year ago may not have been altogether unconnected with the dangerous policy of issuing shares at par when the market price was anything between 10 and 15 times the nominal value. At any rate, the past year was a most prosperous one, and it is stated that the total overturn of the company and its allied factories exceeded 22 millions. Nett profits, after providing for excess duty, and writing off £250,000 for special depreciation, amounted to £747,250, an increase of £285,000, and £240,000 more at £334,000 was brought in, but with the payment of the final dividend of 1s. 2d. on the deferred shares the carry forward will be reduced to £12,520. Perhaps it is not surprising in the circumstances that the market values the shares at a price which gives a yield of 25 per cent. Changes in the balance-sheet are considerable. The issue of 1,850,000 deferred shares at par yielded £184,000, but creditors have increased nearly 1½ millions to £1,696,000. On the other hand, cash has risen £170,000 to £358,000, and there are Treasury bills and National War Bonds of £996,000, while loans to subsidiary companies are £380,000 higher at £1,220,000, but stocks are £130,000 down at £316,600. With the special depreciation of £250,000 written off branch shops, plant, fixtures, leases, and trading investments are reduced to £494,000, and goodwill, &c., remains at £423,000. The position looks comfortable enough to relieve the shareholders of any undue anxiety about the immediate future; but war conditions will not continue for ever.

In the report of the Lion Brewery Co., Ltd., for the past year it is stated that the business has been carried on under great difficulties owing to restrictions of output and reduced hours of trading. It has also been carried on at great profit, the trading results showing an improvement of £69,000 at £269,300, while the nett profit is £21,000 up at £73,700. After placing £11,100 to reserve (raising it to £70,000), and writing £1,000 off goodwill, both new items, the dividend on the ordinary shares is raised from 8 per cent. to 10 per cent., of which 3 per cent. was paid as interim and the balance forward is increased by £9,600 to £18,650, subject to excess duty. During the year the consents of practically all the company's lessors and creditors were obtained to the cancellation of the uncalled capital, and this has since been sanctioned by the courts. As an indication of the increasing prosperity of the company it may be mentioned that in November last an offer was made to the

4 per cent. debenture-holders to exchange a portion of their stock for 80 per cent. of 5 per cent. War Loan stock, and in response to this invitation the company was able to purchase £117,000 of debenture stock.

## Departmental Confusion, Muddle, and Delays.

Now that Parliament has risen for a short holiday, there may be room in the newspapers for the ventilation of business grievances and for illustrations of the consequences of government by bureaucracy. Amongst these latter, the most dangerous at the moment is the shipbuilding delay. How that has come to be the intolerable scandal it is may now be to some extent understood, but the lesson will require to be rubbed in to the public mind again and again before we can all take in its meaning. If swift remedy be not found, it means ruin, defeat. The whole mischief appears to spring from the passion, outcome of essential incapacity, of the present administration for multiplying departments. That seems to be its one and only idea of administering the affairs of the country in a time of crisis. No Minister seems to supervise or watch any work himself. When he comes up against some new requirement, some fresh difficulty, forthwith a "committee" is formed, *ad hoc*, or a brand-new "department" created, and the thing is supposed to be done. How it works out in practice was illustrated by Mr. Percy G. Donald in Monday's *Times*. In a letter to that paper he gave a painfully amusing description of how departments prevent each other from getting work done. Goods, he says, required for urgent transport work, which could have been supplied without interference in from six to eight weeks, actually took seven months in delivery. No less than eight public departments were concerned in this triumphant bungling, which went on from April 4 last to November 5. The departments concerned are numbered A to G, so that no official, or group of officials, is hauled over the coals, but the confusion, cross purposes, bungling interference where they have no knowledge, and malign jealousy are so vividly illustrated in the following extract from the letter that we give it as it stands:—

- "4/4/17 Dept. A orders for urgent work in France.  
8/4/17 Dept. A offers to arrange delivery with Dept. B.  
20/4/17 Dept. A are advised that 25 per cent. of the goods ready.  
21/4/17 Dept. A state they cannot assist in moving the goods, and suggest another Dept.  
24/4/17 Dept. C, we are informed, will give us permits.  
25/4/17 Dept. C asks to see original Government Order.  
27/4/17 Dept. C refuses to assist.  
17/5/17 Dept. B, after three weeks' delay, state assistance will be given us.  
23/5/17 Dept. C wakens up, and asked explanation why we secured goods from the market as we did.  
21/6/17 Dept. A states must have delivery.  
19/7/17 Dept. D has to be written to for further permits.  
24/7/17 Dept. E seizes part of the goods because Dept. D has given no permit.  
25/7/17 Dept. B refers us to Dept. F over the matter.  
27/7/17 Dept. D asks "How dare we?"  
1/8/17 Dept. D asked by us to give "permit for the balance of order."  
2/8/17 Dept. D state further permit must be sanctioned by Dept. G.  
24/8/17 Dept. H writes to us as instructed by Dept. D.  
25/8/17 Dept. H states we should apply to Dept. A.  
28/8/17 Dept. D state cannot help us unless Dept. F does.  
30/8/17 Dept. D still regret cannot assist us.  
3/9/17 Dept. E seizes goods.  
17/9/17 Dept. D sends permit.  
5/11/17 Balance of goods received."

Beyond question this is the way business is done by the present Government all through, and contemplation of the results is well calculated to excite feelings of apprehension, not to say dismay. If the Army and Navy were not better attended to than this method of conducting our affairs indicates, well might we look forward with dread to the coming months. These departments will have to be dragged forth to the daylight, so that we can see how they are haphazardly into existence to muddle for our undoing.

The difficulties between capital and labour are due to the same cause, as another firm in writing to the *Times* also points out. "When," the letter says, "we got an order for our patent machines, which we could have sent out in seven days, it took Government officers seven weeks to issue the necessary permit and release. Another firm on the Clyde, whose whole output of tools goes to shipyards, placed an order with us for machines we had been waiting for despatch on December 10, and, after three and a-half months, a permit has not yet been

procured to allow the goods to be delivered." What is Lord Pirrie going to do amid a chaos of this description? The first thing to do would be to shut off the whole swarm of mushroom departments that come within the range of his work, and to set the shipbuilding trade free, so that it could conduct its own business, and deal direct with the manufacturers for whatever is required. So ignorant are these individual departments, not only of the principles of business, but of the ordinary routine of trade, that they continually give contradictory orders, and often drive producers almost out of their wits by their foolish interference. We know of authentic instances where a department has ordered night shifts to be put on in order to speed up work that it imagined delayed, the actual fact being that there was not enough work procurable, in spite of the continual hammering at those who should have given it out, to keep the works attacked employed for the day shift alone. When this was made known to the zealously domineering functionary who ordered the night shift, he could only answer, "I did not know that; it is not in my department," and so it goes on everywhere, until, if we let the mind dwell upon the resulting muddle and waste of energy and money, we should despair of victory.

Look at Lord Inchcape's story about the projected and partly constructed new shipbuilding yard at Chepstow, on the Wye. It also is to be found in last Monday's *Times*, and relates that towards the end of 1915 Lord Inchcape and some of his friends drew up a plan for creating this shipyard, and subscribed the £600,000 necessary. Land on both sides of the river was purchased, and the yard was laid out on the most approved principles, eight slips, capable of accommodating vessels of 500 to 600 feet in length being arranged for, and the work was pushed forward so judiciously that two slips would have been ready by October of last year, and on these slips two vessels, with a carrying capacity of 10,000 tons each, would have been laid down, and been by this time well on their way to the water. Other two slips would have been ready by now, two more by July, and the whole would have been available for work by next October.

But in August last the Government put its hand in and took over the yard, from which Lord Inchcape and his friends were unceremoniously evicted. Since it did so, not a single ship has been laid down, and there is very little, if any, more plant or machinery on the place than there was when the private company was turned out. Now, as Lord Inchcape says, this was not a promoter's venture. Not a penny was spent in promotion money, underwriting, commission, or anything else; the projectors of the yard simply "cast their £600,000 on the waters, trusting to see it return after many days." "At the same time," Lord Inchcape goes on, "I venture to say that we were actuated by patriotic motives, and were anxious to do our bit to help to save the country." For this praiseworthy energy they have been turned down and out; their work has led to nothing; the blight of Government departmentalism is over it all. What has Parliament got to say to this kind of management of the nation's affairs? How, in the face of facts like these, can a Prime Minister get up and beg for "the prayers" of his fellow countrymen to enable him to get on with such work? The heart of the nation is roused; its patriotism is as true and loyal as ever; but all is being baulked and overlaid as with a deadening fungus growth of officialism, amateur and other. Disguise it in "bursts of eloquence" as we may, we are now ruled on Prussian lines. No one is regarded by the Government as competent to do anything, least of all to manage his own business, and it is only the spirit of patriotism which prevents many from throwing up in disgust and weariness the work they are ordered to do. Ah, the reckoning day is going to be catastrophic.

## Committee on National Expenditure.

("Don't Mistake Bustle for Business.")

It was with these words of warning that Mr. Asquith gave up the reins of office in favour of the Northcliffe Press cabal, and that his advice was not only sound, but prophetic, has been proved on many occasions since. Take, for instance, the cases referred to in the previous article. If these were isolated instances it would be bad enough, but there is scarcely a business man in the country who has not some story equally discreditable to tell. Work is held up, men are laid idle, and fine healthy businesses, on which the prosperity of the country largely depends, are being gradually ruined, either by the active interference of fussy officials or by their passive resistance in refusing to issue the necessary permits even for the simplest transactions.

Unfortunately, while this state of affairs exists, the spending departments are squandering public money with a reckless lavishness which constitutes a serious menace to the future of the country. Even with the most rigid economy, the war would be a terribly costly business, but the immense importance of finance is almost completely ignored by the swarms of newly-appointed officials. The Ministry of Munitions is naturally the greatest sinner in this respect, because it had to be formed hurriedly; it had no established organisation or traditions as a basis to work upon, and the sums of money which it had to handle were necessarily colossal. The accumulated extravagances, however, of other departments created *ad hoc* run into scores of millions, often without any visible benefit to the nation's efforts or efficiency, and sometimes quite the reverse. We must not be too sanguine, but we hope that the Select Committee on National Expenditure, which the Government was forced to appoint largely owing to the persistent efforts of Major Godfrey Collins, will be able to secure substantial economies by the mere exposure of some of the more flagrant abuses existing. It has already accomplished much useful work, and if it is not "snowed under" the mass of incompetence (and sometimes we are afraid corruption) which has to be dealt with, methods may be evolved that will ultimately restore to the House of Commons real and effective control of the public purse. For the time being nothing more can be expected from it than to let some rays of light into the system, or lack of system, that allows money to be poured out like water for no adequate return, with the result of enormously increasing the expenses of the war, and incidentally raising the cost of living and adding to the inflation which a great war always brings in its train.

Originally, the Ministry of Munitions was divided into three main groups—Supply, Finance, and Secretariat, each under a separate head—but this division soon broke down, and the various sub-departments became practically independent. As recently as August last an effort at co-ordination was made by the establishment of a Munitions Council, each member of which represented a group of departments. To precisely what degree the member of Council has become the supreme head of all the departments within his group the Committee (Major Collins, chairman) has not succeeded in ascertaining. There are thirteen groups, but the Council as a whole meets rarely, and most of the actual work is carried on by special committees, including a co-ordinating committee, the name of which reveals the interesting fact that the step towards co-ordination introduced by the establishment of the Council involved the further step of co-ordinating the co-ordinators. The Select Committee is of opinion that the position of finance on the Council should be greatly strengthened, in order that finance may exercise its proper influence where the real control ultimately rests; but it is remarkable that finance is not represented on the Co-ordinating Committee of the Council. The result is that when, for instance, questions of the capacity for production arise each member of the Council representing supply departments is solely concerned in securing the largest share of the available capacity for himself. No one has any inducement to reduce his claims, but, on the contrary, in order to be sure of obtaining the minimum requirement, each one naturally demands the maximum. There is no check such as would be imposed if the financial controller acted as arbiter. And although ample funds are at present forthcoming for any necessary expenditure, or what is alleged to be necessary, economy is highly important, especially as an enforced limitation of expenditure is not outside the bounds of possibility.

Accordingly, Major Collins' Committee recommends that an officer responsible for finance should be associated with the Programme Committee in the consideration of the demands made on the Ministry of Munitions by the War Office, the Air Council, the Admiralty, and the Allies, and that the Finance branch be placed in the closest possible relation with the depart-

ments of Requirements and Statistics. This would undoubtedly be a step in the right direction, and many of the minor recommendations of the Select Committee with regard to the more businesslike organisation of the Ministry would be greatly simplified if more effective financial control over the spending departments were established. Apparently it is feared that if the sanction of the finance branch had to be obtained for every item of expenditure needless delays would occur, and, knowing the habits of Treasury officials, it may be admitted that there would be some danger in this procedure. But between pettifoggery interference and keeping a firm grasp of the broad lines of policy there is a wide gulf, and the excellent work already done by the Select Committee proves that the problem is not an insuperable one. At all events it is imperative that the spending departments should be impressed with the necessity for strict economy before we proceed much farther along the road to ruin.

## Uruguayan Notes.

With almost all the highly developed industrial countries in the world engaged in a terrible and devastating war, there has naturally been a strong demand for foodstuffs at phenomenally high prices from those countries outside the zone of operations. Among such countries is Uruguay, where the favourable trade movement has been conspicuous. Accompanying this improvement in the economic position, however, problems of finance have tended greatly to offset otherwise beneficial results. Chief among these has been the difficulty of obtaining cash from abroad in payment for exports, which has created a strained situation in regard to discount of bills and bewildering fluctuations in the rate of exchange. The excess of exports over imports has greatly increased, and commercial balances have grown increasingly favourable. The export of gold by the Allied Governments has been prohibited, and exchange has been fast rising to a point which would mean the arrest of exportation. In January, 1917, the rate in Monte Video was 53½d. the dollar, and in December last it had risen to 61½d. But the Government has now met this extraordinary situation by special measures which should go a long way towards bringing about a return to a more normal state of affairs. It is for this reason that Uruguay 3½ per cent. bonds have been requisitioned by the British Government.

Unfortunately the growth in Uruguay's national wealth has not been accompanied by a corresponding improvement in Government finances. Like many other South American States, it is largely dependent for its revenue upon Customs duties levied on imports, and with a restriction on the inward movements of goods revenue has displayed a very perceptible shrinkage. The country's budgetary finance has always been of a more or less haphazard character, and the falling-off in Customs revenue has not tended towards maturing revenue balance expenditure. For the financial year ended June last there was a deficit of nearly four million dollars. Half the deficit was met out of certain special—but not recurrent—resources, and the remainder by an issue of \$2,000,000 of the 1916 conversion debt. Owing to the impossibility of framing reliable estimates, no Budget was presented for the new financial year, and the old Budget was prolonged, having incorporated in it such new expenditure as had in the meantime been sanctioned by the Chambers. Expenditure is not increasing so rapidly as formerly, but it tends to get larger, and the current year may see a larger deficit. Prospering as the country is, however, there are many sources to turn to for increased revenue, and the Government can easily have recourse to new forms of taxation should the occasion demand it. The sinking fund for the debts remains in abeyance, but the interests on the foreign and internal debts have been regularly paid, and there is no need to anticipate any departure from this state of affairs. Of course, the continued prosperity of Uruguay under war conditions is dependent upon the shipping position, but here it is important to bear in mind that her exports mostly consist of prime necessities.

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## Income-Tax Guides and Lessons.

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## II.—Continued.

## DIVIDENDS "FREE OF TAX."

It is, we think, now becoming fairly well known that the words "free of tax" are misleading. If you receive a dividend of £30 so marked, that means that the dividend is really, at present, £40, and in any statement of income or claim for repayment you enter £40 as the income from that source, and £10 as the tax which you have borne upon it. The fact, of course, is that the company has paid the tax on your account. It will be noted that the £10 is more than 5s. per £ on the cash, £30, which would be only £7 10s., but to treat it in this last way would be wrong.

## ANNUITIES "FREE OF TAX."

Until now the practice of the Department has been to refuse to recognise any right to repayment of tax in the case of annuities bequeathed free of tax. They refused it to the annuitant because by the will she was limited to the stated annuity, and could not (so it is or was argued) have any rights beyond. She got all that bequeathed to her, and she must therewith be content. They also refused it to the ultimate beneficiary, because (so it is or was argued) it is not his income, and, therefore, cannot be his tax, so what right has he to claim it? The nett result was that the Exchequer kept tax to which clearly it had no right. We are given to understand that this is to be modified, in some partial and, as we gather, very illogical way, in favour, not of the annuitant, but of the party interested behind the annuity. If this be so, and if arrears are claimable, the matter is urgent at this season of the year, for one year's (1914-15) money will be lost if not claimed by April 5.

Considerations of space compel us to pass our remaining heads in rapid, but we hope sufficient, review.

**Residences.**—The house you live in, if your own property, must go down in any statement of income, at the nett Schedule A assessment. This does not hold in regard to official residences, which the occupant cannot let, and is probably bound to inhabit. These do not count as "income" at all. Manses of dissenting clergy are not part of the minister's income; the official residences of the clergy of the Church of England and the Church of Scotland are their (earned) "income." An ordinary professional man may charge a part (not exceeding two-thirds) of the annual value of his residence as expense of earning his income if he has home and office or surgery in one. A minister who pays rent may deduct from income a part not exceeding one-eighth of the rent. The general rule is that nothing is income which you are not entitled to turn into money. Thus, free lodging, board, and service, though very valuable, are not "income."

**Capital Increments.**—These are not income, for example, if you sell your house at a profit (at present very unlikely), or make some money on the Stock Exchange. The same thing applies to the purchase of life policies on other people's lives, or redeemable stocks at a discount. No tax is payable on these increments. Per contra, corresponding losses may not be set against income.

**Treasury Bills.**—It is a question whether the discount on these is taxable income. The department claim tax on it in the year when the bill matures. Very eminent counsel have advised that the claim is bad, and that the discount need not go into any statement of income.

**Untaxed Interest, &c.**—By this we mean interest and discount received without taxation at the source. Examples are interest on Government war issues if non-bearer; Bank deposit interest, and discounts on Treasury bills if these are income at all. All these are received free of tax in the sense that the payer does not take off tax. The form of paying the tax is a direct assessment under Schedule D. And here the point is that each year's assessment on this branch is based on the figures of such income for the previous tax year. You may have, say, £150 of this kind of thing this year, but last year perhaps only £10; well, then, this year you (not only may, but) ought to return £10 only. Incidentally, if you are concerned in the Treasury Bill question, this gives you one year's grace in which some one else (probably a combination of wealthy Life Offices) may fight the Government.

**Colonial Income-tax.**—This refers to any income received after being subjected to colonial or Indian income-tax. The subject is complicated, but the general rule is that a remission is allowed off the British tax of the colonial or Indian tax, but not exceeding 1s. 6d. per £. This means that it is no concession at all to anyone whose income does not exceed £1,000.

**Foreign, Indian, and Colonial Income** is divided into "securities" and "possessions." The former comprise mortgages and such like; the latter, lands, &c., company interests, and partnership shares. The rules are (1) income from securities is taken on the amount of the year of assessment, whether brought home or not; (2) income from possessions, on the average of the preceding three years, brought home or not, except that (a) income from partnerships not controlled from this country is taken on the average brought home in the preceding three years. This last is the important thing to know. In a suitable case it may honestly be utilised so as to effect a considerable saving.

**Broken Periods.**—Part of the year may be the whole year for tax purposes. Thus, if a lady has £1,000 a year from investments, and marries about June 1, 1918, the proportion of her

income for the short period, April 5 to June 1, is her total income for tax purposes for the tax year 1918-19, and as it does not exceed £130, she is entitled to total exemption for that year. That means that she gets full repayment of all tax on the income corresponding to that short period. It makes no difference that her income continues secured to herself after the marriage just as before, for in law (i.e., tax law) it is reckoned part of her husband's income so far as accruing after the marriage, and no doubt his tax rate may be sent up accordingly. Again, if a man with an income of £2,640 a year (earned or unearned) lives only till May 5, the one month's income (£220) is his year's income. He is therefore entitled to the scale abatement of £120, and, say, £100 for four young children. These together come to £220, and no tax is payable. These abatements are taken at a full year's figures, the very point being that the month is the year. What shall be charged after his death depends on different factors altogether, namely, the income position of his heirs. Finally, if an annuity of £250 is left to a person starting October 5, and he lives to enjoy it for only one year, he pays no tax at all, assuming no other income. The reason is that he draws £125 in each of two different tax years, and so he is exempt in both years. If the annuity had started on April 5 and he had lived a year, his tax would have been £19 10s. Such are the vagaries of law, dates, and figures.

**War Savings Certificates.**—These are great from the point of view of income-tax. First, as to the income on the actual investment, it is absolutely tax-free, and, indeed, it is not to be reckoned as "income" at all in any shape or form. But, second, as to the other income of the investor, the abstraction of what would have been yielded by the amount paid into these Certificates may have most important income-tax results. It may in a suitable case score all the advantages of the marginal relief with this radical difference, that instead of presenting the excess income to the Exchequer, it is carefully saved up and accumulated to your credit at a splendid rate of interest, and with absolute security, and meantime the country has the use of the money to carry on the war.

**War Service Pay.**—There is a specially low rate of tax on the pay of naval and military men, mercantile marine, and fishermen, and they have various other tax advantages. Some of these have been mentioned above, and that, plus this note, must suffice.

## Insurance News.

During the past year the number of proposals completed by the United Kingdom Temperance and General Provident Institution was 2,209 for £935,532, a reduction of £149,770 when compared with the previous year's total. The nett amount retained was £922,532, or £89,770 less than in 1916, new premiums amounting to £48,271, including £11,140 single premiums. Although the new business was large and satisfactory naturally it was less than prior to the war. Claims from death amounted to £487,096. Actual, as compared with expected, mortality, was again favourable, the total payments being 86.4 per cent. of number, and 81.7 per cent. of the amount expected. In the previous year the death claims were 85.6 per cent. of the expected amount, or 73.8 per cent. apart from war claims. Working expenses were reduced from 11.3 per cent. to 10.75 per cent. of the premium income. As the result of the year's operations, the accumulated funds were raised by £315,381 to £10,562,389, and the nett rate of interest earned was £3 16s. 6d. per cent., or 5d. per cent. more than in 1916.

In common with other marine offices, the Union Marine Insurance Company had a highly successful year's experience, and by the payment of a further dividend of 13s. 6d. per share the total distribution for the year is raised to £1 a share, as compared with 15s. for 1916. Moreover, the dividend, as usual, is paid free of tax, a very important consideration to be borne in mind. This dividend of 20s. compares with 10s. paid for 1915. During the past year the nett premiums received were £2,371,564—an increase of no less than £980,510, while the claims settled on 1917 account came to £929,841, an increase of £381,790. The balance of profit and loss account, after deducting the interim dividend of 6s. 6d., writing £38,000, or £1,000 more, off investments, and making provision for special taxes, was £386,129 as contrasted with £355,350 a year ago, when the interim dividend was 4s. The total assets now amount to £3,116,000.

After paying a dividend of 20 per cent. for several years, the directors of the Scottish Insurance Corporation have increased the distribution to 25 per cent. for 1917. The year's income was £289,818, an increase of £70,166, and the total assets were increased by £73,523 to £663,738.

Underwriters doing fire insurance business in Canada and the United States, after their unsatisfactory experience in January, when the estimated losses came to £7,515,000, were relieved to find that the losses in February were appreciably lighter at £4,138,000, this total being about £1,780,000 below that of the corresponding March last year.

## OILFIELDS PRODUCTION.

Maikop Orient.—Plot 435a, Well 3.—13,100 poods for week ended March 2, and week ended March 9, 11,000 poods.

United British Oilfields.—3,235 tons for week ended March 20.

## By-the-Way War Notes.

In face of the stupendous struggle now proceeding between our armies and the Prussian we at home must do the utmost possible to keep serene. Our fault at home has all along been a too great credulity in regard to the boasts of the enemy. He has had successes, but never a triumph such as was required by him to force the war to an end in his way; but he has talked of every success as if it were just that triumph, and we have, unconsciously perhaps, often more than half believed him. The same game is proceeding now. Boasts of great fights for spots in the front taken by "brilliant assault" interlard every Prussian bulletin, the truth often being that the places named are surrendered without fighting by our commanders in pursuance of their determination to save our men from useless massacre and to maintain our lines intact.

A look at the maps published in the newspapers does not convey much in the way of reassurance to the ordinary reader who may not understand that the German drive now being executed would, if successful, divide our armies from the French and open the way both to Paris and to the Atlantic. But at least the mere casual reader can see that the fight is now above ground, and understand that if the progress made has cost the German armies within one week's fighting a loss of probably at least 500,000 men, then our resistance to the advance has but to continue as strenuous as it has been hitherto and in a few more weeks this terrific fighting must break the power of the Prussians for ever. They cannot afford to burrow underground again as they did after their defeat in 1914, for to-day they are faced by famine and utter ruin. Therefore the thing to keep our attention upon is the success with which we force the enemy into the open and to use up more and more of his reserves in order to be able to bluff about victory, victory until his artifices in diplomacy tricks us into a treacherous "truce" or peace. In stern, grim silence we must fight out the fight, refusing all parleying.

It is a horrible business. The slaughter will probably far exceed even that of the six days' conflict called the Battle of the Marne; but we shall face it with unflinching resolution, until the hydra has been slain. Are these Prussian Junkers such fools as to think now that they can beat the Allies down with America ranged by their side? Or that they can bluff and bully us into a false peace, even as they have Russia? Perhaps; they are probably unteachable. We must not pause to inquire. Our duty is to fight until mankind is delivered from its deadly peril.

And there can be no doubt but that we will do this. The conduct of our troops in all the battles they have fought, and in this one probably most of all, has been splendid. Language fails us sufficiently to appraise the steadfastness and unflinching courage to the death and to the last man with which these soldiers of ours face the storm of shot and shell, the waves of poison gas and all the devices, each more diabolical than the other, with which they have to contend. When discouraged, therefore, we have only to turn and behold our troops and their fighting to be reassured. Our troops are worthy of their Allies and of the utmost support we can give them.

Never on the side of the Army or the Navy have we had doubts. As we have often said, it is only when we look at home that fear steals over the mind. We hope, however, that Mr. Lloyd George was more than usually loyal to facts when he telegraphed to Sir Douglas Haig—"The men necessary to replace all casualties and the guns and machine-guns required to make good those lost are either now in France or already on their way, and still further reinforcements of men and guns are ready to be thrown into the battle." That is indeed good news if the whole truth, for the fussy furies of home mismanagement often make us afraid lest we should be caught deficient at a critical hour. The victory now is to the one who can longest hold out. Germany's race is nearly run.

Another basis of consolation is to be found in the very desperation of the German attack. William Hohenzollern and his generals are so reckless of men's lives as to reveal themselves desperate. Consequently, the victory they strain after would be their ruin. Should they continue long day by day to throw tens of thousands into the vortex of battle as they have done since this onslaught began, the "Fatherland" they have blighted would sink beyond hope of revival. Exhaustion is creeping through their ranks now, although we must not count on that, and it must increase the longer their monster armies are subjected to the strain. But, as we have said, they had no choice. The day is close at hand when the people of Germany, whom the Prussian savage has ensnared to their ruin, must either accept defeat and its consequences or starve. Even a victory to the German armies in France—which the Allies must make unattainable—would now be too late to save the Junker slave-drivers from the consequences of their insane ambitions. But as yet the German peoples do not see that, and hang on the bulletins that come from the headquarters with an indescribable longing that the next one may tell of the war won and of food arriving. The Hohenzollern Kaiser and his soldiers have no choice but to stake all, even the loss of the nation's manhood, on this tremendous conflict, in hope of the victory even in this eleventh hour. Ah, how different this from the dashing progress of the war of 1870!

We believe the hour of the German final defeat draws near, and that out of that defeat will spring deliverance for man-

kind from many an old superstition and soul-beguiling legend, from the tyranny also of certain families called kingly or imperial, and that over the world will spread such a peace as it has never known since the empire of the Roman Cæsars began to fall into decay, a peace of races and nationalities based on sympathy, justice, and good-fellowship.

We must, therefore, have courage, and press on—courage, and also perseverance and self-denial. In the beginning of this week a letter from Mr. George Sutton, a well-known member of the Harmsworth newspaper staff, now Director of Publicity to the National War Savings Committee, was published by the newspapers, in which he said: "At this moment we solemnly appeal to the British people to remember their duty by backing with their money the men who are paying with their blood. It is of vital importance that the waste of war should immediately be made good. More guns, more shells, more tanks, more aeroplanes, more supplies of every kind will be required," and he goes on to urge that "every shilling the people can spare" should be lent now by investing either in National War Bonds or in War Savings Certificates. One feels almost a humiliation to have to record pleadings of this kind, and it is impossible to avoid a certain sense of puzzled astonishment at the sight of men freely giving their lives for their country, for the noble ideal which elevates humanity and leads it on, and these same men clinging to their money as if it were more to them than life itself or than the God they profess to trust. Our self-denial and sacrifices are only beginning, and we must see to it now that they are as loyal in fellowship, as systematic and self-abnegating, as the heroic conduct of our soldiers in the battle line.

Our air warriors continue to display their mastery over the Germans, they and their French colleagues. Because of this, therefore, the Germans seem to have devised and manufactured a monster gun with which they have been flinging shells on Paris from 70 or more miles away. Wonderful, is it not? So ingenious, and so well calculated to frighten the French into begging for mercy! Really, the stupidity of the Boche is beyond measuring. Displays of a grotesque impotence such as this serve but to convince us that Germany is *in extremis*, that both the courage and the power to fight on to victory are evaporating in the Fatherland, from which, as Mr. Gerard says, all who can will escape when the war is over. Indemnities from the Allies are still dreamed and drivelled about in Germany the abandoned, but the war has lasted long enough to make their exaction impossible, and without them, without "victory" likewise, what prospects can a land devoured by waging war offer to the German youth?

The results of six days of German efforts are known to us this (Wednesday) morning. Unspeakably horrible has been the fighting, unparalleled the slaughter—except at Verdun, perhaps—and what have the enemy gained? A few miles of land already devastated by them, our old line on the Somme, or a bit of it, some material, a few prisoners—nothing like the numbers of either their bulletins claim—and failure. They have not divided the French from the British, nor have they at any point broken our line. Probably half a million of their poor fighting pawns have been sacrificed in these six days, and the Prussian savage is no nearer his goal than he was when he began, much less likely to get to Paris than he was in August, 1914.

What is he to do next? He must go on fighting, continue using up the males of Germany until none are left fit to fight, because he is a vain, malignant monster whose mad pride will not allow him to admit that he can be beaten. That is the doom high Heaven has pronounced against the miasmatic dreams of Pan-Germanism. A few more weeks and the agony of want will make the interior of Germany like an outpost of hell, and the imminence of that hunger fury forces William Hohenzollern and his cunning, inhuman war leaders to press on. After all, they may well argue, it may be safer to let the enemy kill off "our people," for if allowed to live they might kill us. So they thank their god, or gods, patronise the Almighty, and hasten to the waiting judgment. We have no cause to fear. Steadfast and valiant to the death, we *know* that the victory is near.

## BOOKS RECEIVED.

*Les Garanties de la Paix. Première Partie les Leçons du Passé.* Par Yves Guyot. Librairie Felix Alcan, 108, Boulevard Saint-Germain, Paris. Prix 3fr. 50c.

The Yokohama Specie Bank, Ltd., has opened new branches at Manila and at Shimonoseki.

The directors of the Union Bank of Manchester, Ltd., in a circular to their shareholders, state that it is desirable to subdivide the present shares of £25 each, £11 paid up, into five £5 shares, £2 4s. paid up. They also propose to increase the amount paid up on each of these £5 shares to £2 10s., and the funds for this purpose will be provided by the bank. This step is in the direction of simplification, and the bonus of 30s. on the existing shares is not to be despised.

In these days, when wide circulation of papers through the post is impossible, we rely on newspaper advertisement to remind our friends that we look to them to do what they can to make the merits of the Society known in their own circles.

The Clerical's strong 2½ per cent. Valuation, unbroken Bonus record, and attractive rates of premium, carry great weight with everyone who is selecting an office in which to assure his life in these hazardous times. — A. D. BESANT, General Manager and Actuary, **Clerical, Medical and General Life Assurance Society**, 15, St. James's Square, S.W. 1, London.

**NATIONAL BENEFIT ASSURANCE CO., LTD.**  
**ASSETS EXCEED - - £1,000,000.**  
**Attractive LIFE, FIRE, ACCIDENT & MARINE Policies.**  
 HEAD OFFICES:  
**NATIONAL HOUSE, Newgate Street, LONDON, E.C. 1.**  
 Managing Director: J. FRANCIS, J.P., F.S.S.

## The Investors' Review.

### Money and Credit Notes.

**BANK RATE 5 PER CENT.** (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

*Norfolk House, Wednesday Evening.*

Money has been for the time in good demand these last three days, and call loans have sometimes cost as much as 4 per cent., at which rate the Bank itself has lent a little for a few days, but money soon eased again, so that a small amount due yesterday at the Bank was almost all paid off. The discount market tends to be somewhat easier. A small foreign demand for bills was reported, but otherwise the market is wonderfully calm, waiting events.

The Treasury has decided to requisition the bonds of the Uruguay 3½ per cent. Consolidation Loan, but on conditions totally different from previous requisitions. The bonds will be borrowed by the Treasury for an indefinite period, to be determined on three months' notice from the Treasury. Although holders have no option in the matter, we imagine that they will be only too glad to place their holdings at the disposal of the Treasury, for they will receive, in addition to the interest, an extra ½ per cent. per annum for the period of the loan. Bonds must be delivered to the American Dollar Securities Committee, 19, Old Jewry, E.C., on or before April 22. Should the Treasury subsequently decide to purchase the bonds outright, they will pay compensation to the holders at the rate of 76½ per cent., the present market value of the bonds.

There has been an appreciable recovery in the value of sterling in neutral countries this week, despite the news from the Western front. This is significant and rather encouraging, for it shows a growth of neutral confidence in the Allied armies. Stockholm has risen 45 points to 14.10 kr., Christiania 35 points to 15.05 kr., and Copenhagen 27 points to 15.30 kr. The Spanish exchange, however, has fallen to a fresh low level, touching 18.66. Lire have depreciated rather sharply, the pound sterling being now equivalent to 41.42½ lire, and the French exchange has also risen to about 27.25 fr. The Montevideo exchange has advanced 1½d. to 62d., which is nearly one shilling above the par of exchange. This is the explanation of the Treasury's decision to requisition Uruguay bonds.

Under the terms of the arrangement by which the Bank of Montreal will absorb the Bank of British North America, shareholders in the latter will receive £75 in cash for each £50 share, or £10 more than the market price. Shareholders will also be given the option of taking cash or exchanging their shares at the rate of two \$100 shares of the Bank of Montreal for such share of the Bank of British North America. We learn meanwhile that the proposal to set up a rediscounting bank in Canada is not regarded as being in the realm of practical politics at present. It is agreed that such a bank will have to be established, especially as New York develops its position as an international monetary centre—and in this considerable progress, we hear, is being made—but it seems unlikely that active steps will be taken to give effect to the suggestion now.

Grieved indeed are we to record the death, on the 24th instant, of Mr. David George, manager of the Bank of New South Wales, 20, Threadneedle Street, E.C., at the age of 74.

Mr. George was born at Wick in 1844, and entered the service of the bank as a junior in 1862. He held successively the offices of accountant, secretary, and manager. He attained his jubilee in the bank on January 24, 1912. He was in active service at the bank up to about three weeks prior to his death. He was widely known in banking circles in the City and among Australian and New Zealand visitors to this country, being one of the most honest and leal-hearted men of his day. A good and shrewd banker he was, too, and in many ways a Scot of the best type.

It is understood that underwriters of the Tees Power Station Company's issue of £600,000 6 per cent. first mortgage debentures at 98½ will have to take up about three-quarters of the amount, a not unsatisfactory result in view of the circumstances that prevailed while the list was open.

Whitehead Aircraft (1917), Ltd., has been formed with a capital of £1,000,000, divided into 300,000 7 per cent. cumulative participating preference shares and 650,000 10 per cent. cumulative participating ordinary shares of £1 each, and £50,000 in deferred shares of 1s. each. There are also debentures amounting in all to £450,000. The capital now offered consists of 450,000 ordinary and 100,000 deferred shares, the former being offered at 21s. 6d. and the latter at 5s. per share. The company takes over the business established in 1915, and it is stated that the output has grown steadily until the turnover per month is now more than that of the whole of the first year, while the auditors' certificate states that the gross profit for the 15 months ended June 30 last was at the rate of £24,000 per annum. The purchase price is £510,000, to be satisfied by the allotment of preference and deferred shares and debentures, and there are various payments to be made to the founder, Mr. J. A. Whitehead, who is to be the life governing and managing director of the company. It seems to us that the capital is fairly heavy, and although for the time being a huge output at profitable rates may be anticipated, the shares must be regarded as a rather speculative industrial.

#### SILVER.

Silver, which was very firm at the end of the week on the reported action of the United States Government with regard to its silver policy, fell yesterday as much as ¾d. per oz. to 45½d. Supplies were larger, and the China exchange not so firm.

#### PUBLIC INCOME AND EXPENDITURE. (For 7 days ended March 23.)

REVENUE.	EXPENDITURE.
Customs .. .. . 2,678,000	National Debt Service .. 481,632
Excise .. .. . 1,176,000	Interest, &c., on War Debt .. 5,213,915
Estate, &c., Duties .. .. 802,000	Development & Road Impvt .. —
Stamps .. .. . 45,000	Payments to Local Taxation .. 1,398,164
Land Tax and House Duty .. 105,000	Other Consolidated Fund .. —
Property and Income Tax .. 8,179,000	Charges .. .. . 53,750
Excess Profits Tax .. .. 6,488,000	Supply Services .. .. 55,836,506
Land Values .. .. . 25,000	Bullion Advances .. .. —
Post Office .. .. . 902,000	For Advance for Interest .. —
Crown Lands .. .. . 4,055,268	on Exchequer Bonds under .. —
Sundry Loans .. .. . 3,117,651	Capital Expenditure .. —
Miscellaneous .. .. . 3,117,651	(Money) Act, 1904 .. .. —
Bullion advances repaid .. .. —	For Treasury Bills .. .. 51,770,000
For Treasury Bills for Supply .. 32,253,000	Other Debt under War Loan .. —
5% Exchequer Bonds, 1922 .. .. —	Acts, 1914-16 .. .. 8,218,209
6% Exchequer Bonds, 1920 .. .. —	For War Loan and Exchequer .. —
National War Bonds .. .. 90,483,000	Bonds under .. —
War Savings Certificates .. 3,200,000	Section 6 of Finance Act, .. —
4% War Loan, 1929-1942 .. .. —	1916, and Section 34, 1917 .. 1,148,969
5% War Loan, 1929-1947 .. .. —	Under Telegraph (Money) .. —
Other Debts created under .. .. —	Act, 1913 .. .. —
Finance Act, 1915, and .. .. —	Under Post Office (London) .. —
Telegraph Money Act, 1913 .. 11,799,049	don) Railway Act, 1913 .. 20,003
Under Post Office Rly. Act, .. .. —	Under Military Works Acts .. —
1913 .. .. —	Under Housing Act, 1914 .. —
Under Military Works Act, .. .. —	Public Buildings Expendi- .. —
1897-1903 .. .. —	ture Act, 1903 .. .. —
Under Public Buildings .. .. —	Old Sinking Fund, 1907-8 .. —
Under Housing Act .. .. —	Sinking Fund, 1914 .. .. —
Repayment of Advance for .. .. —	China Indemnity .. .. —
Interest on Exchequer .. .. —	East African Loan .. .. —
Bonds .. .. . —	Cunard Agreement Act .. .. —
China Indemnity .. .. —	Expenditure Certificates .. 48,700
East Africa Loan repay- .. .. —	Depreciation Fund .. .. 1,649,020
ments .. .. . —	Suez Canal Drawn Shares .. —
Suez Canal Drawn Shares .. .. —	Temporary Advances Repaid .. 40,000,000
Ways and Means Advances .. 9,414,353	Increase in Exchequer .. —
Decrease in Exchequer .. .. —	balances .. .. . 3,772,068
balances .. .. . 2,066,128	
£169,129,321	£169,129,321

\*Excluding sales through banks which have not yet been brought to account.

#### NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Mar. 23, 1918	Mar. 16, 1918	Mar. 9, 1918	Mar. 2, 1917
Loans .. .. .	£88,344,000	£86,768,000	£87,136,000	£713,134,000
Reserve held in own Vaults ..	3,384,000	3,226,000	3,274,000	101,532,000
Reserve held in Fed. Res. Bk. ..	102,438,000	102,602,000	99,284,000	43,316,000
Cash in own Vaults .. .. .	20,294,000	20,330,000	20,008,000	—
Reserve held in Other Depos. ..	1,486,000	1,536,000	1,574,000	11,428,000
New Demand Deposits .. .. .	741,910,000	734,478,000	723,812,000	729,416,000
Net Time Deposits .. .. .	38,824,000	40,058,000	40,266,000	35,944,000
Circulation .. .. .	7,048,000	6,968,000	6,960,000	5,740,000
Excess Lawful Reserve .. .. .	8,550,000	9,548,000	7,704,000	30,368,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits

## NEW YORK STATE BANKS &amp; TRUST COMPANIES (dollar at 4s.)

	Mar. 23, 1918.	Mar. 16, 1918.	Mar. 9, 1918.	Mar. 24, 1917.
Loans ..	148,604,000	148,500,000	148,324,000	154,528,000
Specie ..	2,934,000	24,914,000	2,906,000	13,534,000
Deposits ..	139,912,000	139,374,000	139,996,000	163,516,000
Legal Tenders ..	13,172,000	12,532,000	13,102,000	2,158,000

## BANK OF FRANCE (25 francs to the £).

	Mar. 21, 1918.	Mar. 14, 1918.	Mar. 7, 1918.	Mar. 22, 1917.
Gold in hand	133,406,240	133,316,160	133,295,000	129,513,560
Silver in hand	16,230,720	10,248,200	10,243,520	10,607,080
Bills discounted	41,591,000	42,563,560	44,926,010	16,626,920
Advances ..	45,595,560	47,020,800	47,432,520	48,578,960
Note circulation	921,938,760	989,761,800	986,001,080	738,031,240
Public deposits	2,107,360	1,554,040	1,163,360	2,933,840
Private deposits	109,624,640	103,927,480	105,223,320	99,466,600
Foreign Bills..	352,560	434,200	389,200	90,200

Proportion between bullion and circulation 22.68 per cent., against 22.74 per cent. last week. Advances to the State £348,000,000, increase £6,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £19,503,486, decrease £33,520, and at the branches £24,855,480, decrease £42,120.

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	Mar. 15, 1918.	Mar. 7, 1918.	Feb. 28, 1918.	Mar. 15, 1917.
Total Coin & Bullion	126,257,450	126,223,550	126,181,450	127,239,200
Treasury Notes ..	66,109,000	65,787,500	65,653,150	167,306,200
Bills discounted	667,471,500	653,272,250	652,424,650	467,145,600
Advances ..	309,800	318,800	431,600	570,900
Note circulation	557,764,400	566,205,200	565,541,400	403,217,700
Deposits ..	337,255,450	329,552,050	324,501,550	221,830,650

Clearing House return during February £420,879,905, against £478,428,170 in January.

## BANK OF NORWAY (18 kroner to the £).

	Mar. 15, 1918.	Mar. 7, 1918.	Feb. 28, 1918.	Mar. 15, 1917.
Gold ..	6,521,000	6,524,000	6,525,000	7,075,000
Balance abroad and Foreign Bills	3,247,000	3,252,000	3,458,000	4,227,000
Gov't Securities..	713,200	713,000	713,000	706,000
Discounts & Loans.	19,677,000	19,245,000	19,375,000	9,256,000
Notes in Circulation	18,270,000	17,852,000	17,678,000	14,487,000
Deposits at notice	8,867,000	8,916,000	9,124,000	4,577,000

## BANK OF ITALY (25 lire to the £).

	Jan. 20, 1918.	Jan. 10, 1918.	Dec. 31, 1917.	Jan. 20, 1917.
Total cash ..	42,856,280	42,627,400	45,379,080	42,778,560
Inland Bills ..	28,603,240	28,537,160	30,285,400	21,723,640
Foreign Bills ..	884,520	884,800	885,000	831,640
Advances ..	20,601,480	16,410,120	17,455,200	11,053,480
Government securities	8,938,960	8,900,680	8,924,840	8,762,960
Circulation ..	262,244,120	262,700,040	261,067,800	154,892,800
Deposits at notice ..	36,250,040	34,462,960	35,458,280	19,302,280
Current accounts ..	22,271,560	24,434,840	20,663,840	14,571,520

## BANK OF SWEDEN (18 kroner to the £).

	Mar. 9, 1918.	Mar. 2, 1918.	Feb. 23, 1918.	Mar. 10, 1917.
Gold ..	13,060,000	13,019,000	13,069,000	10,694,000
Balance abroad and Foreign Bills	7,340,000	7,316,000	7,364,000	8,282,200
Swedish and Foreign Gov't Securities ..	3,130,000	3,137,000	3,143,000	4,044,000
Discounts and Loans	12,715,000	12,720,000	11,421,000	4,631,000
Notes in circulation	31,560,000	31,721,000	29,596,000	22,062,000
Deposits at notice ..	5,183,000	5,519,000	5,676,000	5,259,000

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	Mar. 21, 1918.		Mar. 26, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	10.23	10.26	10.24	10.28
Paris ..	Cable transfers ..	27.19	27.22	27.24	27.26
" ..	Three months' bills ..	27.59	27.63	27.64	27.65
Switzerland..	Cable transfers ..	20.58	20.63	20.58	20.63
" ..	Three months' bills ..	20.93	20.98	20.93	20.98
Petrograd ..	Cable transfers ..	nom.	nom.	nom.	nom.
Genoa, &c. ..	Cable transfers ..	41.19	41.24	41.58	41.68
Spain ..	Cable transfers ..	18.58	18.64	18.56	18.66
" ..	Three months' bills ..	60	61	60	61
Lisbon and Oporto	Cable transfers ..	27 1/2	28 1/2	27 1/2	28 1/2
Copenhagen..	Cable transfers ..	15.12	15.22	15.28	15.38
Christiania ..	Cable transfers ..	14.90	15.00	15.05	15.15
Stockholm ..	Cable transfers ..	13.95	14.05	14.25	14.35

## OPEN MARKET DISCOUNT.

	Last week.	This week
Thirty and sixty day remitted	3 1/2	3 1/2
Three months ..	3 1/2	3 1/2
Four months ..	3 1/2	3 1/2
Six months ..	3 1/2	3 1/2
Three months fine inland bills	4 1/2	4 1/2
Four months ..	4 1/2	4 1/2
Six months ..	4 1/2	4 1/2

## BANK AND DEPOSIT RATES.

	Last week	This week
Bank of England minimum discount rate	5	5
" " short loan rates	—	—
Bankers' rate on deposits	3 1/2	3 1/2
Bill brokers' deposit rate (call)	3 1/2	3 1/2
" " 7 and 14 days' notice	3 1/2	3 1/2
Current rates for 7 day loans	3 1/2	3 1/2
" " for call loans	3 1/2	3 1/2

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22 1/2	47.20	27.22
Amsterdam, cheques ..	Florins to £1 ..	12.107	10.21 1/2	10.20
Italy, sight ..	Lire to £1 ..	25.22 1/2	41.70	41.70
Madrid, sight ..	Pesetas to £1 ..	25.22 1/2	18.62 1/2	18.62 1/2
Lisbon, sight ..	Pence to milreis ..	534d.	28 1/2	18.52 1/2
Switzerland, sight ..	Francs to £1 ..	25.22 1/2	20.62 1/2	20.50
Christiania, sight ..	Kroner to £1 ..	18.159	14.95	15.92 1/2
Stockholm, sight ..	Kroner to £1 ..	18.159	13.93 1/2	11.10
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.17 1/2	15.29
Petrograd, sight ..	Roubles to £10 ..	94 7/8	nom.	nom.
Alexandria, sight ..	Piastres to £1 ..	97 1/2	97 1/2	97 1/2
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Hong Kong, T.T. ..	Sterling to dollar ..	—	3/1	3/1
Shanghai, T.T. ..	Sterling to tael ..	—	4/5	4/5
Singapore, T.T. ..	Sterling to dollar ..	—	2/3 1/2	2/3 1/2
Yokohama, T.T. ..	Sterling to yen ..	24.58d.	2/1 1/2	2/1 1/2
New York, cable ..	Dollars to £1 ..	4.76 1/2	4.76 1/2	4.76 1/2
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	50 1/2	51d.
Valparaiso, 90 days ..	Pence to peso ..	—	15 1/2d.	15d.
Montevideo, T.T. ..	Pence to dollar ..	51d.	61d.	62d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13 1/2d.	13 1/2d.

## COMPARATIVE FIGURES OF CONDITION OF CANADIAN BANKS.

The following compares the condition of the Canadian banks, under the last two monthly statements, with the return for June 30, 1914:—

	Jan. 31, 1918.	Dec. 31, 1917.	June 30, 1914.
<b>ASSETS.</b>			
Gold and subsidiary coin—	\$	\$	\$
In Canada ..	51,836,393	55,348,784	28,948,840
Elsewhere ..	27,607,289	26,684,073	17,160,111
Total ..	82,443,672	82,032,857	46,108,952
Dominion notes ..	184,949,958	167,509,121	92,114,482
Deposit for security of note circ. ..	5,772,350	5,769,631	6,667,568
Deposit in central gold reserves ..	75,570,000	97,270,000	3,050,000
Due from banks ..	155,534,103	191,400,677	123,608,936
Loans and discounts ..	1,018,399,622	1,016,241,854	925,681,966
Bonds, securities, &c. ..	419,129,889	468,406,273	102,344,120
Call and short loans in Canada ..	76,239,201	71,779,020	67,401,484
Call and short loans elsewhere than in Canada ..	132,687,066	134,483,482	137,120,167
Other assets ..	87,141,172	88,270,706	71,209,738
Total ..	2,237,867,033	2,323,163,621	1,575,307,413
<b>LIABILITIES.</b>			
Capital authorised ..	189,866,666	189,866,666	192,866,666
Capital subscribed ..	112,091,466	112,091,466	115,414,666
Capital paid up ..	111,709,465	111,709,466	114,811,775
Reserve fund ..	114,161,223	114,100,693	113,368,898
Circulation ..	171,674,464	192,923,824	99,138,029
Government deposits ..	124,458,726	82,780,074	44,453,738
Demand deposits ..	739,358,343	744,226,975	495,067,832
Time deposits ..	900,314,256	995,978,013	663,650,230
Due to banks ..	35,137,912	33,508,646	32,426,404
Bills payable ..	3,788,309	3,479,765	20,096,365
Other liabilities ..	29,446,998	28,842,025	12,656,085
Total, not including capital or reserve fund ..	1,993,179,008	2,081,733,322	1,330,488,683

## The Week's Stock Markets.

Business on the Stock Exchange almost invariably falls off in the days preceding such a long recess as from Thursday afternoon till Tuesday morning, and on this occasion there has been the additional restraint caused by anxiety with regard to the development of the furious German offensive on the Western Front. Much of this anxiety is due to sheer ignorance and inability to understand the actual military position, but it exists, and in these circumstances it is not surprising that the tone of markets almost everywhere has been depressing. Not much selling pressure, fortunately, has been experienced, but prices were marked down as a precautionary measure. Foreign stocks, as a rule, were wonderfully steady, but Argentine Rails were again adversely affected by renewed labour troubles, of which there will be no end until German subsidies are exhausted. Breweries have been weak on the fixing of retail prices, and armament shares also have given way, partly because they had gone ahead too fast, and partly because the outlook is none too promising. But the whole position may be summed up in the fact that there is scarcely enough business to test quotations.

With the approach of the holidays business on the Stock Exchange inevitably fell to a very low level, and at the same time the anxiety with regard to the developments of the German offensive on the Western front has tended to make operators extremely cautious. The tone generally has been heavy, and dealings in most directions have scarcely been sufficient to really test quotations. Gilt-edged stocks were weak, and all the leading issues lost  $\frac{1}{4}$  to  $\frac{1}{2}$ , while Bank stock dropped 2 points. Indian issues also were conspicuously flat, and Colonial Loans, without moving to any appreciable extent, were decidedly dull. Foreign stocks, on the other hand, were remarkably steady, and except for a decline in Japanese Fives, scarcely any movement took place, but that was probably more because no business came into the market than owing to any inherent strength in the position.

Home Railways have steadily lost ground, partly owing to the absence of any appreciable support from investors, and partly because the outlook with regard to the future is still

	Last Week	This Week		Last Week	This Week
Consols.....	54½	54	N.S.W. 4½% 5 yr. bds.....	97½	97½
War Loan 3½%.....	86½	86	" 4½% 1922-7.....	92	92
" 4½%.....	100½	100½	" 5% 1921-3.....	97½	97
" 5% 1929-47.....	93½	93½	" 5½% 1920-2.....	98½	98½
" 4% 1919-42.....	100½	100½	New Zealand 4% 1929.....	86½	86½
India 3%.....	53½	53½	Queensland 4%.....	79	79
" 3½%.....	62½	62	" 4½% 1920-5.....	92½	92½
Australian 5½% 1920-22.....	99	99	Union of S. Africa 4½%.....	92½	93
Canada 4% 1940-60.....	80	80	1920-5.....	92½	92½
" 4½% 1920-5.....	94½	94½	Victoria 4½% 1920-5.....	91½	91½
N.S.W. 4% 1933.....	84½	84½	Westn. Aus. 4%.....	79½	79
Argentine 4% 1900.....	68	68	French War Loan, 5%.....	76½	76½
Belgian 3%.....	62½	62½	Japan 4½% (1st), 1905.....	83	83
Brazil, 1913.....	70	70	" 5% 1907.....	83	83
" 5% 1914.....	82	82	Mexican 5% 1899.....	57	57
Chinese 1896.....	89	89	Russia 4%.....	35½	35½
" 1912.....	77	77	" 4½% 1909.....	39½	39½
Egypt Unified 4%.....	87	87	" 5% 1906.....	49½	49½
Caledonian defd.....	9	9	London and N.-W.....	88½	88½
Gt. Central ptd.....	12½	12½	London and S.-W. dfd.....	22	22
" dfd.....	62	62	Do red. pf. 1914.....	95	95
Gt. Eastern.....	34½	34½	Metropolitan.....	20½	20½
Gt. Northern dfd.....	34½	34½	Do, 5% pf.....	74½	74½
Gt. Western.....	82½	82½	Met. District.....	14½	14½
Lancs. and Yorks.....	64½	63½	Midland dfd.....	55	54½
London Brighton dfd.....	54½	54½	Nth. British dfd.....	13½	13½
London Chatham ord.....	8½	8	Nth.-Eastern.....	93½	93½
			Sth.-Eastern dfd.....	27½	27½
Canadian Pacific.....	160	159½	Chesapeake.....	61	59
E. Indian Guar. 4½% debts.....	84	84	Erie.....	19½	19
Grand Trunk ord.....	9½	8½	Southern.....	20	25½
Do, 1st pf.....	53	53			
Do, 3rd pf.....	21½	20½	Cent. Argentine ord.....	57½	58½
Antofagasta dfd.....	133	136	Leopoldina.....	37½	37½
Brazil Comm.....	5	3	Mexican ord.....	18	18
B. A. & Pacific.....	30½	40	San Paulo (Brazilian).....	183	183
B. A. Gt. Southern.....	68½	69	United of Havana.....	74	73
B. A. Western.....	66½	66	London City & Midland.....	7½	7½
Anglo-South American.....	8½	8½	London County & West.....	15	15
Bank of Australasia.....	110½	116½	London Joint Stock.....	28½	28½
Bank of N.S. Wales.....	36	36	Nat. Prov. of Eng. (£100 pd).....	26	26
Barclay & Co. "A".....	7½	7½	Do, (£12 pd).....	30	30
Do, "B".....	11½	11½	Parr's.....	32	32
Capital & Counties.....	25½	25	Standard of S.A.....	11½	11½
Chartered of India.....	72	72	Union Discount.....	10½	10½
Hongkong & Shanghai.....	82	82	Union & Smiths.....	26½	26½
Lloyds.....	24½	24½			
London & Brazilian.....	25½	25	Kynochs.....	41½	39½
Armstrong, Whitworth.....	43½	43½	Mon Nickel ord.....	37½	37
Birmingham Small Arms.....	57½	59½	South Durham Steel.....	42½	44½
Cammell-Laird.....	6½	6½	Thornycroft.....	41½	41½
Cargo Fleet.....	25½	25½	Vickers.....	44½	43½
Dorman, Long.....	38½	37½			
Associated Cement.....	34½	38	Pine Cotton Spinners.....	34½	34½
Borax dfd.....	39½	38½	Forestal Land.....	48½	48
Bovril.....	20½	20½	Furness, Withy.....	66½	66½
Brazil Traction.....	43½	42	Harrods Stores.....	2½	2½
British Amer. Tobacco pf.....	18½	18½	Hudson's Bay.....	7½	7½
British Aluminium.....	34½	32½	Imperial Tobacco 'C' pf.....	33½	33½
British Oil & Cake.....	31½	31½	Lever Bros. "C" pf.....	20½	20½
Brunner, Mond.....	14½	14½	Lyons, J.....	4	3½
Castner-Kellner.....	3½	3½	Marconi.....	37½	37½
Coats.....	6	5½	Maypole Dairy dfd.....	18½	18½
Courtaulds.....	72½	72½	National Steam Car.....	16½	16½
Cunard.....	4½	4½	Pears, A. & F.....	1½	1½
Dennis Bros.....	36½	36½	P. & O. dfd.....	335½	337½
Eastern Telegraph.....	153½	153½	Royal Mail.....	122	122
Kasimans.....	10½	10½	Underground Inc. Bds.....	79	78½
English Sewing Cotton.....	54½	54½			
Anglo-Egyptian "B".....	37½	33½	North Caucasian.....	4½	8½
Baku (10s).....	1½	1½	Roumanian Cons.....	8½	8½
Burmah.....	6½	6½	Shell.....	5½	5½
Lobitos.....	1½	1½	Spies (10s).....	5½	5½
Maikop Pipeline.....	2½	2½	Ural Caspian.....	18	18
Mexican Eagle pf.....	62½	62½			
Allagar 2/-.....	3½	3½	Perak 2/-.....	7½	7½
Anglo-Java Rub. 2/-.....	6½	6½	Port Dickson 2/-.....	3½	3½
Anglo-Malay 2/-.....	14½	13½	Rub. Estates Johore £1.....	39½	39½
Ayer Kuning £1.....	45½	45½	Rub. Estates Krian 2/-.....	3½	3½
Batang Malaka 2/-.....	4½	4½	Rubber Trust £1.....	28½	27½
Bekoh 2/-.....	4½	4½	Sampang (Java) 2/-.....	2½	2½
Brit. N. Borneo Trust £1.....	16½	16½	Sapumakande £1.....	27½	27½
Bukit Clob 2/-.....	4½	4½	Seaport £1.....	26½	26½
Bukit Mertajam 2/-.....	7½	7½	Selangor.....	30½	31½
Bukit Sembawang 2/-.....	3½	3½	Sengat 2/-.....	3½	3½
Carey United £1.....	41½	41½	Seremban £1.....	38½	37½
Ceylon Para 2/-.....	9½	9½	Shelford £1.....	35½	35½
Chersonese.....	34½	34½	Sialang £1.....	5½	6½
Chevi 2/-.....	6½	6½	Singapore Para 2/-.....	4½	4½
Dalkeith 2/-.....	2½	2½	Singapore United 2/-.....	3½	3½
Eastern Invest. Trust £1.....	25½	25½	Soembar Ajo 2/-.....	2½	2½
Grand Central £1.....	27½	27½	Stagbrook £1.....	3½	3½
Gula Kalumpung £1.....	35½	35½	Straits Bertam 2/-.....	6½	6½
Highlands £1.....	57½	56½	Sumatra Para 2/-.....	8 x	8½
Java Investment £1.....	28½	26½	Sungei Bahr £1.....	36½	36½
Java Para £1.....	29½	29½	Sungei Kapar 2/-.....	10½	10½
Johore Rubber Lands £1.....	33½	31½	Sungei Krut £1.....	49½	49½
Kamunin 2/-.....	3½	3½	Taiping 2/-.....	4½	4½
Kinta Kellas 2/-.....	4½	4½	Tali Ayer £1.....	2½	2½
Kuala Kubu 2/-.....	2½	2½	Tanjong £1.....	87½	84½
Labu 2/-.....	9½	9½	Tanjong Malim £1.....	30½	30½
Langen Java £1.....	37½	37½	Tebrau £1.....	62½	62½
Linggi 2/-.....	26½	25½	Telagorejo £1.....	4½	4½
London Asiatic 2/-.....	8½	8½	Tempe 2/-.....	2½	2½
Malacca £1.....	5	5	United Serdang 2/-.....	10½	10½
Malayalam £1.....	38½	38½	United Sumatra 2/-.....	8½	8½
Merlimau 2/-.....	5½	5½	Val d'Or 2/-.....	3½	3½
Padang Jawa 2/-.....	3½	3½	Vallambrosa 2/-.....	21½	21½
Pataling 2/-.....	41½	41½	Way Halim 1/8 pd.....	—	—
Abbotnaki (10/-).....	4½	4½	Gt. Boulder (2/-).....	13½	12½
Bechuanaland Exp.....	7½	7½	Kyshitim.....	6½	6½
Brakpan.....	5	4½	Mashonaland Agency.....	5 x	5
Broken Hill Prop. (8/-).....	69½	68½	Meyer & Charlton.....	7½	7½
Cam & Motor.....	11½	10½	Modder "B".....	7½	7½
Central Mining (£12).....	15½	14½	Do, Deep.....	2½	2½
Chartered.....	2½	2½	Mysoor.....	2½	2½
City Deep.....	2½	2½	Rand Mines (£1).....	2½	2½
Cons. Gold Fields.....	35½	35½	Rio Tinto (£1).....	64	64
Cons. Langlaagte.....	17½	17½	Russo-Asiatic.....	2½	2½
Crown Mines (10/-).....	13	13	Spring Mines.....	3½	3½
De Beers dfd. (£2 10s).....	13½	13½	Tanganyika.....	3½	3½
East Rand.....	5½	5½	Tanayik.....	1	1
Geduld.....	2	1½	Van Ryn Deep.....	3½	3½
Gov. Areas Mod.....	3½	3½			

regarded as extremely uncertain. American Railroads were weak, and Chesapeakes fell 2 points, while International Mercantile Marine also gave way rather sharply, but dealings were on a very small scale. Canadian Pacifics dropped a fraction, and Grand Trunks were dull in spite of a very favourable traffic return. Mexicans were scarcely mentioned, and Argentines sagged persistently on further talk of labour difficulties. The losses run to 1 or 2 points in some cases and Guayaquil and Quito fell 2½, while United of Havana also lost ground. On the other hand, Antofagasta was exceptionally strong, and marked up 2 points.

Bank shares were almost completely neglected, and in the Brewery section the tone was very weak, Allsopps, City of London, and Watneys all giving way rather sharply. Egyptian securities were dull, and Nitrates also tended to recede. Iron and Steel shares were flat, Otis losing 2 points and Workington Iron slipping back in spite of the amalgamation scheme. Land shares were inactive, but wherever prices moved the changes were adverse, and Hudson's Bays, Nigers, Forestals, and Pahangs all show declines. Nothing much happened in the Shipping division, but among Telegraphs Marconis were conspicuously heavy in spite of last week's favourable decision in the suit against the Government. Among Miscellaneous Industrials Lyons and Savoy eased off, and there was rather a severe slump in Courtaulds owing to the refusal of the Treasury to sanction the bonus share scheme. The price has dropped back to the neighbourhood of 7, which is rather a suggestive comment on the estimates which were recently put forward that the shares were worth £15 apiece. Maypole Dairy also gave way in spite of the handsome dividend, and Brazilian Tractions were weak.

Oil shares have been conspicuously depressed under the lead of Burmah and Anglo-Egyptians, owing probably to the uncertainty of the military position in the East and to the defection of Russia and the complications that may arise from this source. "Shells" and Trinidad Leaseholds also were very flat, and the market generally found little support in any direction. Rubber shares have again fallen into a condition of comparative stagnation owing to another reaction in the price of the commodity, which has fallen back to about 2s. 5d. Buyers are scarce, and although there has been no particular selling pressure dealers are not anxious to put stocks on their books, and there is not enough demand to clear the daily offerings that come into the market.

Details are now available of the contemplated amalgamation of the Workington Iron and Steel Co., Ltd., with Steel, Peech and Tozer, Ltd., Samuel Fox and Co., Ltd., and Rother Vale Collieries, Ltd. Steel, Peech and Samuel Fox between them own the whole of the share capital of the Frodingham Iron and Steel Co., Ltd., which in turn owns half the share capital of the Appleby Iron Co., Ltd., and arrangements have been made to acquire the remaining half interest in the latter after the amalgamation. Treasury sanction has been obtained for the scheme, and a new company is to be formed, called the United Steel Companies, Ltd., into which the existing securities will be exchanged on the following terms:—

	£	New Shares.
Steel, Peech and Tozer .....	150,000	6 p.c. pref. shares.
	3,250,000	ord. shares.
Samuel Fox and Co. ....	80,000	pref. shares.
	1,250,000	ord. shares.
Workington Iron, Ord. ....	1,100,000	pref. shares.
	550,000	ord. shares.
Rother Vale Collieries .....	1,300,000	ord. shares.
	7,680,000	

In addition, £1,000,000 6 per cent. A debentures will be issued for cash, £1,000,000 6 per cent. B debentures in exchange for Workington preference shares, and £500,000 6 per cent. C debentures in part consideration for the Rother Vale Co.'s shareholding. Workington Iron ordinary shares will be exchanged for one new preference and 50 per cent. of new ordinary, but the exact allocation of the rest of the capital among the other parties to the deal is not stated.

## LONDON PRODUCE MARKETS.

SUGAR remained unchanged. A sustained demand was experienced for American syrups.

COFFEE.—Holders again offered reservedly, and general firmness governed the market, while business was on a fair scale. Futures quiet and still rather featureless.

COCOA.—In auction this week 10,954 bags were offered, of which 10,010 consisted of Colonial imports. Of the latter, 5,321 bags comprised Grenada and 2,618 bags British West African. A good demand was evidenced for the better qualities, which sold up to recent private rates. Grenada, fair to fine, sold, 85s. to 91s.; St. Lucia, fine, 90s. to 91s.

SPICE.—Moderate trading was witnessed with regard to pepper, and a steady tone ensued. Fair black Singapore, spot, quoted 2s. 4½d.; white ditto, sold, 2s. 1½d.; Muntok, 2s. 1½d. to 2s. 1½d.; Tellicherry, 1s. 4½d. Fair Zanzibar cloves, spot, changed hands at 2s. 3d. Ginger firm, with sales in fair washed rough Cochin at 95s. Pimento, sold, 5½d. Tapioca commands fair support. Fair flake, spot, sold, 8d. Fair Penang seed pearl quoted 77s., and medium 74s.

RICE remained in good request, also beans and peas.  
 SHELLAC.—Market quiet, with only retail sales, including fair T.N., spot, at 450s. to 440s.  
 PEPPERMINT OIL.—Japanese, spot, sold, 4s.; and menthol, 14s. 3d.  
 RUBBER slightly unsettled, with fair dealings. Plantation, spot, crepe, sold, 2s. 5½d., 2s. 5d., 2s. 5½d., and 2s. 5d.; April-June, 2s. 5½d., 2s. 5½d., 2s. 6d., and 2s. 5½d. Ribbed smoked sheet, spot, done, 2s. 4½d., 2s. 5d., and 2s. 4½d. Fine hard Para, spot, realised, 2s. 9½d.; May-June, 2s. 10d. Soft fine, spot, quoted, 2s. 5d.; ball, 1s. 8d.  
 CORN (Mark Lane).—Quiet, but steady, conditions were again in evidence since last Monday, flour being fairly offered, and move-

restraining influence upon operations. The outlook for the new American cotton crop, although rather better than a few weeks ago, is not altogether satisfactory, and rains are still badly wanted in portions of the Belt. It is said that the acreage under Egyptian cotton for next year will not be so much restricted as at one time expected. Certain negotiations are understood to be taking place between representatives of the Government and of Lancashire trade interests with reference to the distribution of Egyptian cotton next season. The general offtake in piece goods for abroad has been of rather smaller dimensions. More manufacturers have been indifferent as to selling. Offers for India and China remain poor, especially in sized goods. Occasional transactions have occurred for Egypt. Not much activity has been reported for South America. Producers of finishing and bleaching cloths who can deliver quickly have had plenty of opportunities of selling. The home trade continues to give encouraging support, although delays on the railways are rather harassing the distributing houses. American yarns have been very stiff in price, and although a fair amount of business has been about the turnover has shown some falling off. Scattered sales have been put through in export numbers for India and France. The strong position of Egyptian spinners is being well maintained, and the under-current of demand continues healthy.

CURRENT PRICES OF CHIEF ARTICLES.  
 WEEK ENDING MARCH 27, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 14½, 98% polarisation			<b>Wool</b> —per lb.		
Tate's Cubes ..	2 13 9	2 13 9	Australian ..	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino ..	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'ssbr'd ..	nom.	nom.
Lyle's granulated ..	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granulated, first marks f.o.b., spot	nom.	nom.	Greasy Crossbred ..	nom.	nom.
German Cubes f.o.b.	nom.	nom.	New Zealand (scoured) Merino ..	nom.	nom.
French Cubes ..	nom.	nom.	Greasy Crossbred ..	nom.	nom.
Crystallised, West India ..	2 6 9	2 6 9	Cape snow white ..	nom.	nom.
Beet, 88% f.o.b.	nom.	nom.	<b>Indian rubber</b> p. lb.		
<b>Tea</b> —per lb., duty 1½ lb.			Plantation, Spot	0 2 5½	0 2 5
Indian Pekoe ..	nom.	nom.	Crepe ..	nom.	nom.
Broken ..	nom.	nom.	<b>Coal</b> —per ton		
Orange ..	nom.	nom.	Durham, best ..	nom.	nom.
Broken ..	nom.	nom.	Seconds ..	nom.	nom.
Pekoe Souchong ..	nom.	nom.	East Hartlepool ..	nom.	nom.
Ceylon Pekoe ..	nom.	nom.	Seconds ..	nom.	nom.
Broken ..	nom.	nom.	Steamers, best ..	32 6	32 6
Orange ..	nom.	nom.	Seconds ..	29 6	29 6
Broken ..	nom.	nom.	<b>Lead</b> —per ton.		
Pekoe Souchong ..	nom.	nom.	English Fig. ..	£ 29½-£ 28½	£ 29½-£ 28½
<b>Cocoa</b> —per cwt., duty 6d. per lb.			Foreign soft, net	£ 29½-£ 28½	£ 29½-£ 28½
Trinidad—per cwt.	87 0-98 0	87 0-96 0	<b>Quicksilver</b> —per bottle firsthand	nom.	nom.
Grenada ..	82 0-94 0	80 0-95 0	<b>Tin</b> —per ton		
West Africa ..	62 6-70 0	60 0-70 0	English Ingots ..	£ 323-£ 324	£ 320-£ 323
Ceylon Plantation ..	77 0-95 0	77 0-95 0	Do. bars ..	£ 324-£ 325	£ 321-£ 324
Gumayquil Ariba ..	103-110	103-110	Standard cash ..	£ 316	£ 316
<b>Coffee</b> —per cwt., duty 4½ per cwt.			Tin Plates, per box ..	nom.	nom.
East India ..	110-0 135-0	110 0 135 0	<b>Copper</b> —per ton.		
Jamaica ..	79-0 151-0	77 0 151 0	English, Tough	nom.	nom.
Costa Rica ..	110-0 139-0	110 0 137 0	Best Selected ..	£ 119-£ 123	£ 119-£ 123
<b>Provisions</b> —			Sheets ..	£ 149	£ 149
Butter, per cwt.			Standard ..	£ 110-110½	£ 110-110½
Australian finest ..	252½	252½	<b>Java</b> —per ton.		
Argentine ..	252½	252½	Native firsts for shipment	nom.	nom.
Irish Creameries ..	nom.	nom.	<b>Oils</b> —		
Dutch ditto ..	nom.	nom.	Linseed, per ton ..	£ 58	£ 58
Russian finest ..	nom.	nom.	Rape, crude ..	£ 66	£ 66
Paris baskets ..	nom.	nom.	Cott'n Seed, crude ..	£ 60	£ 60
Danish finest ..	nom.	nom.	Petroleum Oil, per 8 lbs.	1/7½	1/7½
Brittany rolls—doz. lb. ..	nom.	nom.	Water White ..	1/8½	1/8½
<b>Bacon</b> —per cwt.			Oil Seeds, Linseed ..	—	—
Irish ..	172½	172½	Calcutta—per ton		
Continental ..	172½	172½	Spot ..	29 15 0	29 15 0
Canadian ..	171½-172½	171½-172½	Rape ..	£ 29-10 £ 30	£ 29-10 £ 30
American ..	171½-180½	171½-180½	<b>Iron</b> —per ton		
<b>Hams</b> —per cwt.			Cleveland Cash ..	nom.	nom.
Irish ..	203½	203½	<b>Tobacco</b> —duty, unmanufactured, 7½ to 8½ per lb.		
Canadian ..	162½-165½	162½-165½	Maryland & Ohio ..	nom.	nom.
American ..	125½-165½	125½-165½	per lb. bond ..	0 8-2 1	0 8-2 1
<b>Cheese</b> —per cwt.			Virginia leaf ..	0 7-0 11	0 7-0 11
Dutch ..	129½-160½	129½-160½	Kentucky leaf ..	2 0-5 0	2 0-5 0
Canadian ..	nom.	nom.	Latakia ..	1 6-6 6	1 6-6 6
English Cheddar ..	142½	142½	Havana ..	nom.	nom.
Wilts loaf ..	nom.	nom.	Manila ..	nom.	nom.
New Zealand ..	nom.	nom.	Cigars, duty 10½ per lb. ..	2½ upds.	2½ upds.
<b>Rice</b> —per cwt.			<b>Timber</b> —Wood.		
Japan ..	nom.	nom.	Pitch Pine ..	300½-400½	300½-400½
Rangoon 2 stars ..	26 3	26 3	Indian Teak ..	380½-700½	380½-700½
<b>Eggs</b> —per 120.			<b>Turpentine</b> —		
English ..	34 6 36 6	35 0-36 6	American Spot ..	124½	124½
Irish ..	34 6-35 0	34 6-35 0	<b>Copra</b> —per ton		
Danish ..	nom.	nom.	Malabar ..	46 0 0	46 0 0
<b>Spelter</b> —			Ceylon ..	46 0 0	46 0 0
G.O.B. as to position ..	£ 54-£ 50	£ 54-£ 50	F.M.S. Singapore ..	45 10 0	45 10 0
<b>Flour</b> —per sack.			F.M. Straits ..	45 10 0	45 10 0
Country Straight	44/3	44/3			
Runs ex Mill ..					

American Business Notes.

Director-General McAdoo, who has the charge of controlling the railways in the United States, appears to be taking a more high-handed attitude towards them than any of our war Governments have attempted to do with ours. In the matter of pay, for example, he has issued an order setting forth the relations between administration and employees. In this order he indicates that employees will be required to work a reasonable amount of overtime, and that the question of hours will be settled as promptly as possible by the Railroad Wage Commission; but pending the decision on these matters, all requests of employees involving a change in wages and hours will be held in abeyance both by managers and employers. Wages, when settled, will be made retroactive as from January 1 last. In the meantime, there shall be no possibility of striking or of combining to force excessive claims on the part of employees. And Mr. McAdoo goes further—he forbids salaries of officials to be increased and also the creation of any new posts. There seem to have been rumours that a few roads were planning to create high-salaried positions on the assumption that the Government would pay these salaries, and that the railroads' compensation would not be diminished. If there was any idea of that kind abroad—and it would be quite according to directorial human nature that there should be—it has been effectively squelched ere it took shape by this new order. Would not a little vigour of this kind be valuable in managing our great industries, railway and other? Would it not be feasible, for example, to tell working men—like those always grumbling engineers—that if they do persist in striking, or in other ways in acting so as to prevent the maintenance of the nation's fighting equipment, the least they can expect will be that no food would be served out to them until they have changed their minds? "If any man work not, neither shall he eat," is a Pauline dictum which seems to be eminently applicable to industrial discontent at present. It might prove more efficacious in stifling discontent than "bursts of eloquent appeal."

The third "Liberty Loan" is to be for £600,000,000 in 4½ per cent. bonds, it is now announced, but Mr. McAdoo will have no objection, we take it, should the yield be twice as much. All over subscriptions will be accepted. Altogether powers have been taken or are being arranged for to create £1,633,000,000 over and above the loans already subscribed by the nation. America is going to help to settle this Prussian abomination in a manner so thorough that even our routine enslaved politicians and statesmen may not relish. Suppose they treat William Hohenzollern like common criminals, how then?

A PRACTICAL PENSION POLICY FOR WOMEN WORKERS.

"After the heat and turmoil of the day,  
 The sheltered haven of the peaceful years."

A leaflet entitled

"AFTER"

giving full particulars of a new and attractive scheme will be sent post free on application to the

NATIONAL PROVIDENT INSTITUTION,  
 48 GRACECHURCH STREET, LONDON, E.C. 3.

ments in prices without change. Wheat: Native grain remains at 75s. 6d. per quarter, 504 lbs. Of imported descriptions, No. 1 Northern Manitoba, 81s. 6d.; No. 2 ditto, 80s. Hard winters, No. 2, 80s. 6d.; Australian, 83s. 6d. Flour: Imported grades range at 49s. 9d. to 51s. 9d., according to quality. English, 44s. 3d. per sack, ex mill. Barley, English milling, 62s. 9d. per quarter. Oats: American, white clipped, No. 2, 61s. 6d.; Canadian feed, 63s.; English, 46s. 3d. Maize remains quite nominal temporarily. COTTON (from our Manchester correspondent).—The tone of the market has continued very firm, and buyers have found it impossible to obtain concessions in price from producers. Compared with recent previous weeks, however, demand has not been quite so active. In some respects the war news has had a rather

## PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1917, and March 23, 1918:—

	Estimate for the Year 1917-1918. (See note.)	Total Receipts into the Exchequer from April 1, 1917, to Mar. 23, 1918.	Total Receipts into the Exchequer from April 1, 1916, to Mar. 24, 1917.
Balances in Exchequer on April 1—Bank of England ..	£ —	£ 25,209,947	£ 25,111,665
Bank of Ireland ..	—	1,245,912	461,941
REVENUE.		26,435,859	25,573,606
Customs .....	70,750,000	70,290,000	69,196,600
Excise .....	34,950,000	38,243,000	55,748,000
Estate, &c., Duties .....	29,000,000	31,131,000	30,357,000
Stamps .....	8,000,000	8,021,000	7,653,000
Land Tax .....	2,600,000	2,555,000	2,490,000
House Duty .....	—	—	—
Property and Income Tax and Super Tax .....	224,000,000	229,760,000	197,005,000
Excess Profits Duties, &c. ....	200,000,000	209,815,000	135,037,000
Land Value Duties .....	400,000	650,000	511,000
Post Office .....	33,700,000	32,950,000	33,700,000
Crown Lands .....	600,000	£30,000	£30,000
Receipts from Sundry Loans, &c. ....	7,500,000	5,981,243	8,050,817
Miscellaneous .....	27,100,000	51,313,334	15,811,973
Revenue .....	638,600,000	681,339,577	550,169,799
Total .....		707,775,436	581,744,796
OTHER RECEIPTS.			
Repayment of Advances for Bullion .....		2,610,000	3,660,000
Repayment of Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		169,818	91,370
Under Telegraph (Money) Act, 1913 .....		100,000	210,000
Under Post Office (London) Railway Act, 1913 .....		68,000	160,000
Under Military Works Acts, 1897 to 1903 .....		—	8,814
Under Public Buildings Expenses Act, 1903 .....		—	8,000
Under Housing Act, 1914 .....		394,500	74,600
For Treasury Bills (for supply) .....		2,739,462,000	1,769,632,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....		1,300,000	—
For 4½ per Cent. War Loan, 1925-1945 .....		—	424
For 5 per Cent. Exchequer Bonds, 1919 .....		—	34,262,604
For 5 per Cent. Exchequer Bonds, 1920 .....		—	84,140,469
For 5 per Cent. Exchequer Bonds, 1921 .....		—	62,495,527
For 5 per Cent. Exchequer Bonds, 1922 .....		82,270,400	—
For 6 per Cent. Exchequer Bonds, 1920 .....		48,000	160,951,700
For War Expenditure Certificates .....		—	29,878,500
For War Savings Certificates .....		60,200,000	71,750,000
For other Debt created under the War Loan Acts, 1914-1917 .....		695,411,108	307,534,823
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .....		168,082,620	776,276,710
For National War Bonds .....		458,878,000	—
East Africa Protectorate Loan: Repayments on account of Principal and Interest .....		—	5,940
Cunard Loan: Repayment on a/c. of Principal .....		130,000	130,000
Suez Canal Drawn Shares .....		12,797	10,795
China Indemnity .....		378,314	407,930
Temporary Advances—Ways & Means (including Treasury Bills £345,000,000 in 1916-1917) .....		916,367,853	893,703,000
Total .....		5,959,664,706	4,780,225,612

NOTE.—Estimate as in House of Commons Paper No. 75 of 1917, and Supplementary Grants.

\*Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1917-18. (See note.)	Total Issues out of the Exchequer to meet payments from April 1, 1917, to Mar. 23, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1916, to Mar. 24, 1917.
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	17,000,000	18,735,66	19,295,457
Interest, &c., on War Debt ..	194,500,000	169,039,706	105,628,935
Payments to Local Taxation ..	—	—	—
Accounts, &c. ....	9,700,000	8,992,937	8,540,489
Other Consolidated Fund .....	—	—	—
Services .....	1,695,000	1,552,214	1,898,631
Supply Services .....	2,541,715,000	2,421,260,010	1,985,564,785
Expenditure .....	2,767,631,000	2,619,810,131	2,121,931,297
OTHER ISSUES.			
For Advances for Bullion .....		2,870,000	3,770,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		169,818	91,370
Under Telegraph (Money) Act, 1913 .....		100,000	210,000
Under Post Office (London) Railway Act, 1913 .....		68,000	160,000
Under Military Works Acts, 1897 to 1903 .....		—	8,814
Under Public Buildings Expenses Act, 1903 .....		—	8,000
Under Housing Act, 1914 .....		394,500	74,600
For Treasury Bills for Supply .....		2,739,462,000	1,769,632,000
For Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....		—	3,087,600
For Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .....		1,300,000	—
For War Loans, Exchequer Bonds, &c., under Section 34 of Finance Act, 1917 .....		18,517,160	1,174,405
For War Expenditure Certificates under War Loan Act, 1916 .....		1425,200	6,317,500
For other Debt under the War Loan Acts, 1914 to 1917 .....		96,147,703	17,600,724
For Depreciation Fund under the Finance Act, 1917 .....		34,437,260	—
Old Sinking Fund, 1907-8, issued under Section 9 of the Finance Act, 1908 .....		10,100	91,000
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (t) (b) ..		21,000	53,160
Old Sinking Funds, 1911-12 and 1913-14, issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914 .....		949,000	250,000
East Africa Protectorate Loan Repayments—Issued to reduce Debt under this Finance Act, 1911 .....		5,940	5,940
Cunard Loan Repayments—Issued to reduce Debt under the Cunard Agreement (Money) Act, 1904 .....		130,000	130,000
Suez Canal Drawn Shares—Issued to reduce Debt under the Finance Act, 1898 .....		12,797	10,795
China Indemnity—Issued to reduce Debt under the Finance Act, 1906 .....		378,314	400,000
Temporary Advances repaid—Ways and Means (including Treasury Bills £345,000,000 in 1916-17) .....		938,124,000	788,553,000
		5,941,227,225	4,757,880,693
Balances in Exchequer—			
Bank of England .....	1918. Mar. 23. £ 16,789,116	1917. Mar. 24. £ 21,206,026	
Bank of Ireland .....	1,648,445	1,138,887	
Total .....		18,427,561	22,344,913
		5,959,664,786	4,780,225,612

MEMO.—Treasury Bills outstanding on Mar. 23, 1918. .... \* £976,100,000

\* Includes £144,000, the proceeds of which were not carried to the Exchequer within the period of the account, besides a part (not yet ascertained and brought to account) of the Bills tendered as subscriptions to National War Bonds.

† Includes part payment of Bills and Certificates tendered as subscriptions to National War Bonds.

## The Week in Mines.

The violent German onslaught in the West has naturally diverted attention from such things as investments, speculative and otherwise, and consequently the mining markets have been much less active this week. There was a disposition to mark down prices on Monday, but no selling developed, and as some buying orders came to hand for certain specialities, the tone subsequently became firmer. Confidence in the power of the Allied armies to hold the Germanic hordes has been strengthened by what the divisions holding the front against greatly superior numbers have achieved, and it is felt that when the High Command chooses the moment to use its formidable reserves, and so readjust the numerical balance, the German rush will be fully checked.

## SOUTH AND WEST AFRICANS.

The event of the week has been the securing of the West de Rietfontein farm by the Anglo-American Corporation, in conjunction with the C.M.S. interests, which now control a ten-mile stretch of reef-bearing ground on the Far East Rand. The new lease is not expected to reach the producing stage for four years. East Rand Minings have risen 6d. to 18s. on the first reading of the Mining Leases Bill, and Oceana Devels. have improved to 7s. 9d. On the other hand, profit-taking has caused a relapse of ½ to 2½ in New Modders, ¼ to 7½ in Modder B's, ¼ to 3½ in Modder Leases, and 9-32 to 3½ in Springs. Among Diamond descriptions, De Beers deferred declined ¼ to 12½, the prefs. ¼ to 12½, and Premier deferred ¼ to 7½. In the Rhodesian section, Rezendes have relapsed ¼ to 4½, and Tanganyikas ¼ to 3½. Chartereds are back to 14s. 9d. West Africans have been a dull market, Gold Coast Amalgamateds have declined 1s. to 20s. 6d., but Ashanti Goldfields at the same figure have been unaffected by the reduction in the dividend from 25 to 20 per cent.

## COPPER AND MISCELLANEOUS.

Copper shares have been fairly steady, except Mount Elliotts, which have declined ¼ to 3½, and Mason and Barrys, which fell to 2½ on the heavy reduction in dividend for the past year. Rio Tintos were unaffected by the dividend reduction, owing to the large carry forward. Broken Hill shares have been purchased on colonial account, particularly British Propri-

tarys, which are 1s. higher at 41s. 9d. and Norths, which have advanced 3-32 to 3 5-32. The "boom" in Nigerian tin shares did not last very long, and an appreciable reaction has occurred throughout the whole list. Ropps have declined 2s. 3d. to 21s. 9d., Jantars 3s. 9d. to 23s., Nigerian Tin Corporations 3-32 to 1, Naragutas ¼ to 29-32, Mongus 1s. 3d. to 16s. 3d., and Anglo-Continental 1s. to 15s. On the other hand, Kadunas show a rise of 1s. 6d. to 18s. 6d. Profit-taking following the issue of the report caused South Crofts to relapse 2s. 3d. to 32s. 6d., but Siamese Tins rose ¼ to 3½ on the dividend, and Gopengs improved to 1½ on the report. Tomboys have fallen 1s. to 17s. 6d. on the disappointing returns for the first two months of the year. Russian and Indian mines have weakened slightly.

## MINING NEWS.

WEST AFRICAN GOLD OUTPUT.—In February the production of gold was £112,865, an increase of £7,973. The following table shows the monthly production since January, 1914.

MONTH.	1918.	1917.	1916.	1915.	1914.
	£	£	£	£	£
Jan. ..	107,853	131,665	140,579	143,649	128,862
Feb. ..	112,865	140,892	137,739	144,034	123,169
Mar. ..	—	158,727	150,987	153,770	131,392
April ..	—	123,825	135,976	149,978	131,697
May ..	—	121,104	132,976	142,123	145,227
June ..	—	141,489	127,107	135,289	147,289
July ..	—	142,017	128,574	140,290	151,923
Aug. ..	—	130,278	125,143	139,364	150,386
Sept. ..	—	127,168	127,138	135,744	154,316
Oct. ..	—	126,295	132,577	141,771	159,410
Nov. ..	—	126,015	130,101	122,138	154,674
Dec. ..	—	122,602	146,409	155,343	147,090
Totals	220,728	1,529,977	1,615,306	1,706,473	1,727,014

The increase, as compared with January, is due to the larger output obtained by the Abbontakoon mine, whose production recovered from £12,648 to £17,289, though this is about £3,000 less than in December.

NEW SHARLSTON COLLIERIES.—The report for 1917 states that the cost of production continues to advance as the result of the enhanced cost of materials and labour. Gross profits declined

from £21,247 to £16,976. It is proposed to appropriate £3,000 for depreciation, against £5,000, to pay a final dividend of 15s. per share, making 5 per cent. for the year, and to carry forward £10,707, against £8,279. The dividend for 1916 was also 5 per cent.

**CARDIFF COLLIERIES.**—The profits of this company for 1917 were also on a smaller scale than in 1916, the total being £61,242 against £73,986; the dividend, however, is maintained at 20 per cent., by a final payment of 15 per cent., and £41,942, against £27,643, is carried forward.

**RIETfontein WEST LEASE.**—It is now announced that four tenders were made for the lease of mineral rights on the Rietfontein West farm, one from the Central Mining and Investment Corporation, two from the General Mining and Finance Corporation, and one from Sir Abe Bailey's Anglo-American Corporation of South Africa. The last-named corporation was successful in getting the lease. Their proposal is to form a separate company in the Transvaal, with a capital of £1,400,000 in £1 shares, to be issued at par. Four hundred thousand shares will be taken up immediately on registration, and of the remaining million, two shillings per share on registration and the balance as and when required. The tenderers take a commission of 5 per cent. The consideration payable to the Government, in addition to taxation, is a percentage of profits calculated on a sliding scale. A portion of the initial issue of 400,000 shares will be offered to the public at par. The Anglo-American Corporation was formed by the Consolidated Mines Selection group in conjunction with big American financial interests, including the Guaranty Trust Co. and connections of Morgans, and this is the first occasion on which American interests have secured an interest in the Rand. Facilities will be granted by the allied Springs Mines to expedite the development of the lease area. Taking working costs at a standard of 18s. per ton, it is estimated that the Government will receive under the terms of the lease about one-half of the nett profit from a yield of 30s. per ton, and about 54 per cent. from a yield of 35s. per ton. The arrangement with the Springs Mines will save nearly two years, as compared with independent exploitation of the new lease. Under this scheme the Springs Mines will receive an option on 150,000 shares at 22s. 6d. per share for two years, or one year after the conclusion of peace, whichever is the longer.

**SOUTH CROFTY MINE.**—Last year was the most profitable period in the history of the South Crofty mine. The amount of ore crushed declined from 71,706 tons to 70,055 tons, but the yields were 610 tons of tin, against 607 tons, 88 tons of wolfram against 95, and 828 tons of arsenic against 783. Owing to the high prices which ruled for these products, the yield per ton treated rose from £1 8s. 9d. to £1 19s. 11d. The

average price obtained for black tin was £120 13s. 7d. per ton, against £104 8s. 1d., for wolfram £165 12s. 8d. against £151 12s. 9d., and for arsenic £52 7s. 5d. against £27 8s. per ton in 1916. Working costs rose by only 3s. 7d. to 25s. 7d. per ton, consequently the margin of profit was more than doubled, the figure being 14s. 5d. per ton, as compared with 6s. 9d. per ton. The total profit was £43,852, an increase of £24,680. A final dividend of 1s. 9d. per share, tax free, is proposed, which is 6d. more than had been expected. This will bring the year's distribution up to 70 per cent., against 32½ per cent. for 1916, and is the highest dividend yet paid by the company. After setting aside £5,000 for income-tax reserve, the carry-forward is raised from £1,358 to £2,889.

**GOPENG CONSOLIDATED.**—The profits for the year ended September 30 show a further expansion. The total is £88,997, against £87,743 in 1915-16, and £44,633 in 1914-15. It is proposed to write £9,493 off property and pipeline account, to place £10,000 to income-tax reserve, to pay a bonus dividend of 10d. per share, making 3s. 6d. for the year, as against 3s. for 1915-16, and to raise the carry forward from £16,993 to £17,237. These results were achieved, notwithstanding a somewhat lower output, the figures being 17,118 piculs, a decrease of 1,091 piculs. But the amount received from sales of tin ore again reached a record, the total being £120,065, an increase of £9,614. Working costs have largely increased, and are much in excess of expectations. This is partly due to the construction of works for the retention of slimes, recently enforced by Government order.

**TEKKA-TAIPING.**—The accounts for the year ended October 31 show a decline in profits from £48,273 to £37,832. The dividend, however, is maintained at 4s. per share, £5,978, against £14,657, is written off for dredging plant depreciation, and £25,541 is carried forward, subject to excess profits duty. Returns of tin ore show a reduction of 208 tons, but the profit per ton was higher owing to the increase in price of tin. The total output was 7,752 piculs, valued at \$459,028. In order to carry out the scheme of exploitation, it will be necessary to treat ground of low-grade this year, and this will result in the standard of returns showing a decrease.

## Tea, Oil and Rubber.

Nothing of special interest has occurred in the Rubber market this week. The price of standard crêpe has hung around 2s. 5½d., and in the share market buyers have been standing aloof because no one can tell how the 20 per cent. restriction of output is going to affect the fortunes of those companies which have agreed to this policy. It is evident, however, that it must mean a substantial increase in the cost of production, and to

# SWISS BANK CORPORATION.

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Chairman of the Board of Directors: A. SIMONIUS.

**LONDON OFFICE - - - 43, LOTHBURY, E.C.2.**

**WEST END BRANCH: 11c, REGENT STREET, WATERLOO PLACE, S.W.1.**

General Manager in London: X. CASTELLI.

**BALANCE-SHEET, 31st December, 1917 (£1 = Fr. 25).**

LIABILITIES.		ASSETS.	
DR.	£	CR.	£
Share Capital .....	3,280,000	Cash, &c. ....	1,637,894
Reserve Funds .....	1,110,000	Banks and Bankers .....	4,587,363
Pension Fund .....	108,946	Bills Receivable .....	8,945,349
Fixed Deposits .....	4,110,170	Loans at short dates on Securities .....	1,211,842
Current Accounts, &c. ....	23,568,014	Current Accounts.....	15,835,875
Bills Payable and Acceptances .....	1,854,997	Permanent Investments .....	264,366
Profit .....	347,123	Government, Railway and Other Securities .....	1,395,204
		Syndicates .....	227,280
		Bank Premises and other Property .....	274,077
	<u>£34,379,250</u>		<u>£34,379,250</u>

**PROFIT AND LOSS ACCOUNT for the Year ended 31st December, 1917.**

DR.	£	CR.	£
General Expenses and Taxes.....	325,541	Balance from 1916 .....	15,188
Depreciation of and Reserves against Securities, Syndicates and Permanent Investments .....	47,000	Discounts .....	355,663
Provision for bad and doubtful Debts (less return of amounts previously written off) and writing down Furniture, &c. ....	8,259	Interest.....	114,809
Net profit available .....	347,123	Commissions .....	209,647
	<u>£727,923</u>	Coupons and Foreign Moneys .....	32,616
			<u>£727,923</u>

After deduction of expenses and taxes, providing for depreciation of and reserves against Securities, Syndicates, and Permanent Investments, and writing down bad and doubtful Debts, Bank Furniture, &c., and after transferring £8,000 to Pension Fund, the NET PROFIT for the year ended 31st December, 1917, inclusive of £15,188 brought forward, amounts to £339,123; less statutory participation of Directors and Managers, £40,492—leaving a balance of £298,631, out of which the Board propose to pay 8 per cent. dividend (as in 1916), £262,400, and to carry forward to new account £36,231.

what extent there may be compensation in higher average prices remains to be seen. We gather from several sources, however, that the scheme which looked superficially attractive enough on paper is beginning to be more critically scrutinised by many of the companies affected, and if it does not prove a complete success it is likely enough to be characterised as a ghastly failure.

**LABU (F.M.S.) RUBBER CO., LTD.**—Year to December 31. Crop amounted to 874,600 lbs., an increase of 260,000 lbs., but the average price obtained was only 2s. 3.72d., against 2s. 7.10d., while all-in costs increased from 11.80d. to 1s. 1.72d. Revenue amounted to £101,000, an increase of £21,000, but the nett profit was only a trifle larger at £52,650. The directors, however, have adopted a prudently conservative policy, and after placing £4,000 more at £16,200 to reserve, they cut down the dividend from 40 per cent. to 30 per cent., and increase the carry forward by £5,000 to £19,000. The reserve of £100,000 is now equal to the whole of the share capital, and there are no debentures, so the company is in a very strong position, while the large carry forward is doubtless sufficient to provide for excess duty if any. Normally this year's output would be 970,000 lbs., but under the restriction scheme it will be cut down to about 700,000 lbs., and as the directors rather pathetically remark, "an increase in the cost of production must be anticipated." The higher costs last year were due to everything pertaining to the upkeep and management of the estate having been dearer, and there is not likely to be any relief in this respect in the near future. Area planted amounts to 3,025 acres, of which 503 acres were planted in 1912 and 630 acres in 1913, so that it will be possible to increase production very considerably in the next year or two if it should be desired, or when the R.G.A. ban is removed. There are also 155 acres in reserve, and perhaps the labour saved in tapping may be used in planting them.

**PEGOH, LTD.**—Year to September 30. This company does not give such full details as we could wish—all-in cost, among other items, being omitted. Last year's crop was 706,760 lbs., against an estimate of 690,000 lbs., and an increase of 102,000 lbs. over the previous 12 months. Average price obtained was 2s. 6.7d., against 2s. 8.02d., while the f.o.b. cost was practically the same at 12.4d. Revenue amounted to £90,300, an increase of £11,000, but the nett proceeds were only £1,200 higher at £50,900, and after placing £2,200 more to special reserve, the nett profit is £1,000 lower at £32,740. Consequently the directors reduce the dividend from 25 per cent. to 20 per cent., and carry forward £5,460, against £410. For the current year the output, under the R.G.A. restriction, is estimated at 600,000 lbs., but the report does not furnish particulars as to the age of the trees on the estate, and we cannot judge whether the scheme is likely to be good or bad for it. There is no mention of excess duty.

**DEVON ESTATES (MALACCA), LTD.**—Year to June 30. This company has not reached the dividend paying stage, but last year the output was 258,000 lbs., from which the revenue was £32,620, and there is a nett profit of £3,240 to be carried forward. No information is given as to the acreage, age of trees, average price realised, or cost of production, so it is impossible to form any idea about the position or prospects, but we should judge after seven years that the capitalisation is terribly heavy.

### DIVIDENDS ANNOUNCED.

**Ampat (Sumatra) Rubber Estate.**—Final 15 per cent. (actual) for year ended September 30; to reserve, £4,000; forward, £2,644.

**American Investment Trust Co.**—For half-year ended March 15, at rate of 10 per cent. per annum (making 8 per cent. for the year) on deferred stock, the same; forward £25,656, against £21,578.

**Birmingham Small Arms Co.**—Interim on the ordinary shares of 5 per cent., free of tax.

**Coltess Iron Co.**—Interim 4 per cent. (actual) for year ending July 31, 1918, payable April 15, the same as a year ago.

**Foreign American and General Investments Trust Co.**—For half-year ended March 15 at rate of 6 per cent. per annum (making 5 per cent. for year) on the deferred stock, forward £20,349.

**H. and C. Grayson.**—Interim of 6d. per share, less tax, on the preference shares.

**W. T. Henley's Telegraph Works Co.**—Final 10 per cent., making 15 per cent. for year, and a bonus of 10s. per share, less tax, the same as a year ago.

**International Linotype.**—Final 4 per cent. for year ending March 31, making 6½ per cent. for the year, as against 6 per cent.

**Kassa-Ropp Tin Co.**—1s. per share has been declared, payable, free of tax, March 26.

**Montevideo Waterworks Co.**—Final 5 per cent., less tax, making 8 per cent. for year; £20,000 to reserve: the same as last year.

**Mason and Barry.**—2s. per share for 1917, or 10 per cent., less tax, against 45 per cent.; forward £35,119, against £36,138.

**National Bank of Egypt.**—8 per cent. for 1917, against 6 per cent. for 1916.

**Rio Tinto Co.**—Final 45s. a share, against 55s. a year ago, making 90s. for 1917, against 95s. for 1916; forward £519,000, against £283,330.

**Siamese Tin Syndicate.**—Interim of 10 per cent. (2s. per share), less tax, in respect of the current year, payable April 16, the same as a year ago.

## WHITEHEAD AIRCRAFT (1917) LTD.

**FULL** Prospectus and Application Forms can be obtained from the London Provincial and South Western Bank, Ltd., Head Office, 170, Fenchurch Street, London, E.C., and at any of their branches; also the National Provincial Bank of England, Ltd., Head Office, 15, Bishopsgate, London, E.C., and at any of their branches.

## COMPANY RESULTS IN BRIEF.

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re-serves.	Dividend.	Carried Forward.
	£	£	£	%	£
Gandy Belt Manufacturing Co. ....(Dec.)	—	41,300	32,500	30	5,600
Do. ....Prev.	—	38,160	22,000	25	4,430
General and Commercial Inv'stm't Trust(Feb.)	39,920	24,210	105,450	5½	17,030
Do. ....Prev.	41,430	26,380	103,230	5½	16,440
New Sharlston Collieries (Dec.)	318,280	16,970	33,000	5	10,700
Do. ....Prev.	296,840	21,240	33,000	5	8,280
Orient Trust .....(Dec.)	12,770	11,900	15,000	7½	2,750
Do. ....Prev.	12,230	10,540	12,500	7½	1,780
Pengkalen .....(Sept.)	26,470	10,850	nil	2½	3,900
Do. ....Prev.	23,030	10,130	nil	2½	550
Tekka-Taiping.....(Oct.)	55,820	37,830	nil	20	25,540
Do. ....Prev.	70,560	48,270	nil	20	20,620

## Answers to Correspondents.

\*. A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.

Deposits against future queries may be lodged with the Publisher.

John Halifax.—Your question came only on Saturday morning. We think the shares might be held, as they seem bound to recover after the war.

S. S. J.—No. 1, No. 2, Perhaps yes.

Sylvan.—We wish we knew. Our disposition would be to sell and be done with it, but we may be wrong, the future is so uncertain.

Sam.—Your No. 1 offers a good speculative chance. Your No. 2 cannot be recommended.

H. P.—The good ones are quite dear enough now. Perhaps some of those at a discount might offer chances of profit, but the future is most uncertain.

White Flour.—Yes, they look tempting on last dividends, but how long will these be maintained?

C. T. N.—(1) They do not yield enough to make them an attractive purchase at present. (2) Hold; the company has a good property, and is carefully managed.

Win.—The prices will be governed by those for Government issues. There is, we fear, small prospect for a long time to come of any appreciable recovery in quotations of irredeemable stock, bearing fixed rates of interest, but the dividends are as sure as any can be.

J. G. M.—Holders are no doubt compelled to sell now and again, and they cannot naturally get the cost price for them. The quotations do not include accrued interest, which has to be paid separately to the seller. We do not think the sales amount to much.

## What Balance Sheets Tell.

## D. H. EVANS AND CO., LTD.

Like most similar businesses this company did well in the year to February 19, the gross profits showing an increase of £24,000 at £225,130. Expenses, however, were higher, and the nett profit is £10,300 up at £69,300. After placing £5,205 to staff pension fund, setting aside £10,900 for part payment of mortgage (both new items), and providing for prior dividends, the balance for equal division between the ordinary and founders' shares is £5,000 lower at £25,700. Fortunately £5,600 more was brought in, and the ordinary dividend is again made up to 12½ per cent. for the year, and the carry forward is increased by £3,000 to £16,400. Including a larger amount brought forward the proportion due to the founders' shares is £2,400 up at £17,830, and the dividend is raised from £5 5s. to £7 per share, leaving £1,000 less at £3,830 to be carried over. The dividend on D. H. Evans and Co. Founders' Shares Co., Ltd., will consequently be 2s. 4d. against 1s. 8d. last year, leaving £200 against £500 to be carried forward.

## BANK OF VICTORIA, LTD.

Modest progress was again shown in the half-year to December 31, and the gross profits amounted to £113,750, while the nett were £58,200. After again paying 6 per cent. per annum on the ordinary shares £25,000 is placed to reserve, and £10,800 is carried forward as against £24,000 brought in. Current and deposit accounts amount to £6,945,000, cash balances to £1,610,000, money at short call, &c., to £492,000, investments to £660,000, and loans, &c., to £6,080,000. The balance-sheet totals at £9,909,000, an increase of about £385,000 as compared with the previous half-year.

## AUSTRALIAN BANK OF COMMERCE, LTD.

In the half-year to December 31 profits amounted to £72,420, or about the same as in the corresponding period. Interest required rather less, and the nett profit is up £2,000 at £33,050. After again placing £10,000 to reserve and paying a dividend

at the rate of 3 per cent. per annum the carry forward is £8,000 higher at £16,830, a larger amount having been brought in. Current and deposit accounts have increased £412,000 to £3,750,000, bullion is up £17,000 at £587,000, and cash balances in London have risen £88,000 to £250,000, while Australian notes are up £185,000 at £455,000. Bills discounted and other advances have increased £200,000 to £4,636,000, and the nett result is an increase in the balance-sheet total of £310,000, raising it to £7,144,000.

## MERRY AND CUNINGHAM, LTD.

This iron and coal company has fallen on evil times. In the year to November 30 gross profits fell to £22,960, a decrease of no less than £135,000, and the nett profit was only £2,800, or £126,000 smaller. However, £57,000 more at £113,260 was brought in, and the dividend of 10 per cent. (absorbing £12,500) is repeated, leaving £52,600 to be carried forward. Changes in the balance-sheet throw little light on the position, but the cash balances appear to be ample.

## COMPANY MEETINGS.

## BRITISH INSULATED AND HELSBY CABLES, LTD.

The 22nd annual general meeting was held at Liverpool on Monday, Dr. E. K. Muspratt, chairman, presiding.

In moving the adoption of the report and accounts for the year 1917, the Chairman said the results were the best obtained by the company for any year's trading, and would, he was sure, be regarded as satisfactory. (Hear, hear.) The output had been almost entirely for the purposes and to the order of the Government, and the directors trusted that the very effective help the company had thus been able to render would not be overlooked or forgotten in the future. As a controlled firm we have temporarily lost the self-direction and initiative upon which a successful business must depend, and while during a state of war the outside control to which we are subjected may be necessary, and in the best interests of the State, we and the great manufacturing concerns established in this country must, for the prosperity of the nation, resume full control of our own affairs at the very earliest moment, consistent with public safety.

I am constrained to make these remarks because I have a growing feeling that the numerous factories established with public money for national purposes during the war may, after the war, prove our chief competitors for all Government orders and business, and the freedom which we seek in the conduct of our business is necessary in order that those profits may be made which will enable this country to repay the enormous debt which it has contracted in order successfully to prosecute the present war.

The Chairman went on to say that everything pointed to the fact that after the war was over new and strenuous efforts would have to be made to enable the company to resume the important position held by it before the outbreak of the conflict. Doubtless some of the new departments started since the war commenced would help towards this end if unfettered by unnecessary Government control, and certainly the company was in as good a position to compete for export business as any manufacturer in the same line in this or any other country.

The number of the company's men who had joined the Forces had now reached a total of 1,173, and 68 had fallen while on active service. The difficulty of retaining sufficient skilled men had been very great, and the employment of women workers had been greatly increased with, he was pleased to say, very satisfactory results.

After reference to the profit and loss account and capital expenditure, the Chairman said that in regard to investments the shareholders would be pleased to learn that the directors had again valued their securities, with the result that they considered them to be worth more than the figure standing in the balance-sheet. (Hear, hear.) The company's investments in the Midland Electric Corporation for Power Distribution, Ltd., and in the Automatic Telephone Manufacturing Co., Ltd., had proved satisfactory, although in regard to these two companies the excess profits tax fell upon them very heavily, and prevented them obtaining anything like a just reward for the cost and risk they had undertaken.

The Chairman passed on to refer to the capitalisation of reserves and the proposal to issue bonus shares. The directors, he said, had come to the conclusion that the point had been reached when further increase of the reserves could not be justified. Another reason for the issue of bonus shares was that the dividends paid during recent years had shown a percentage on the ordinary share capital, which was misleading to the public, because, as a matter of fact, all the reserves of the company were employed as capital of the business, and in 1917 the actual capital employed represented more than double the amount of the nominal share capital. The payment of dividends at so high a rate as 25 per cent. gave an erroneous impression that profits on the capital were unduly high. It was therefore proposed—and the consent of the Treasury had been received—to increase the share capital by the capitalisation of £500,000 of the company's surplus assets out of the reverse account, and to issue to the ordinary shareholders a further 500,000 shares of £1 each.

The Chairman concluded by eulogising the services of the principal officials of the staff of the company, which, he said, had not only been to the advantage of the company itself, but had proved of great benefit to the whole nation.

Sir Harmood Banner seconded the resolution, which was carried unanimously.

The Chairman next proposed the payment of a dividend of  $7\frac{1}{2}$  per cent. which, with the interim dividend, made 15 per cent. for the year, and also a bonus of 10 per cent. on the ordinary shares.

Mr. W. A. Cross seconded the motion, which was carried unanimously.

On the motion of Mr. James Taylor, seconded by Mr. J. Carlton Stitt, Dr. Muspratt and Sir Arthur Stanley, the retiring directors, were re-elected.

Messrs. Chalmers, Wade and Co. having been reappointed auditors,

Mr. C. R. Crichton moved a vote of thanks to the directors for their services during the year. He said the results reflected the greatest credit upon their acumen and foresight.

Mr. J. J. Bate seconded, and the resolution was carried with applause.

Sir Harmood Banner, in replying, remarked upon the increase of work and anxiety imposed on the board under present conditions, and paid a special tribute to the officials of the company and the whole of the staff for the zeal they had displayed in the conduct of the business, adding that their efforts had been not only of service to the company, but had been of benefit to the whole of the country.

The resolution was duly carried, with applause.

The proceedings closed.

### BROADWATER RUBBER ESTATE.

The sixth annual general meeting of the Broadwater Rubber Estate Co., Ltd., was held on Wednesday, at 23, Suffolk Street, Pall Mall, S.W., Mr. G. St. Lawrence Mowbray, chairman of the company, presiding.

Mr. F. N. Varney, representing the Secretaries (the Indo-Malay Colonial Agency, Ltd.), having read the notice convening the meeting and the report of the auditors,

The Chairman said: The yield from the small area of rubber in tapping was 16,239 lbs., against an estimate of 15,000 lbs., and despite a fall in the price in the latter part of the year an average of 2s. 3 $\frac{1}{2}$ d. per lb. was obtained at Singapore and Penang, while the cost, including freight and sale charges, amounted to just over 1s. 1 $\frac{1}{2}$ d. per lb. Considering that the trees in tapping only average six years old, the yield of 230 lbs. per acre was very satisfactory, and on the average number of trees tapped gives an average of about 2 $\frac{1}{2}$  lbs. per tree. For the current year we have harvested 17,154 lbs. in eight months to the end of February, and we anticipate a crop of 25,000 lbs. Development expenditure on the young area remained at about the same rate as in the previous year, and our visiting agent and manager both report favourably on the progress and future prospects. The smallness of our estate is its greatest disadvantage, and this we have endeavoured to remedy by obtaining additional land, but the recent war-time legislative enactment of the Malay States Government prohibiting the sale and transfer of land prevents us at present from realising our hopes in that direction. We have, therefore, since the date of the balance-sheet added to our investments in shares of other rubber planting companies, and have no reason to be dissatisfied with the result so far attained. Shortage of shipping, and the very commendable desire of the authorities to give priority at present to imports of essential food supplies have led to the imposition of a temporary ban on rubber shipments from Malaya, which places upon the planting companies there the onus of storing their rubber output and therefore of providing finance for their estates to an increased degree pending the deferred realisation of crops. These circumstances have brought about a reduction in the price of rubber in the East, of which astute American purchasing agents took full advantage, and some alarmists and pessimists in this country have utilised the opportunity to artificially depress prices. Such a position, in my opinion, could not endure for long, and already a recovery in commodity prices has occurred not only in London, but in the Eastern rubber market. It hardly needs an optimist to point out that rubber producing is one of the vital industries of present-day life, and though less than a decade ago plantation rubber was looked upon askance by many prudent men, its supremacy is to-day unchallenged, its production has so far outdistanced the most sanguine views of experts, and the much advertised synthetic products that were to drive it off the market are still enveiled with the mists of conjecture.

Great as the war's demands have been for rubber, those of the future when peace is restored, and the reconstruction of the devastated territories is taken in hand, must be enormously greater. The limited amount of new planting effected in the past four years points inevitably to a lessened ratio of increase in rubber output, and it need occasion no surprise if instead of the overplus which some have spoken of, there should in a year or two after the termination of the war prove to be as great a deficit in rubber as accompanied, or caused, the memorable rubber boom of 1910. With such a prospect before us, and realising that financial restrictions to-day prevent the raising of capital for development, while heavy taxation, some of which rubber companies

cannot regard as altogether just in its incidence, is imposed upon us, we must reconcile ourselves to a temporarily limited dividend distribution with the confidence that money conserved by the company and utilised to increase planted areas or write down capital expenditure, will in the not distant future bring forth profits both in the shape of improving income, and appreciation in the value of our holdings, because capable judges now recognise as one of the soundest and most reliable amongst industrial securities the great rubber-planting enterprise which has now spread throughout our Eastern tropical possessions, but nowhere gives better results than in British Malaya. We in this company are fortunate in that our property is in one of the most fertile districts of the State of Perak, closely adjacent to estates where yields of 400 lbs. to 500 lbs. per acre are being obtained, and with continued good management, and possessed as we are of adequate funds to bring more land to the producing stage, we may fairly and reasonably anticipate an increasingly satisfactory return.

Mr. F. W. Tazewell seconded the resolution, which was unanimously adopted, and the Chairman announced that the directors proposed to pay on April 4 an interim dividend on account of the current financial year at the rate of 2 $\frac{1}{2}$  per cent., less income-tax.

### GULA-KALUMPONG RUBBER.

The ordinary annual general meeting of the Gula-Kalumpong Rubber Estates, Ltd., was held on Tuesday at the Cannon Street Hotel, E.C., Mr. Frederick Anderson (chairman of the company) presiding.

The representative of the secretaries (Messrs. Ilbert Anderson and Co.) having read the notice convening the meeting and the report of the auditors,

The Chairman said: As regards the working of the estate, the output of rubber was about 2 $\frac{1}{2}$  per cent. below the estimate given last year. For the first six months the yield was well ahead of the estimate, but owing to the restricted shipping facilities to this country we have agreed to reduce our output to 80 per cent. of last year's crop, in accordance with the plan of the Rubber Growers' Association. We have continued the policy of thinning out the rubber areas, and over 20,000 trees were taken out last year. In all fields where this has been done for any length of time our manager reports improvement in growth and better renewal of bark. The work will be continued this year. The area under coconuts has been increased by 443 $\frac{1}{2}$  acres, which brings the total up to 3,320 acres. The average acreage in bearing was a little under 1,500 acres, of which 25 per cent. were in their first year of production. We have sold rather more than half the crop of copra at prices which give an average return of between £6 and £7 an acre. The scarcity of tonnage has been a great handicap, and there is no immediate prospect of relief in that respect, but when shipping facilities again become available I think we can look forward to a good market for copra, as the public have begun to realise that the best quality of margarine, which is made from copra, is twice as good as inferior butter, and costs about half. We propose to extend the area under coconuts by another 250 acres this year if labour is available. If two acres of coconuts will produce £14 of profit, and each acre of rubber the same (rather less than 9d. a lb. on 400 lbs.), there is no need for anxiety as to the future, if one takes a view extending beyond that immediately before us. On the basis of two acres of coconuts being equal to one of rubber, you have a permanent cultivation equivalent to 6,077 acres of rubber, which on the issued capital have a book value to-day of £75 per acre, which can easily be further reduced. You will see from the report that the average sale price is 2s. 5 $\frac{1}{2}$ d., which is partly owing to forward sales. Owing to the uncertainty of tonnage we thought it prudent to curtail forward commitments, and this difficulty is now greater than ever. "All-in" cost, including war charges, has risen to 1s. 0 $\frac{1}{2}$ d. per lb., which leaves us with a net profit of 1s. 4 $\frac{1}{2}$ d. The stock of 220,000 odd lbs. of rubber unsold when the accounts were made up has been brought into the account at a valuation of 1s. 3d. per lb. gross, which is not very much above cost price when higher freight and war risk insurance are taken into account. Similarly 316 tons of copra are brought in at cost price. The total profit of £85,000 odd enables us to pay the same dividend for the whole year as in 1916, putting £10,000 to reserve and slightly increasing the balance carried forward. As regards prospects for 1918, it has to be borne in mind that we have agreed to curtail production by 20 per cent., and that cost of production per lb. will necessarily be higher, as standing charges, which are not affected by curtailment of output, will be spread over a smaller crop, added to which cost of all materials is higher, and also shipping charges to America. Estimates at the present stage are of little value, but unless conditions change it would be prudent to make up our minds that, compared with the last three years, 1918 bids fair to be a lean year. In this respect we suffer in common with the whole industry. It remains to be seen, however, whether with reduced output and higher cost of production rubber will continue to be the only important raw material which has a depreciated value, amidst a general appreciation of all other commodities.

Mr. E. L. Hamilton seconded the motion, which was unanimously adopted.

INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.				GROSS TRAFFIC TO DATE.			
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.	
Assam Bengal	Jan. 26	Rs. 166,613	+ 50,152	†	Rs. 23,06,302	+ 1,57,061	†	
Barsi	Feb. 2	28,700	— 29,500	†	7,03,500	— 2,10,800	†	
Bengal & N.W.	Jan. 26	5,01,000	— 71,130	†	53,91,753	— 6,60,312	†	
Bengal Nagpur	Feb. 2	10,48,000	+ 1,000	†	4,53,96,932	+ 36,02,366	†	
Bombay, Baroda	Mar. 9	15,39,000	— 2,46,000	†	3,34,18,000	— 3,66,000	†	
Birma	Jan. 26	5,50,081	+ 44,840	†	1,74,17,738	— 17,031	†	
Delhi Umballa	Mar. 16	19,14,000	+ 14,500	†	21,18,480	+ 2,80,875	†	
East Indian	Jan. 26	23,34,000	+ 3,40,000	†	5,58,51,000	+ 14,38,000	†	
Gt. Indian Penin.	Jan. 26	23,95,700	+ 2,11,200	†	5,12,95,454	+ 31,39,245	†	
Lucknow-Bareilly	Jan. 26	54,339	— 7,216	†	8,20,169	+ 83,175	†	
Madras and S.	Feb. 2	10,50,000	+ 651	†	1,79,97,643	+ 9,78,769	†	
Mahratta	Jan. 19	1,40,618	— 12,421	†	20,05,604	— 5,002	†	
Nizam's Gd. (Broad)	Jan. 19	1,00,158	— 10,521	†	13,03,102	+ 8,671	†	
Robilkund and	Jan. 26	36,701	— 2,297	†	700,330	+ 57,477	†	
Kumaon	Feb. 2	6,44,344	+ 61,586	†	1,15,87,814	+ 8,53,402	†	
South Indian	Feb. 2	6,44,344	+ 61,586	†	1,15,87,814	+ 8,53,402	†	

† April 1. † October 1.

TRAMWAY AND OMNIBUS.—HOME.

NAME.	Mar. 1	£	£	£	£
Dublin United	Mar. 1	7,305	+ 1,364	†	61,814
Hastings and Dist.	„ 18	1,093	+ 124	†	10,521
Isle of Thanet	„ 16	194	— 55	†	4,110
Lancashire United	„ 20	2,577	+ 515	†	28,457
Provincial	Jan. 24	2,470	+ 720	†	39,274
Yorks. (Wst. Rdn.)	Mar. 24	2,427	+ 628	†	28,093

\* From Oct. 1. † From Jan. 1.

TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Jan. 1	£	£	Ms.	£	£
Alabama Power	Jan. 1	120,919	+ 19,173	†	120,919	+ 19,173
Anglo-Argentine	Mar. 18	56,612	+ 3,781	†	594,071	+ 38,937
Auckland Electric	Oct. 26	23,308	— 880	†	92,118	+ 7,832
Brazilian Traction	Jan. 1	M3,696,000	— M306,000	†	M3,696,000	— M306,000
Brisbane Elec. Inv.	Oct. 1	33,580	+ 820	†	328,420	+ 2,000
British Columbia	Dec. 8	£107,333	+ £30,977	†	£599,797	+ £66,091
B.A. Lacroze	Feb. 1	Rs. 34,307	+ Rs. 1,580	†	393,775	+ 1,239
Burmah Electric	„ b	Rs. 22,985	+ Rs. 73	†	Rs. 17,522	+ Rs. 217
Calcutta	Mar. 23	Rs. 72,275	+ Rs. 7,100	†	Rs. 7,93,946	+ Rs. 42,299
Carthage and	„	„	„	†	„	„
Herreries	Feb. b	4,031	+ 808	†	8,042	+ 837
Cornoba Light	„	„	„	†	„	„
P. & T.	Jan. 1	12,845	+ 1,413	†	134,966	+ 641
Hongkong	„ 19	12,272	+ 1,368	†	35,883	+ 1,705
La Plata	„ b	4,711	+ 396	†	48,962	+ 1,873
Lima	„	41,913	+ 7,888	†	85,449	+ 14,380
Madras Electric	Mar. 15c	Rs. 31,330	+ Rs. 5,363	†	Rs. 188,724	+ Rs. 20,620
Manila Electric	Aug. 8	65,467	+ 4,667	†	547,492	+ 70,625
Mexico	Nov. 1	£215,256	+ £108,609	†	£3,193,106	+ £197,227
Rangoon	Feb. 1	£5,662	+ 1,057	†	11,023	+ 1,745
Singapore Electric	Dec. 29	£13,201	+ £1,173	†	£668,805	+ £11,901
Toronto	Nov. 1	£42,556	+ £8,753	†	£5,032,70	+ £239,133
United of Monte V.	Feb. 1	34,573	+ 2,269	†	135,674	+ 10,201
Vera Cruz	„	519,000	— 12	†	618,000	—
Winnipeg	Nov. 1	£86,880	— £14,744	†	£748,976	— £327,782

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

FOREIGN RAILWAYS.

NAME.	Mar. 9	Ps.	£	£	Ps.	£	£
Alceyand Gandia	Mar. 9	Ps. 9,000	—	£2,000	Ps. 89,900	Ps. 16,170	
Antofagasta (Chili)	„ 17	48,615	+ 14,710	†	425,150	+ 20,015	
Arauco	Jan. 1	14,000	+ 2,000	†	14,000	+ 2,000	
Argentine N.E.	Mar. 16	10,300	+ 3,300	†	308,400	+ 63,298	
Bilbao R. and Canta	Feb. 1	2,953	+ 655	†	8,062	+ 433	
Bolivar	„	9,500	— 639	†	8,236	+ 19,230	
Brazil	Nov. 1	M4,746,000	+ M661,309	†	M453,530,000	+ M528,971	
Brazil Gt. Southern	„	M14,440,050	+ M850	†	M471,527	+ M51,057	
B. Ayres & Pacific	Mar. 23	155,000	+ 75,000	†	3,265,000	+ 29,000	
Do. Central	Jan. 1	29,421	+ 8,949	†	175,607	+ 4,155	
Do. Gt. South'n	Jan. 17	153,000	+ 33,000	†	3,990,705	+ 206,549	
Do. Western	„ 17	76,000	+ 33,000	†	1,703,000	+ 119,000	
Central Argentine	„ 23	181,000	+ 88,000	†	3,917,200	+ 126,200	
C. Ur'g'ay of Mre V.	„ 16	21,961	+ 8,231	†	668,057	+ 187,772	
Do. East'n Ex.	„ 16	6,214	+ 617	†	181,986	+ 8,003	
Do. North'n Ex.	„ 16	3,704	+ 566	†	116,130	+ 30,171	
Do. West'n Ex.	„ 16	2,848	+ 982	†	51,203	+ 11,821	
Cordoba Central	„ 16	40,000	+ 9,020	†	1,077,980	+ 5,380	
Costa Rica	Jan. 19	3,996	+ 2,749	†	81,054	+ 66,253	
Cuban Central	Mar. 16	36,218	+ 1,579	†	668,096	+ 131,447	
Dorada Extension	Feb. 1	7,400	+ 1,400	†	15,700	+ 2,300	
Egyptian Delta	„ 10	8,720	+ 1,433	†	249,329	+ 58,753	
Entre Rios	Mar. 16	21,620	+ 8,000	†	544,200	+ 109,500	
French Santa Fé	Jan. 1	147,488	+ 55,713	†	147,488	+ 55,713	
Gt. South. of Spain	Mar. 9	Ps. 32,015	— Ps. 68,803	†	Ps. 305,276	— Ps. 67,164	
Gt. West. of Brazil	„ 16	21,200	+ 8,300	†	210,100	+ 58,250	
Havana Central	„ 16	10,421	+ 2,946	†	344,210	+ 61,364	
Inter. of C. Amar.	Feb. c	24,247	+ 9,386	†	47,671	+ 17,585	
La Guaira and Car.	„	5,500	+ 3,500	†	13,750	+ 4,250	
Leopoldina	Mar. 16	29,968	+ 5,886	†	355,719	+ 94,238	
Midland Uruguay	Feb. 1	10,000	+ 3,280	†	104,920	+ 4,110	
Mogiana	Nov. 1	M2,212,000	+ M222,440	†	M216,000	+ M247,712	
N.W. of Uruguay	Feb. 1	£23,000	+ £1,202	†	£212,065	+ £19,748	
Nitraie	Mar. 15	34,871	+ 2,208	†	142,664	+ 18,174	
Paraguay Central	„ 16	3,080	+ 330	†	106,310	+ 13,860	
Paulista	Nov. 1	M3,509,000	+ M589,750	†	M306,540,000	+ M142,6138	
Peruvian Corpn	Feb. 1	5925,470	+ 580,640	†	58,203,030	+ 5917,638	
Salvador	„ 23	4,112	+ 1,035	†	85,556	+ 86,350	
State of Bahia S.W.	Mar. 17	M76,000	+ M25,000	†	M190,000	+ M33,000	
S. Paulo (Brazilian)	„	25,797	+ 0,06	†	384,957	+ 109,775	
Sorocabana	Dec. 1	M2,107,000	+ M224,206	†	M16,938	+ M1735,205	
Taitai	Feb. 1	22,993	+ 5,348	†	20,286	+ 56,904	
United of Havana	Mar. 16	93,769	+ 31,307	†	1,938,840	+ 478,796	
West'n of Havana	„ 16	12,838	+ 4,562	†	307,301	+ 83,683	
Zafra and Hueva	Jan. 1	10,923	+ 782	†	10,923	+ 782	

\* Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

COLONIAL RAILWAYS.

NAME.	Nov. c	£	£	£	£
Beira	Nov. c	56,698	— 1,486	†	124,329
Canadian Northern	Mar. 21	£788,000	+ £86,000	†	£29,450,700
Canadian Pacific	„ 21	£2,844,000	+ £198,000	†	£28,068,000
Gr. Trk. Main Line	„ 21	201,366	+ 23,674	†	1,811,744
Gr. Trk. Western	„ 21	34,791	+ 5,532	†	315,870
Detroit G. H. & M.	„ 21	13,346	+ 1,580	†	12,167
Gr. Trk. Pac. Prairie Sc.	„ 14	25,524	+ 5,196	†	231,644
Mashonaland	Nov. c	56,698	+ 1,486	†	56,698
Mid. of Westn. Aus.	Jan. 1	9,296	+ 790	†	52,127
New Cape Central	Feb. 2	2,521	+ 612	†	11,286
Rhodesia	Dec. c	79,220	+ 2,472	†	269,405

\* Months. † July 1. † Jan. 1. c From Oct. 1.

MONTHLY STATEMENTS.

NAME	NETT EARNINGS FOR MONTH.				NETT EARNINGS TO DATE.			
	Month.	Amount.	In. or Dec. on last year	No. of Mths.	Amount.	In. or Dec. on last year	No. of Mths.	
		Dols.	Dols.		Dols.	Dols.		
Atchison T. & S. Fe	Dec.	3,543,000	+ 240,000	12	47,829,000	+ 1,248,000	12	
Atlantic Coast Line	"	2,036,000	+ 420,000	12	12,014,000	+ 607,000	12	
Baltimore & Ohio	"	1,851,000	+ 1,165,000	12	30,588,000	+ 3,425,000	12	
Canadian Northern	"	65,300	+ 758,500	6	3,335,100	+ 2,961,000	6	
Canadian Pacific	Jan.	1,168,000	+ 1,263,000	1	1,168,000	+ 1,263,000	1	
Chesapeake & Ohio	Dec.	1,218,000	+ 44,000	12	14,099,000	+ 1,400,000	12	
Chicago & N.W.	"	2,711,000	+ 10,000	12	27,015,000	+ 3,634,000	12	
Chicago Burl. & Q.	Nov.	1,642,000	+ 2,031,000	11	31,281,000	+ 3,958,000	11	
Chicago G.W.	Dec.	383,000	+ 11,000	12	3,876,000	+ 1,006,000	12	
Chicago, Mil. & S.P.	"	892,000	+ 1,726,000	12	22,026,000	+ 9,338,000	12	
Colorado & Southern	Nov.	1,362,000	+ 419,000	12	17,823,000	+ 2,953,000	12	
Cuba	Dec.	444,000	+ 233,000	11	5,320,000	+ 370,000	11	
Delaware & Hud.	"	363,000	+ 311,000	6	1,136,000	+ 153,000	6	
Denver & Rio Gran.	"	4,000	+ 509,000	12	5,686,000	+ 2,124,000	12	
Erie	"	296,000	+ 441,000	12	7,408,000	+ 1,963,000	12	
Gr. Tr. Main Line.	Nov.	507,000	+ 1,848,000	12	10,538,000	+ 5,277,000	12	
Grand Trunk Westn	"	£86,200	+ £128,600	11	£1,907,300	+ £627,900	11	
Detroit G. H. & Mil.	"	£15,650	+ £1,950	11	£23,200	+ £139,050	11	
Gr. Northern	Dec.	—	+ 1,100	11	£67,700	+ £199,900	11	
Illinois Central	Nov.	1,165,000	+ 1,401,000	12	22,981,000	+ 6,179,000	12	
Kansas City Southn.	Dec.	1,466,000	+ 409,000	11	17,538,000	+ 2,590,000	11	
Lehigh Valley	Nov.	294,000	+ 86,000	12	4,495,000	+ 569,000	12	
Louisville & Nashvi.	Nov.	628,000	+ 376,000	11	9,240,000	+ 2,410,000	11	
Minn. S.P. (Soo) S.	Dec.	1,296,000	+ 178,000	11	16,949,000	+ 836,000	11	
Miss. K. & Texas	"	357,000	+ 207,000	12	9,331,000	+ 3,648,000	12	
Missouri Pacific	Nov.	912,000	+ 126,000	12	8,305,000	+ 2,573,000	12	
New York Cent. & H.	Nov.	1,690,000	+ 321,000	5	9,425,000	+ 1,920,000	5	
N.Y. N. Haven & H.	"	2,939,000	+ 1,742,000	11	45,049,000	+ 13,335,000	11	
New York Ont. & W.	"	1,469,000	+ 608,000	11	19,597,000	+ 1,665,000	11	
Norfolk & Western.	Dec.	111,000	+ 26,000	12	2,228,000	+ 97,000	12	
Northern Pacific	"	1,28,000	+ 200,000	12	19,654,000	+ 3,808,000	12	
Pennsylvania East and West Lines.	Jan.	1,414,000	+ 1,832,000	12	27,423,000	+ 4,110,000	12	
Phil. and Reading	Nov.	5,940,000	+ 1,199,200	11	51,877,000	+ 6,626,000	11	
Reading	"	1,044,000	+ 5,826	11	9,006,000	+ 212,860	11	
St. Louis & San F.	Dec.	577,033	+ 333,000	5	8,656,000	+ 1,093,000	5	
Seaboard Air Line.	Dec.	1,304,000	+ 206,000	12	8,628,000	+ 24,000	12	
Southern	"	673,000	+ 241,000	6	14,753,000	+ 2,098,000	6	
Southern Pacific	Nov.	2,953,000	+ 1,038,000	11	55,577,000	+ 7,255,000	11	
Union Pacific	Dec.	4,465,000	+ 197,000	12	42,942,000	+ 2,115,000	12	
Wabash	"	3,247,000	+ 1,026,000	12	12,003,000	+ 844,000	12	

Treasury Chambers,  
22nd March, 1918.

# DEFENCE OF THE REALM REGULATIONS.

## THE TREASURY (SECURITIES) ORDER, 1918 (No. 1).

Whereas the Treasury have power under Regulations 7C, 7D, and 7E, of the Defence of the Realm Regulations (inserted in those regulations by an Order in Council dated the twenty-fourth day of January, nineteen hundred and seventeen) to apply Regulation 7C to certain securities and to take possession or require delivery of the securities to which the regulation is for the time being applicable subject to and in accordance with the provisions of the regulation:

And whereas the Treasury are of opinion that for the purpose of strengthening the financial position of the country it is expedient that Regulation 7C should be applied to Bonds of the Uruguay 3½ per cent. consolidated loan, which securities are in this Order referred to as "the Uruguayan bonds."

Now, therefore, in pursuance of their powers under the said regulations, and of all other powers enabling them in that behalf, the Treasury hereby order as follows:—

1. Regulation 7C is hereby applied to the Uruguayan bonds.

2. (1) Any such bonds shall be delivered to the Treasury on or before the 22nd day of April, nineteen hundred and eighteen, and for that purpose any person having possession of any such bonds shall, on or before that date, deliver the bonds to the American Dollar Securities Committee at the National Debt Office, 19, Old Jewry, London, E.C. 3, together with a delivery form duly completed. Copies of delivery forms can be obtained on application to the Committee.

Any such person shall also deliver to the Treasury any documents of title relating to the Bonds which may be in his possession or at his disposal.

The delivery shall be subject to the right of the Treasury to return them at any time on giving three months' notice, or to take full possession, in accordance with the terms of this Order.

(2) Any owner of any of the Uruguayan bonds and any person who has power to dispose of or sell any of the Uruguayan bonds or receives on his own behalf or on behalf of any other person the dividends or income of any of the Uruguayan bonds or has any interest in any of the Uruguayan bonds shall (if the bonds are not in his possession) on or before the 22nd day of April, 1918, give to the American Dollar Securities Committee full particulars of the bonds and of his position in relation thereto, delivering at the same time to the Committee any documents of title relating to the bonds which may be in his possession or at his disposal and comply with any directions given to him by the Committee for completing the delivery of those bonds.

(3) While the bonds are under deposit the person whose name is entered for the time being on the Treasury Register will receive from the Treasury all interest and dividends paid in respect of them, and also by way of consideration for the loan a payment at the rate of one-half of one per cent. per annum calculated on the face value of the bonds. Provided that if any bonds are not delivered to the Treasury within the time required by this Order the Treasury will not be bound to make such additional payment as aforesaid, but may grant such additional allowances as they think just in the circumstances, but nothing in this proviso shall prejudice the recovery of any penalty which may have been incurred.

(4) The bonds or other bonds of the same description and the same nominal amount may be returned at any time by the Treasury on the latter giving three calendar months' notice in writing of their intention to do so.

(5) When bonds have been delivered to the Treasury under this Order the bonds will be entered in a special Register kept by the Treasury for the purpose, and a certificate of entry in this Register will be issued. The title of bonds entered in the Treasury Register may be transferred upon that Register by deed in the ordinary way. Transfer deeds for transfers in the Treasury Register will be free of stamp duty and registration fee.

(6) Arrangements have been made by the Stock Exchange Committee for dealings on the Stock Exchange in the deposit certificates of bonds deposited under this Order.

(7) The interest on deposited bonds, together with the additional payment at the rate of one-half of one per cent. per annum, will be paid by warrant, as soon as interest has been received by the Treasury. Interest will be paid in sterling in London.

For convenience of payment, a full quarter-year's additional payment (viz., 1-8th per cent.) will be added to the first interest payment, and on the termination of the loan the amount due from the actual date of deposit to the date of return will be calculated, and any overpayment or underpayment will be adjusted when the return is effected.

(8) In the case of bonds which have come into ownership or ceased to be exempted or excepted after the date of this Order, this Order shall have effect as though there were substituted for the 22nd day of April, 1918, a date one month after the date on which the bonds come into ownership, or cease to be exempted or excepted, as the case may be.

3. (1) If full ownership is subsequently required of bonds delivered to the Treasury under this Order, the Treasury will pay compensation through the American Dollar Securities Committee for the bonds at the rate of 7½ per cent.

The compensation money shall be paid to the person whose name is entered for the time being on the Treasury Register (whose receipt, together with delivery of the Treasury Deposit Certificate, shall be a sufficient discharge), and the compensation money shall be subject to the same trusts, charges, liens, rights, and equities (if any) as the bonds in respect of which it is paid.

(a) Where bonds dealt with under this Order are held either on loan or contango, and the loan or contango is carried over under the scheme for providing Government assistance in dealing with account to account loans on the Stock Exchange, both the lender (or taker in) and the borrower (or giver) are subject to the terms of this Order, except that if full ownership is subsequently taken, special arrangements will be made by the Treasury for postponing the payment of compensation until the bonds cease to be subject to the scheme, and for the determination of the compensation as at the time when it becomes payable, and for payment to be made in the meantime in respect of the income of the bonds.

4. (1) Bonds are excepted from the operation of this Order if it is proved to the satisfaction of the Treasury—

(a) that the bonds come within the proviso to sub-section (1) of Regulation 7C, as set out in Part I. of the Schedule to this Order; or

(b) that the bonds have, with the permission in writing of the American Dollar Securities Committee given at the time of purchase, been purchased since the 14th day of January, 1917, by or on behalf of a person not ordinarily resident in the United Kingdom and that they remain in the beneficial ownership of such person; or

(c) that the bonds are securities within the scope of paragraph (a), (b) or (c) of Part II. of the Schedule to this Order.

(a) Where any person claims that the bonds are, by virtue of this provision, excepted from the operation of this Order, he (or his agent) shall, on or before the 15th day of April, 1918, give notice to the American Dollar Securities Committee, stating particulars of the grounds on which his claim is based; and if on adjudication his claim is not sustained, this Order shall take effect as respects those bonds as if the seventh day after the date of adjudication (if that day is later than the 22nd day of April, 1918) were substituted for the 22nd day of April, 1918.

Provided that no notice shall be necessary under this sub-section in respect of any bonds where notice has been given to the Custodian as to those bonds under section three of the Trading with the Enemy Act, 1914, as amended by any other Act, and no penalty shall be incurred for not giving any such notice.

5. The owner of any bonds to which Regulation 7C of the Defence of the Realm Regulations is for the time being applicable (including any person who has power to dispose of or sell the bonds, or has the custody of, or receives on his own behalf, or on behalf of any other person, the income from the bonds) and any person who has any interest in any such bonds is under that regulation bound to take all steps and do anything which is necessary or is directed by the Treasury for the purpose of or in connection with the delivery of those bonds to the Treasury; and if he acts in contravention of, or fails to comply with, that provision, he is guilty of a summary offence against those regulations.

6. The Treasury reserve to themselves the right to refuse, either in whole or in part, any offer to deposit bonds under this Order.

7. This Order may be cited as the Treasury (Securities) Order, 1918, No. 1, and the Treasury (Securities) Orders, 1917, and this Order, may be cited together as the Treasury (Securities) Orders 1917 and 1918.

Given under our hands this twenty-second day of March, 1918.

James Parker.

James F. Hope.

Two of the Lords Commissioners of His Majesty's Treasury.

### SCHEDULE.

#### PART I.

##### 1. Proviso to sub-section (1) of Regulation 7C.

Provided that no such Order shall apply to any securities as to which the Treasury are satisfied that on the twenty-fourth day of January, nineteen hundred and seventeen, they were beneficially owned by a person not ordinarily resident in the United Kingdom and that they remain so owned.

#### PART II.

(a) Securities which are held, in any country outside the United Kingdom, by persons who are not domiciled in the United Kingdom, or by trustees who are prevented by the laws of such other country or by the terms of their trust from placing the securities at the disposal of the Treasury, and are not entitled to the benefit of any indemnity conferred by Act of Parliament in respect of the contravention of those terms, if the securities were so held before the twenty-ninth day of May, nineteen hundred and sixteen, or where such securities are under the jurisdiction of a court in such other country, and it would be contrary to the laws of such other country to place such securities at the disposal of the Treasury;

(b) Securities which are deposited with persons outside the United Kingdom as a security for a loan from persons outside the United Kingdom, if they were so deposited or made security before the twenty-ninth day of May, nineteen hundred and sixteen, or after that date with the approval of the Treasury, and if the Treasury are satisfied that the securities cannot be released without impairing the security for the loan;

(c) Securities which are proved to the Special Commissioners of Income Tax to be held by any company or persons concerned in the trade or business in any country outside the United Kingdom as a condition (imposed in that country) of carrying on that trade or business.

# The Investors' Review

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## THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	...	...	£1,500,000
Capital Issued	...	...	1,125,000
Capital Paid Up	...	...	562,500
Reserve Fund	...	...	600,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS  
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

**DEPOSITS** received for one year at 5 per cent. per annum. Rates for other periods on application.

On **current accounts** interest is allowed at 2 per cent. per annum on daily balances.

## ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

PAID-UP CAPITAL	£2,000,000
RESERVE AND UNDIVIDED PROFITS	914,868
DEPOSITS	26,177,865

Head Office: ST. ANDREW SQUARE, EDINBURGH.

Cashier and General Manager, A. K. WRIGHT. Secretary, J. B. ADSHEAD.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager. ALEX. DICK, Deputy-Manager.

Glasgow Office: EXCHANGE SQUARE.

A. DENNISTOUN, Agent. THOMAS LILLIE, Sub-Agent.

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Banking Business of every description transacted. Accounts opened and Agency business undertaken for Foreign and Colonial Banks and other financial establishments. Drafts, Circular Notes, and Letters of Credit issued—available throughout the world. Cable transfers are also made. Deposits received at interest repayable at call or at notice. Correspondence invited.

## THE BANK OF TAIWAN, LTD.

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BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	.. .. .	Yen 48,000,000
Capital Paid Up	.. .. .	Yen 42,000,000
Reserve Fund	.. .. .	Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Bombay.	Honolulu.	Newchang.	Shanghai.
Calcutta.	Hong Kong.	New York.	Shimonoseki.
Changchun.	Kobe.	Osaka.	Singapore.
Dairen (Dalny).	Los Angeles.	Peking.	Sydney.
Fengtien (Mukden).	Lyons.	Rangoon.	Tientsin.
Hankow.	Manila.	San Francisco.	Tokyo.
Harbin.	Nagasaki.	Seattle.	Tsinanfu.
			Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

## HONGKONG AND SHANGHAI BANKING CORPORATION.

Capital (all paid up)	£18,000,000
Reserve Reserve, held in London at exchange of 2s. per \$	\$18,000,000
Silver Reserve	\$18,000,000

Reserve Liability of Proprietors.. .. . \$18,000,000

HEAD OFFICE—HONGKONG. Chief Manager—N. J. STABB.

BRANCHES AND AGENCIES:—Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Colombo, Fookow, Hankow, Harbin, Hongkew (Shanghai), Ipoh, Johore, Kobe (Hiogo), Kuala Lumpur, London, Lyons, Malacca, Manila, Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San Francisco, Shanghai, Singapore, Sourabaya, Tientsin, Tsingtau, Yioho, Yokohama.

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A. M. TOWNSEND, Esq.

GRACECHURCH STREET, LONDON, E.C. 3.

SIR CHARLES ADDIS, }  
H. D. C. JONES, } Managers in London.

JOHN MACLENNAN, Sub-Manager.

W. M. BLACKIE, Accountant.

# LONDON COUNTY & WESTMINSTER BANK LIMITED.

ESTABLISHED IN 1836.

**AUTHORISED CAPITAL £17,000,000, in 850,000 Shares of £20 each.**

Reserve exceeds - - - £4,700,000.

Chairman: WALTER LEAF, Esq.

Deputy Chairman: Sir MONTAGUE TURNER.

HEAD OFFICE: 41, LOTHBURY, E.C. 2.

Joint General Managers: F. J. BARTHORPE.

J. W. BUCKHURST.

Foreign Branch Office: 82, Cornhill, E.C. 3.

The Bank is represented by Branches or Agents in all the Principal Cities and Towns of the United Kingdom and has Correspondents throughout the World.

Spanish Branches:—Barcelona: Paseo de Gracia 8 &amp; 10. Madrid: Calle de Alcalá 43.

Affiliated in Ireland: Ulster Bank Limited.

Affiliated in France: London County and Westminster Bank (Paris) Limited.

Paris: 22, Place Vendôme. Bordeaux: 22/24, Cours de l'Intendance.

**EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED**  
**EXECUTOR AND TRUSTEE DUTIES UNDERTAKEN.**

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Head Office—38, Lombard Street, E.C. 3.

Subscribed Capital .. .. .	£1,078,875 0 0
Paid-up Capital .. .. .	539,437 10 0
Further Liability of Proprietors .. .. .	539,437 10 0
Reserve Fund .. .. .	500,000 0 0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION Manager.

## THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital .. .. .	£1,000,000.	Subscribed Capital .. .. .	£225,000
Paid-up Capital .. .. .	£500,000		
Reserve Fund .. .. .	540,000		
	£1,040,000		
Uncalled Capital .. .. .	125,000		
Reserve Liability of Shareholders .. .. .	625,000		
	£1,790,000		

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

## THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71, Old Broad Street, E.C.

Subscribed Capital .. .. .	£1,276,747 10 0
Paid-up Capital .. .. .	669,686 0 0
Reserve Fund and Undivided Profits .. .. .	375,680 11 8
Reserve Liability of Proprietors .. .. .	606,982 10 0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

## THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £2,000,000; together .. .. .	£4,000,000
Reserve Liability of Proprietors .. .. .	4,000,000
Total Capital and Reserves .. .. .	£8,000,000

HEAD OFFICE - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

## THE WESTERN AUSTRALIAN BANK.

Established 1841.

Established 1841.			
Paid-up Capital ..	£250,000 0 0	25,000 Shares of £10 each.	
Reserve Fund .. ..	£700,000 0 0	Reserve Profits ..	£16,000
Reserved Liability of Shareholders £250,000.			

Drafts issued Remittances cabled. Bills negotiated or collected. Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents, The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

## BANK OF NEW SOUTH WALES

Established 1817.



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Reserve Fund .. .. .	2,875,000
Reserve Liability of Proprietors .. .. .	3,904,860
	£10,684,720

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HALKERSTONE MELDRUM, Assistant Manager.

DAVID GEDDIE, Accountant.

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Reserve Fund .. .. .	2,000,000

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Ordinary Shares .. .. .	1,500,000
	£2,779,988
Reserve Fund and Undivided Profits .. .. .	£2,246,595

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ALEXANDER KAY, Manager.

# The Investors' Review.

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## ANSWERS TO QUERIES.

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## Passing Events.

Last week's applications for National War Bonds of the Bank of England issue numbered 14,352, representing £16,316,238 applied for. It was not at all a bad result for a week broken into by holidays, and, added to previous figures, brought up the total number of applications to 496,959, and the total amount of money subscribed in this form of debt to £611,193,400. Of the Post Office issue in the week ended March 23, which was an unbroken week, the amount applied for was £770,000 by 29,800 applicants. This raises the total number of applicants through the P.O. to 972,800, and the amount to £24,043,000. In the same week War Savings certificates to the number of 2,845,120 were sold, raising the total sales to 174,221,621, and that number represents in money £125,000,000. Thus the debt subscriptions of all kinds in National War Bonds and War Savings certificates has produced just over £760,000,000. A fresh series of National War Bonds is now on sale, and we hope the results of that will be at least as encouraging as those of the issues now closed. Even the classes rejoicing in undreamt of wealth from lavish wages provided by credit may at last begin to realise that if the war is to be won as it should be, and must, they would do well to save and invest even though the pious Chancellor of the Exchequer denies them the innocent excitement of the premium bond.

So far as we have been able to discover, there never has been any real hostility to the idea that a Frenchman should take supreme command over all our armies in the West. The nation wants the war well won, and is not solicitous who leads it so long as the goal is attained. Apparently, however, the War Office pundits, or the War Cabinet, think otherwise, and have been living in a sort of quaking fear lest the announcement that General Foch had been placed in supreme command would produce something like a revolt among their grumbling and by no means homogeneous following in the House of Commons and in the country. So the arrangement was *camouflaged*, to use an expressive war word now becoming familiar, led up to by devious ways of Government Press suggestion, and so gradually disclosed to a nation which might be angry. The

Government did not know; it was best to go crookedly. But we are not such selfish and jealous people as all that. On the contrary, it is matter for rejoicing with most of us that a soldier of General Foch's well-tryed capacity and splendid abilities should take the supreme direction of all the armies, French, British and American, now arrayed against the devastating invader in France and Flanders. We are all of us Allies leagued together for the victory; not to indulge in military parades, in boastings and vain glory. The man who struck the decisive stroke at the long Marne battle, and *who did it at the right time*, is the man our troops will be proud to follow. Possibly had we possessed a military leader shaped after the type of the Prussian ones, had our Marshal Haig been a "limelight performer," ever keeping himself before the public eye, a certain amount of chagrin and jealousy might have been generated among the unthinking by the appointment of General Foch to the supreme Allied command, but Sir Douglas Haig is not a man of that cast at all. He has always kept himself in the background, and from all we have heard of him, he is much more likely to feel relieved, and to rejoice that some of the immense responsibility has been taken off his shoulders, than to dream of making it a grievance. Surely there will be enough left for him to do in the guidance of our own armies, so that they may always perform their share.

Some things were said at the Leicester gathering of the Independent Labour Party this week which deserves serious attention. Because we differ from the leaders of that party, few of whom are "labourers" in the usual acceptation of the term, or know anything practical about labour, it does not follow that we must regard them either as altogether renegades and traitorous to their country or as actively rebellious. But the impression we gather from such summaries of the speeches as Press restrictions now enable us to get is that the leaders are not practical men. They go forth with their idealism into a world of rude facts and attempt to apply their sickly theories without considering these facts. For example, Mr. Smillie again put forward the idea that we should stop fighting and negotiate with the enemy; insinuated, in fact, that our Government was criminal to persist in continuing the struggle. This enabled him to draw a picture in the Carlyle manner of a moment "ten or fifteen years

hence," when the last British and German soldier would confront each other on No Man's Land and would be urged by their Governments to get on with the war, but would exchange their last cigarettes and match and ask each other, "But what is it about?" We read almost every day more or less of the same sort of stuff, but this sample is enough to show how completely ignorant Mr. Smillie and his supporters are of the all-impelling forces that have brought about this war, and of the underlying motives which now order us to continue it to the end for the world's deliverance. They would negotiate, these people always tell us, and we should really feel obliged if they would tell us with whom. Is it with the Kaiser, with his military leaders, with the apostles of Pan-Germanism in church, college and market place? If so, what guarantee can they offer us that these war makers and coveters of other men's goods will deal honestly in the bargaining and keep their word, once passed? They can give no guarantee of any sort. Can they not see that the main immediate reason why fighting must go on lies in the perfect untrustworthiness of those who are now, in a last despairing fury of murder, pushing the Germanic races towards the bottomless pit in the vain hope that they themselves may escape their doom? If they could only grasp that fact they might perhaps hold their tongues; although some of them seem almost to be of that unfortunate type of mind which must always strive after oddity, singularity of ideas, and perambulate the world wearing a general air of hostility towards all mankind outside their selected group of followers. But there appears nevertheless to be a few sensible men amongst these Independent Labourites, and some of them are beginning to betray symptoms of their eyes opening to the light. Mr. Ramsay Macdonald, for example, has several times lately shown that he has begun to understand this fight to be a war between light and darkness, between righteousness and falsehood, between freedom and justice and the rapacity of the insatiable robber. Because it is that we have to fight it out. Until the aggressors have been beaten to the dust and lay down the sword negotiating is impossible. The least people like these Labourites who gather themselves together to display discontent before the country can do is to keep quiet until the issue is decided. They may not have to do it for so very long now. Have they the requisite self-restraint?

Many people are disposed to regret the tone of some of the Prime Minister's recent war messages. They seem to betray fright, scare, and really if that is so they do not represent the attitude of the nation towards this last and crowning agony of the war. Was it necessary to adopt a tone of almost despairing entreaty in that message which the Prime Minister sent to Lord Reading to be read out to an audience in the United States? And is this call for an extension of the age during which our males are to be liable for military service really so acutely urgent as Mr. George says? The intimation that the liability to serve age is to be raised to 50 has produced something like consternation in business circles, and that not by any means for merely selfish reasons. The dislocation of business produced by a general enforcement of this expanded liability to be summoned to the colours might well prove disastrous, and almost irremediable in many branches of industry and business. Our industries cannot fail to be hampered, and perhaps more or less disorganised, and our position as world traders is nearly sure to be compromised by this latest combing out.

But the basic question is why the necessity for this step now on the instant? Have we not an Army of something like five millions of men on foot? Can we not supplement that enormous mass of men by another million or two of recruits from the more warlike populations of India if necessary? Have we not now the assistance of the American troops, thousands of whom are arriving in France almost every day in the week, and who will probably prove to be amongst the most courageous, intelligent, and resourceful fighting men

we the war-worn and hard-pressed Allies could have? Why this feverish rush to hustle more of our men, especially our elderly men, to join up, so that defeat may be averted? What is the Prime Minister afraid of? Surely if we have survived the onslaught of the Germans this time we are not going to be beaten when next he masses his pawns to try and break through our lines, for want of a few greybeards. Can we not have confidence that as our soldiers *have* done so they *will* do; that as our French Allies have withstood and overthrown the enemy, not once, but many times, before Verdun and elsewhere, so they will again prove to be that enemy's masters? Has the Government been lying to us about the strength of our Army? What is the matter? Whatever the cause of the screaming it is regrettable, because it tends to damp the spirit of the nation. It sees the man who thrust himself without being asked into the position of its leader and spokesman, shrieking, now at a trying moment, like a frightened woman of weak nerves when surprised and scared out of her wits.

In the year to February 28 the Bank of Scotland made a nett profit of £285,500, or £27,000 more than in the previous 12 months, while the amount brought in was £12,000 larger. The directors, however, are content to leave the dividend at 16 per cent., but they set aside £100,000, against £80,000, for contingencies, place £5,000 (new) to staff widows' fund, and write £10,000, against £5,000, off premises, leaving £11,500 more at £35,730 to be carried forward. Notes in circulation show an expansion of £580,000 at £3,075,000, and current accounts, &c., have increased £1,540,000 to £28,457,000. Cash has risen £760,000 to £4,580,000, and investments are £1,540,000 up at £15,450,000, but discounts and advances are £170,000 lower at £13,250,000. These figures seem to indicate a certain lack of enterprise, which, however, may be justifiable in the circumstances. The balance-sheet totals at £34,950,000, an increase of £1,936,000. A year ago £300,000 had to be taken from reserve to write off the depreciation on investments, and we are glad to see that no similar provision has to be made on this occasion. The amounts set aside for contingencies do not figure in the balance-sheet.

Magnificent progress continues to be made by the ably managed Chartered Bank of India, Australia, and China. Gross profits last year amounted to £923,000, an increase of £94,400, but expenses absorbed £73,000 more, and the nett profit of £402,800 is £21,500 up, while £27,000 more was brought in. Consequently the directors feel justified in raising the bonus from 12s. to 20s. per share in addition to the regular dividend of 14 per cent., making a total dividend of 19 per cent., against 17 per cent., both free of income-tax. Moreover, £100,000 is again placed to reserve fund, raising it to £2,000,000, almost equal to the paid-up capital and note circulation combined. Officers' superannuation fund gets £5,000 more at £25,000, and £40,000, against £30,000, is written off premises, leaving £167,260, or £10,000 more, to be carried forward. It is a fine achievement, and we do not suppose that the shareholders will boggle for a moment to increase the directors' fees from £6,000 (at which they were fixed in 1906) to £10,000. Considering the expansion in the business during the last dozen years, they are well and truly earned. Current accounts have increased £4,886,000 to £19,350,000, and fixed deposits £470,000 to £8,693,000, but the note circulation shows a contraction of £93,000 at £926,000. Bills payable have been reduced by £2,840,000 to £583,000, and loans payable by £420,000 to £530,000, but acceptances are up £280,000 at £1,256,000, and sundry liabilities £257,000 at £1,180,000. On the other side, cash in hand has increased £3,050,000 to £8,694,000, but bullion has fallen from £280,000 to £45,000. Investments are £300,000 higher at £4,340,000, and discounts, &c., have increased £540,000 to £10,143,000. Bills of exchange are down £7,730,000 at £4,338,000,

but this is evidently due to the segregation of a new item of £6,446,000 for drafts, &c., in transit. The balance-sheet totals, at £36,126,000, an increase of £2,700,000, and everything looks as healthy as could be desired.

Further evidence of the prosperity being enjoyed in our great Dependency is furnished by the report of the National Bank of India, Ltd., which, by the way, will celebrate its jubilee meeting next week. Gross profits amounted to £686,650, an increase of £117,000, and the nett profits were £353,000, or £56,000 higher. In addition to the regular dividend of 16 per cent., the directors recommend a bonus of 4 per cent., making 20 per cent. in all, free of income-tax, besides which the appropriation to reserve is doubled at £100,000. Last year £64,000 had to be written off investments, and as there is no corresponding item on this occasion the carry forward is increased by £33,000 to £140,000. The reserve now amounts to £1,350,000, against a paid-up capital of one million, with a similar amount uncalled. Current and deposit accounts have risen £5,133,000 to £24,685,000, bills payable £203,000 to £1,550,000, and acceptances £213,000 to £850,000. Cash has increased £2,684,000 to £7,080,000, bills are up £2,480,000 at £12,076,000, and advances are £50,000 higher at £7,332,000. The result of these movements is that the balance-sheet total is £5,660,000 up, and now reaches almost 30 millions, a very respectable figure, even in these days when we are apt to forget what a modest million really means.

Now that the British Italian Corporation, Ltd., has got a proper start it has been able to do some profitable business, although conditions have not been favourable and a good deal of the work done has been of a preparatory nature. The corporation was formed in the middle of 1916 with the active support of the Government, which provides a subsidy of 5 per cent. on the paid-up capital, repayable without interest by allocation of an amount equal to any dividend which the shareholders receive in excess of 5 per cent. cumulative. Under this arrangement the company has received £83,420, which has been placed to reserve. Nett profits last year amounted to £43,070, out of which a dividend of 5 per cent. is recommended, leaving £5,880 to be carried forward, against £4,220 brought in. The corporation's auxiliary in Italy, the Compagnia Italo-Britannica, made a nett profit of 147,600 lire, and also pays a dividend of 5 per cent. Shares in this company figure in the balance-sheet at £158,800, and there are other investments amounting to £153,700. Bills receivable amount to £646,000, and cash stands at £68,900. It looks quite a promising start, and we have every confidence that the corporation will carve out for itself a useful and profitable career.

Sir W. George Watson, Bart., was in a dismal frame of mind at the meeting of the Maypole Dairy Co., Ltd., and, to read the greater part of his speech, one might imagine that red ruin was staring the company in the face. It is all due to those wicked people who are allowed to sell sugar and consequently attract customers for tea, margarine, and other articles. But before the sugar restrictions came into force there was nothing to prevent the Maypole from selling it, and we presume they deliberately decided not to do so because other lines paid them much better. There can have been no other reason, although it must often have put their customers to considerable inconvenience. We cannot say that we have any sympathy with their troubles, but they might get some if they faced the position more cheerfully. After all, it does not require a great deal of philosophy to bear the hardship of a million a year nett profit and a dividend of 22½ per cent.

Business was not particularly good for the London and Thames Haven Oil Wharves, Ltd., last year. Nett profits, including the balance brought in, were

£17,000 less at £43,670, and we may note that this time there is no reference to excess duty. A year ago £20,000 was placed to reserve, raising it to £120,000, and by omitting any similar appropriation now the available balance is £3,000 up at £36,650. There is consequently no difficulty in repeating the dividend of 8 per cent. (of which 2½ per cent. has already been paid), and the carry forward is £2,000 up at £23,270. The report does not enter into any details about the trading position, these being reserved for the chairman's statement at the annual meeting. Changes in the balance-sheet are unimportant, and need not detain us.

Excellent progress is shown in the report of the Canada Steamship Lines, Ltd., for the past year. Most of the company's business is confined to the Great Lakes, far removed from the dangers of the war zone, and the total revenue shows an increase of \$1,400,000 at \$13,534,000. On the other hand, expenses increased nearly a million and a-half, with the result that nett earnings come out \$36,000 lower at \$4,024,000, and as \$260,000 more is set aside for depreciation, the nett profit, after providing for fixed charges, is \$213,000 down at \$2,178,000. However, profit on sales of fixed assets amounted to \$942,000 against \$180,000, and it has therefore been possible not only to wipe off the arrears of preference dividend (about 13 per cent.), but to pay the full rate of 7 per cent. for the past year. Even then there is a surplus of \$2,375,000, equal to almost 20 per cent. on the common stock, but the directors prudently recommend that this should be carried forward in order to strengthen the position of the company. The ratio of expenses to gross revenue rose from 66½ to over 70 per cent., and until conditions become more normal it is wise to provide for contingencies. It is stated that the tonnage owned by the company is greater than it was last year, despite the losses that have occurred, and the directors are confident that there is a promising field for development and expansion on the high seas. Ample provision appears to have been made for depreciation, and we have no doubt it is a fact that the fleet is in a state of greater efficiency than at any previous time.

From the *Financial Times* we learn that a company called the British Cellulose and Chemical Manufacturing (Parent Co.), Ltd., has been formed, with a share capital of £3,500,000, and prior charges, it is estimated, will raise the total to fully six millions. Apparently it is intended to take over and extend the existing business operating under a similar title, and, according to Manchester gossip, the undertaking will have the active support of the Government as a "key" industry.

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The board includes Sir Lionel Phillips (of the Central Mining group) and Sir A. Trevor Dawson, vice-chairman and a managing director of Vickers, Ltd., so that the new venture is assured of powerful backing. Further developments will be awaited with interest, and as another director, Mr. H. McGowan is also a managing director of Nobels, who recently joined the board of Levinsteins, Ltd., there is an impression that a big merger with British Dyes, Ltd., is in contemplation for the control of this vastly important side of the chemical business. We must wait and see.

Debenture-holders in the Monterey Railway, Light and Power Co. will be somewhat reassured by the report which has just been issued by the committee appointed in October, 1916. The troubles of the company began some time previously, owing to the failure to obtain supplies of fuel oil necessary for the operation of the tramway, light and power plants, and these enterprises had in consequence been taken over, and were being operated by a local commission appointed by the Governor of the State of Nuevo Leon. Interest and sinking fund was in arrears, insurance premiums could not be paid, salaries were overdue, and the company's earnings were in paper which could not be converted into gold, while these requirements could only be satisfied in gold. Permission was obtained to issue prior lien bonds, but thanks to the authority given early last year to the company to collect a certain proportion of its tariffs in gold it is hoped that resort to a bond issue will not be necessary. Difficulties are not by any means all surmounted, but it is satisfactory to learn that the Government Commission appears to have done everything that could reasonably be expected in the way of careful and honest administration, and the outlook therefore is not nearly so black as it seemed a few months ago.

There was an appreciable recovery in the output of gold by the Mysore Gold Mining Co. in 1917, which was due to a marked increase in the quantity of residues dealt with. This was the outcome of the starting up of the dump retreatment plant, part of it in June and the balance in October. The average yield, however, was appreciably less, but this was offset by an increase in the tonnage milled, which rose from 305,845 to 307,126. Tailings treated amounted to the record total of 523,455 tons, as against 433,625. The total yield was £842,057, against £836,743, but the profit declined from £450,534 to £404,296. This reduction of £46,237 in the profit was due to heavily increased costs, and the higher rate of exchange. Expenditure on capital account amounted to £100,137, and the balance available is £83,044, which is about £28,600 less than last year. This necessitates a further reduction in the dividend from 95 to 85 per cent., the lowest rate since 1895. The carry forward is £3,955, against £3,678. In future it is proposed to pay dividends half-yearly, the interim in October and the final in April. Reserves of ore have been further reduced from 1,019,000 tons to 939,000. The retreatment plant is now giving excellent results, the recovery of gold being in excess of original estimates. A large reduction in capital expenditure is now practicable, and will thus synchronise with the proposed diminution of output. Development restriction and a continuance of the poor zone are responsible for the decrease in the ore reserves, and the underground position seems now to require careful watching.

A still further improvement in profits is recorded by the Rio Tinto Co. in the report for 1917. The total was £2,071,827, as against £2,038,825 in 1916, which showed a sharp recovery on 1915, when the profits dropped to £1,292,260. For the two years preceding the war the profits averaged nearly £2,000,000, so that the company is liable to only a small amount, if any, in respect of excess profits duty. The depreciation allowance is raised from £47,263 to £61,835. By a final payment of 45s. per share the dividend is brought up to 90 per cent. for the year, which, how-

ever, is 5 per cent. less than for 1916, the directors apparently electing to keep a large reserve in hand, the carry forward being raised from £283,330 to £519,572. Very little information is given in the report regarding mining operations, but it is explained that all the copper produced found a ready market at a high price. Thus the difficulties which attended shipments from the Mason and Barry mine did not affect the Rio Tinto.

### The Revenue, the Debt, and the Coming Budget.

For the year ended March 31 last the revenue of the United Kingdom from all sources, except borrowing, was £707,234,565. Such a figure was never before reached in the history of the country. In fact, it is the largest revenue ever collected by any country in the world's history. It exceeds that of the previous year by £133,807,000, and from this point of view may be held to afford emphatic testimony to the extent of our resources, to our staying power. And it is all the more remarkable when we consider that such a revenue was drawn from the community in the fourth year of the war. Since August 4, 1914, we have raised nearly £1,800,000,000 from taxation and State monopolies, interest received or credited, and so forth; but within the same period our spendings have amounted to nearly £7,000,000,000, or, to be more exact, to £6,951,000,000. Deducting the revenue from this stupendous aggregate we get £5,157,000,000 as the amount we have had to borrow in order to meet the consuming expenditure of this civilisation obliterating war.

This last fact is of the utmost importance if we are to understand the true position of the country, the fact that the war will leave us and all our allies overwhelmed in debt. It is also a notable fact that the old and long-established sources of revenue, in spite of various post-war adjustments and increases, for the most part have not given so very much more money to the Exchequer than they did before the war. The Excise income, indeed, was £17,608,000 less last year than in the previous one, but that may be explained by the restrictions on the output and consumption of alcoholic liquors and has not necessarily anything directly to do with the taxpaying capacity of the people. Indirectly though it may have a good deal to do with our staying power. So, too, with the Customs revenue. It has been restricted by the liquor traffic regulations aforesaid, and by the effect of the submarine piracy, as well as by a check on consumption, the effect of augmented duties. Even so, the Customs yielded £700,000 more last year than in the year ended March 31, 1917, and small increases came from most other branches of taxation; nothing to boast of, perhaps, and yet estate, &c., duties, in spite of depreciation and the effect of enhanced taxation, produced £442,000 more.

The main sources of the increased revenue, however, were the income-tax and the excess profits tax, which together furnished £460,000,000 of the whole £707,000,000 collected. The yield of income-tax, including super-tax, was £34,476,000 more last year than the year before, and the excess profits duties gave £80,294,000 more. It thus appears that the revenue has been increased chiefly out of the larger profits of war-created or stimulated business. Consequently these taxes on expanded profits may be said to represent that fragment or percentage of the money borrowed which has made its appearance in private balance-sheets as nett profits on the business of the year. The great receipts of the Exchequer are therefore not culled from old or stored wealth, but are the skimmings of the mighty stream of credit called into being by the war.

What will happen, then, when nett profits are no longer swollen or created by this war expenditure? Obviously the income will disappear from whence this revenue was gathered. It would not be straightforward, therefore, on the part of any Chancellor of the Exchequer to draw up his Budget on the assumption

that, when peace returns, he can continue to collect a large portion of his income from excess profits duties, or super-income-tax, or any source of that kind. There may, then, be no excess profits; nay, even the ordinary profits of businesses, as well as the mass of taxable fixed incomes, may shrink to an embarrassing extent for many years after the war ends.

A wise finance minister will try then to frame his Budget so as to make the bulk of the revenue depend upon durable sources of wealth, not upon transitory. Direct taxes in any case must remain the principal source of the public income, but they may have to be imposed upon different types of income than the easy one of war profits. The transitoriness of the war-produced flush of credit wealth makes us regret that more of these profits than the figures reveal has not all along been utilised as revenue in financing the war. It is all very well to boast and plume ourselves upon the wonderful capacity of the country to "stand the racket," to pay its bills, but that boasting ought not to disguise from us the fact that the real source of the prosperity of the Exchequer is the war expenditure and little beyond. If we were not accustomed to treat financial unrealities, make-believes and assumptions with a gravity of demeanour too usually well calculated to conceal the truth, we should long ago have perceived that if we are to be out and out conquerors in this "Armageddon" our self-sacrifices at home will have to be much greater than they have been. And they should be the easier to be resolved upon seeing that if we lost the war we should probably have no property of any sort left.

Suppose, for example, all classes in the country had joined in a self-denying ordinance to make no money out of the war; would there have been any excess profits to be utilised as taxes? There might not, but, on the other hand, the debt which the war has piled up might very likely have been less than half, perhaps not even so much as a quarter, of what it will now be when hostilities cease. And if this self-denial were continued until the debt, whatever it might be, had been all redeemed, would not the prospect be immeasurably brighter for us than it can be as things now are?

Unfortunately we have not yet been driven out of our hypocrisies, especially our financial hypocrisies, by the calamities of war. We are, too many of us, still busy making profit out of it more or less, or planning to do so. Many have all along deliberately formed plans to make large profits out of the war business, just as if it were ordinary business and not trading in the life-blood of the people. Nobody, so far as we have observed, has squarely faced the problem which confronts us when the war ends—How are we going to pay our debts as well as pay our way? Where is the money to come from to redeem those debts, or even to pay the full interest upon them, and at the same time to meet the cost of demobilisation, pensions, re-establishment, housing, education, and all the multitude of "wants" deemed necessary to our civilisation?

Last year, for example, the total interest charges on the old and new debt came to about £190,000,000, or to more than the aggregate of the entire expenditure of the nation under all heads at the end of last century, and it will probably be much heavier than this for many years after the war ends because the figure of £190,000,000 is not the whole truth. Part of the debt interest which we are now paying is concealed by the credits taken on the revenue side for interest owed by the colonies and by our Allies, and charged against our advances. "Miscellaneous" revenue, for example, has increased by £35,632,000 in the year just closed compared with 1916-17, £52,148,000 in all being last year put down to this "jumbled" entry. Now, of that £52,000,000 odd, probably at least £25,000,000 represents interest, &c., due by our Allies and the British Dominions abroad upon the loans and advances we have granted to them. Has that interest been received? Not in full or in cash in a single instance. Where, then, is it hidden on the expenditure side? It is probably added to the capital of the loans and

advances, and so buried in last year's total expenditure of £2,696,000,000, or tucked away among the £2,495,000,000 set down against "Supply." It will be for the Chancellor of the Exchequer to explain. And he must eschew *camouflage* in finance. There must be no glossing things over in that field any more than in the arena of warfare. Let us know what to expect and where we stand. We shall live in danger of plunging headlong into revolution—into Bolshevism if you like—if we go on make-believing as we have been doing hitherto.

Well might the Chancellor of the Exchequer, in a moment of expansive candour, hint at "conscription" of capital. If the leaders of the nation had been wise, if our patriotism had been genuine and out and out all through, our revenue would have been twice what it is, aye three times, and we should have been in no dread. Rich and poor would long ago have mingled together, have stood shoulder to shoulder, not merely in trench or in battle array, but in the work to be done to make our triumph in the war a real emancipation from slavery. It would have ended with a debt immensely smaller than we are now looking forward to having to carry. And debt means degradation, always under all circumstances. To escape that, to live as freemen in a world delivered from the tyrant and oppressor, all energies must therefore be bent, and every buttress of privilege overthrown. Is Mr. Bonar Law the man to evolve the right plan; to lay broad the foundations of our peace of liberty, and to adhere to it in spite of every form of opposition and obloquy? We shall be better able to say after the Budget. The task before him and the Ministry of which he is a member is formidable enough to evoke sympathy rather than criticism, and provided the right road is selected we shall not grumble too hotly should progress along it be at the outset halting and slow.

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## Revenue Returns.

I.—AN ACCOUNT OF THE TOTAL REVENUE OF THE UNITED KINGDOM in the undermentioned periods of the year ending March 31, 1918, as compared with the corresponding periods of the preceding year.

	Quarter from Jan. 1 to Mar. 31, 1918, compared with the corresponding quarter of the preceding year.			
	Quarter ending Mar. 31, 1916.	Quarter ending Mar. 31, 1918.	Increase.	Decrease.
Customs .. .. .	£18,151,000	£19,618,000	—	1,467,000
Excise .. .. .	10,568,000	14,890,000	—	4,322,000
Estate, &c., Duties .. .. .	8,481,000	9,368,000	—	887,000
Stamps .. .. .	2,666,000	2,458,000	208,000	—
Land Tax .. .. .	605,000	590,000	15,000	—
House Duty .. .. .	1,590,000	1,580,000	10,000	—
Property and Income Tax (including Super-Tax) .. .. .	171,602,000	152,640,000	18,962,000	—
Excess Profits Duties, &c. .. .. .	71,269,000	60,092,000	11,177,000	—
Land Value Duties .. .. .	376,000	370,000	6,000	—
Postal Service .. .. .	8,400,000	7,850,000	550,000	—
Telegraph Service .. .. .	900,000	850,000	50,000	—
Telephone Service .. .. .	1,900,000	1,800,000	100,000	—
Crown Lands .. .. .	230,000	180,000	50,000	—
Receipts from Sundry Loans, &c. .. .. .	4,337,237	3,233,672	1,103,565	—
Miscellaneous .. .. .	5,509,025	4,767,299	741,726	—
	306,584,262	280,286,971	32,973,291	6,676,000
			£26,297,291	
			Nett Increase.	

	Year ending March 31, 1918, compared with the corresponding Period of the preceding year.			
	Year ending Mar. 31, 1918.	Year ending Mar. 31, 1917.	Increase.	Decrease
Customs .. .. .	£71,261,000	£70,161,000	700,000	—
Excise .. .. .	38,772,000	56,380,000	—	17,608,000
Estate, &c., Duties .. .. .	31,674,000	31,232,000	442,000	—
Stamps .. .. .	8,300,000	7,878,000	422,000	—
Land Tax .. .. .	665,000	640,000	25,000	—
House Duty .. .. .	1,960,000	1,940,000	20,000	—
Property and Income Tax (including Super-Tax) .. .. .	239,509,000	205,033,000	34,476,000	—
Excess Profits Duties, &c. .. .. .	220,214,000	139,920,000	80,294,000	—
Land Value Duties .. .. .	685,000	521,000	164,000	—
Postal Service .. .. .	25,200,000	24,350,000	850,000	—
Telegraph Service .. .. .	3,500,000	3,350,000	150,000	—
Telephone Service .. .. .	6,600,000	6,400,000	200,000	—
Crown Lands .. .. .	690,000	650,000	40,000	—
Receipts from Sundry Loans, &c. .. .. .	6,056,250	8,055,817	—	1,999,567
Miscellaneous .. .. .	52,148,315	16,516,765	35,631,550	—
	707,234,565	573,427,582	133,806,983	19,607,567
			£133,806,983	
			Nett Increase.	

II.—AN ACCOUNT showing the RECEIPTS into and ISSUES out of the EXCHEQUER in the year ending Mar. 31, 1918, as compared with the corresponding period of the preceding year.

RECEIPTS.	Year ending Mar. 31, 1918.	Year ending Mar. 31, 1917.
BALANCES IN EXCHEQUER ON APRIL 1:—	£	£
Bank of England .. .. .	25,209,947	25,111,065
Bank of Ireland .. .. .	1,225,912	463,941
REVENUE, as shown in Account I. .. .. .	26,435,859	25,575,066
ADVANCES REPAID—	707,234,565	573,427,582
Bullion .. .. .	—	—
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .. .. .	2,710,000	3,810,000
MONEY RAISED BY CREATION OF DEBT—	169,818	91,370
Under the Telegraph (Money) Act, 1913 .. .. .	165,000	270,000
Under the Post Office (London) Railway Act, 1913 .. .. .	—	234,000
Under the Military Works Acts, 1897 to 1903 .. .. .	—	8,824
Under the Public Buildings Expenses Act, 1903 .. .. .	—	8,000
Under the Housing Act, 1914 .. .. .	455,900	131,400
By Treasury Bills for Supply .. .. .	2,803,465,000	1,785,955,000
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .. .. .	—	3,087,600
By Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .. .. .	1,300,000	—
By 4½ per Cent. War Loan, 1915-1916 .. .. .	—	424
By 5 per Cent. Exchequer Bonds, 1919 .. .. .	—	34,262,604
By 5 per Cent. Exchequer Bonds, 1920 .. .. .	—	84,140,469
By 5 per Cent. Exchequer Bonds, 1921 .. .. .	—	62,495,587
By 5 per Cent. Exchequer Bonds, 1922 .. .. .	82,270,400	—
By 5 per Cent. Exchequer Bonds, 1920 .. .. .	48,000	160,951,700
By 5 per Cent. Exchequer Bonds, 1930 .. .. .	12,021,200	—
By War Expenditure Certificates .. .. .	—	29,878,500
By War Savings Certificates .. .. .	62,200,000	72,750,000
By other Debt created under the War Loan Acts, 1914 to 1917 .. .. .	721,504,198	331,895,881
By 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .. .. .	168,082,620	783,376,710
By National War Bonds .. .. .	614,215,000*	—
EAST AFRICA PROTECTORATE LOAN—	—	—
Repayment on account of Principal and Interest .. .. .	5,940	5,940
CUNARD LOAN—	—	—
Repayment on account of Principal .. .. .	130,000	130,000
SUEZ CANAL SHARES—	—	—
Drawn and Paid Off .. .. .	12,797	10,795
CHINA INDEMNITY .. .. .	378,314	407,930
AMOUNTS TEMPORARILY BORROWED—	—	—
ON THE CREDIT OF WAYS AND MEANS—	—	—
By Treasury Bills .. .. .	—	345,000,000
By other Advances .. .. .	1,030,374,853	731,579,500
	£6,231,274,364	5,026,484,762

ISSUES.	Year ending Mar. 31, 1918.	Year ending Mar. 31, 1917.
	£	£
EXPENDITURE—		
Permanent Charge of Debt .. .. .	19,827,613	19,783,375
Interest, &c., on War Debt .. .. .	170,023,453	107,467,119
Payments to Local Taxation Accounts, &c. .. .. .	9,730,538	9,895,466
Other Consolidated Fund Services .. .. .	1,670,481	1,973,697
Supply Services .. .. .	2,494,969,320	2,058,993,053
Total Expenditure chargeable against Revenue	2,696,221,405	2,198,112,710
ADVANCES—		
Bullion .. .. .	2,920,000	3,770,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .. .. .	169,818	91,370
ISSUES TO MEET CAPITAL EXPENDITURE—		
Under the Telegraph (Money) Act, 1913 .. .. .	165,000	270,000
Under the Post Office (London) Railway Act, 1913 .. .. .	95,000	234,000
Under the Military Works Acts, 1897 to 1903 .. .. .	—	8,000
Under the Public Buildings Expenses Act, 1903 .. .. .	—	8,000
Under the Housing Act, 1914 .. .. .	455,900	130,700
REDEMPTION OF UNFUNDED DEBT—		
Treasury Bills for Supply .. .. .	2,294,580,000†	1,888,226,000
Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .. .. .	—	3,087,600
Exchequer Bonds under the Cunard Agreement (Money) Act, 1904 .. .. .	1,300,000	—
War Loans, Exchequer Bonds, &c., under Section 34 of the Finance Act, 1917 .. .. .	22,915,637	1,285,705
War Expenditure Certificates under the War Loan Act, 1916 .. .. .	628,700†	6,317,500
Other Debt under the War Loan Acts, 1914 to 1917 .. .. .	101,069,033	18,605,985
DEPRECIATION FUND—		
Under the Finance Act, 1917 .. .. .	34,580,290	—
OLD SINKING FUND, 1907-8—		
Issued under Section 9 of the Finance Act, 1903 .. .. .	10,000	94,000
OLD SINKING FUND, 1910-11—		
Issued under the Finance Act, 1911:—		
Section 16 (1) (b) .. .. .	27,500	13,160
OLD SINKING FUNDS, 1911-12 and 1913-14—		
Issued under the Anglo-Persian Oil Company (Acquisition of Capital) Act, 1914 .. .. .	949,800	250,000
EAST AFRICA PROTECTORATE LOAN REPAYMENTS—		
Issued to reduce Debt under the Finance Act, 1911 .. .. .	5,940	5,940
CUNARD LOAN REPAYMENTS—		
Issued to reduce Debt under the Cunard Agreement (Money) Act, 1904 .. .. .	130,000	130,000
SUEZ CANAL DRAWN SHARES—		
Issued to reduce Debt under the Finance Act, 1898 .. .. .	12,797	10,795
CHINA INDEMNITY—		
Issued to reduce Debt under the Finance Act, 1906 .. .. .	378,314	407,930
TEMPORARY ADVANCES REPAID—		
ADVANCES ON THE CREDIT OF WAYS AND MEANS—		
Treasury Bills .. .. .	—	345,000,000
Other Advances .. .. .	1,055,630,000	533,949,500
	6,212,244,334	5,000,048,903
BALANCES IN EXCHEQUER—		
Bank of England .. .. .	19,361,578	25,209,947
Bank of Ireland .. .. .	1,668,452	1,225,912
	£21,030,030	26,435,859
	£6,233,274,364	5,026,484,762

\* Excluding sales through Joint Stock and Private Banks not yet brought to account.

† Including part payment of Bills and Certificates tendered as subscriptions to National War Bonds.

Treasury, Mar. 31, 1918.

## Canadian Railway Prospects.

Although the common stock of the Canadian Northern Railway is privately held, and the public is not pecuniarily concerned with the work of the arbitrators dealing with the Government's purchase of the stock as a holder of a large stake in the undertaking in the form of \$24,139,000 income charge debenture stock, upon which no dividend has been paid since 1915, and a vast amount of debenture debt, it is greatly interested in the development of the line and in the recently sanctioned increase in rates. With the cost of railway operations in the Dominion so greatly on the increase, any estimate of the position in the ordinary way would naturally have been but a very approximate one, and as the accounts for the financial year ended June last have not yet made their appearance, any forecast is likely to be somewhat wide of the mark. Although it is impossible, however, to make anything approaching an accurate estimate, it is interesting and illuminating to consider, with the aid of what data there is available, what the position of the undertaking is likely to be in the light of the recently sanctioned increase in tariffs. For the calendar year 1917 gross receipts came out at \$41,470,000 and nett receipts at \$7,443,400, but the expense ratio was only 82 per cent., and in view of the fact that the average for the last six months of the period came out at nearly 85 per cent., and of the considerable increase in the final month of the year, and of the strong possibility of a further large increase in the wages bill this year, it would be as well in estimating expenditure for 1918 to assume a ratio to receipts of 90 per cent. On the assumption, therefore, that the present year closes with neither a gain nor a shrinkage in receipts, the basis of our calculation is a gross annual revenue of \$41,470,000 (old tariff). It is not quite clear whether an increase of 15 per cent. in the tariff has been granted all round, but if the Canadian Government have simply given effect to the award of the Railway Commission, the new tariff as regards freight rates in the West is restricted to 10 per cent. Assuming an average increase of 12½ per cent. on all classes of traffic, with the exception of miscellaneous traffic, which we will estimate at, say, 10 per cent., gross receipts would come out at \$46,135,375. Expenditure—90 per cent. of the 1917 receipts (old tariff)—would come out at \$37,323,000 and nett receipts at \$8,812,375. The actual amount required to meet interest on fixed charges and on loans is not known, but from statistics compiled from the official statements submitted to the

Canadian Parliament last year it would appear that there were outstanding as at June last fixed charges to the total amount of \$251,494,000 and short term loans and notes amounting to \$110,200,000. The interest requirements of the fixed charges we calculate to be about \$9,915,000. In the case of the short term loans and notes the interest can only be very roughly estimated, but if we assume an average rate of 5 per cent., it is probably not so wide of the mark. This would bring total interest charges up to \$15,425,000. Clearly the prospect before the income charge debenture stockholders is dismal in the extreme, unless the Canadian Government come to their assistance.

The estimated position will be clearly seen from the following statement:—

Gross receipts .....	41,470,000
Less, say, 10 per cent. miscellaneous traffic .....	4,147,000
Total freight and passenger traffic, say .....	37,323,000
12½ per cent. increase on this would amount to .....	4,665,375
And total gross receipts would approximate to .....	46,135,375
Working expenses (say, 90 per cent. of the 1917 receipts) .....	37,323,000
	8,812,375
Add, say, \$1,075,000 for miscellaneous earnings from subsidiary companies interest on investments .....	1,075,000
	9,887,375
Estimated fixed interest charges and interest requirements of short dated loans .....	15,425,000

Permission to increase freight and passenger rates has also been extended to the Canadian Pacific Railway, but the proprietors of this undertaking, on account of its marked and exceptional prosperity, are to fare differently to those of the other two transcontinental enterprises. By the terms of the special Order in Council issued by the Railway Board, one-half of the nett earnings in excess of 7 per cent. on the common stock are to be handed over to the Canadian Treasury, while in addition "a special income-tax on certain conditions," the meaning of which is not clear, is to be imposed. If the increase in rates was more than commensurate with the present and prospective increase in working expenses shareholders would have little cause for dissatisfaction; but, as it is, they cannot but help feeling that they are to a large extent being mulcted for the purpose of assisting the other two needy transcontinental enterprises. During the last few months the ratio of operating expenditure to receipts has advanced enormously. In October it worked out at 65.70 per cent., 8.60 per cent. higher than that of the corresponding month of the previous year. By December it had risen to 70.10 per cent., 10.50 per cent. in excess of that of the corresponding month, while in January it rose to the extraordinarily high figure of 89.17 per cent., an increase of 13.12 per cent. on the corresponding 1916 figure. With the tendency of expenses to further increase, the ratio for the year may well come out at, say, 84 per cent. We estimate below the revenue position in 1918 on the supposition that the ratio of expenditure to receipts is as much as 84 per cent.; that the volume of traffic handled is the same as in 1917, and that the average increase in freight and passenger rates comes out at 12½ per cent.

Gross receipts, 1917 .....	154,389,000
Deduct, say, 10 per cent. for miscellaneous .....	15,238,900
Total freight and passenger traffic .....	137,150,100
12½ per cent. on this would be .....	17,143,760
Total gross revenue .....	159,532,760
Working expenses (assumed ratio to 1917 receipts, 84 per cent.)....	128,006,760
	41,526,000
Deduct interest and other charges .....	10,220,000
	31,297,000
4 per cent. preference dividend .....	3,228,000
	28,069,000
7 per cent. dividend on common .....	18,200,000
50 per cent. of this to Canadian Government .....	9,869,000
	4,934,500
Add 7 per cent. dividend on common .....	18,200,000
Add miscellaneous income as in 1917 .....	8,744,000
	31,878,500

Equivalent to 11.25 per cent. on common stock.

Shareholders have the consolation of knowing that their 10 per cent. dividend is not likely to be in jeopardy, but they will at the same time appreciate the "milking" character of the Dominion Government's latest fiscal departure.

## Insurance News.

The results announced by the Scottish Provident Institution for 1917, although not quite as favourable as those submitted for 1916, were still quite satisfactory considering that the bulk of the insurable portion of the population is engaged in the war. New proposals for capital sums amounting to £1,255,607 were completed, the nett amount retained being £1,141,707, a nett decrease of £259,836. Premiums of all kinds, including the price of annuities, came to a nett sum of £789,213, a decrease of £10,175, while the total receipts, including interest, were £1,374,220, an increase of £2,136. Last year there was again a large addition to the war claims; under 1,095 policies by the deaths of 824 members £887,786 was paid, but this total was £69,393 below the corresponding figure for 1916. At December 31 the accumulated funds stood at £16,129,002—a decrease of £46,638, due to the fact that it was thought desirable to write off at the present time a further sum of £135,000 from securities.

During 1917 the English and Scottish Law Life Assurance Association granted new assurances for £250,470, an increase of £11,776 over the figures for 1916, but as a slightly larger amount was reassured the amount retained was £1,574 lower

than in the previous year at £228,470. The total nett premium income was £221,456—a reduction of £2,573. Expenses of management, including commission, were substantially lower, and their ratio to premium income exhibited a satisfactory reduction. Claims by death at £179,971 were £18,478 higher than a year ago, but the total was within the amount expected and provided for, notwithstanding the inclusion of about £20,470 directly attributable to the war. As the result of the year's operations £16,760 was added to the total funds, which now stand at £3,060,000. The average rate of interest earned on the funds was £4 18s. 8d. per cent. gross, an increase of 4s. 6d. per cent., and £4 1s. 2d. per cent. nett, an increase of 3s. per cent.

According to a decree issued by the Council of People's Commissioners all Russian insurance societies are placed under State control. The figures of the State Budget for 1917 show cash receipts of 21,950,000,000 roubles, of which sum 16,000,000,000 roubles is represented by bank notes issued in the course of the year. As the expenditure is given at 28,503,000,000 roubles, there was a nett deficit of some 6,500,000,000 roubles.

The Overseas Marine Insurance Co. has just issued its first balance-sheet. The business transacted during 14 months was comparatively small, but quite sound, and after deducting claims and other liabilities the directors are able to put aside to the underwriting reserve fund the sum of £62,610. At December 31 the assets amounted to £93,555, against which only £941 was due to sundry creditors. It has been decided to acquire the English business of the Volga Insurance Co., of Petrograd, this company having been established in this country for several years. The Paris agency of the Overseas Co. has been put on an entirely new footing, which will secure to the company the closest control over the French business.

The operations of the Wesleyan and General Assurance Society, in common with other life offices, were adversely affected throughout the past year by the war. Not only was the large sum of £75,700 (against £10,722 in the previous year) paid in direct war claims, but lives of advanced age again exhibited a rate of mortality considerably in excess of that anticipated, attributable to the strain and anxiety which the war has caused. The disclosure of a valuation deficiency in the industrial department has been carefully considered by the directors in relation to its causes, and in view of the special nature of those causes they are not disturbed as to the ultimate ability of the society to meet the whole of its existing obligations in full. The total premium income of the year was £1,052,974—an increase of £2,686—while the total income, including nett interest, was £1,163,410, showing an increase of £31,671. Claims, including surrenders, came to £548,449, or £27,555 more than in 1916. By an addition of £231,270 the total assets were raised to £3,108,490. During the year the amount invested in War Loans was £383,598, raising the total so invested to £901,639.

The Ocean Accident and Guarantee Corporation's revenue for 1917 amounted to £3,304,091, an increase of £676,047 over the total for 1916, while claims paid and outstanding at £1,649,327 showed an increase of £380,196. Investments and other assets now stand at £4,898,953, having increased during the year by £771,080. The expense ratio was reduced by nearly 2 per cent. Revenue account, including the proportion of premiums unearned (£1,105,709 against £932,150), showed a balance of £2,703,949, an increase of £407,865, out of which the directors add £17,968 (against £42,306) to the investment reserve and general contingency fund, raising it to £285,000.

Cheese Making in South Africa.—No South African industry gives cause for greater satisfaction than does that of cheese making, which has gone ahead by leaps and bounds since the war began. No less than 14 new factories have been opened in Natal and East Griqualand during the past twelve months. The output to-day practically fulfils the whole of South Africa's requirements. With the view of gaining an idea as to the prospects of exporting, one of the manufacturers in East Griqualand recently sent a trial shipment to this country for which he secured the high figure of 1s. 8d. per lb.

South African Dyes.—The new wattle extract factory at Merebank, near Durban, Natal, is nearing completion. Equipment is almost complete, and production of extract may be looked forward to in the near future.

## AUSTRALIAN MUTUAL PROVIDENT

Estd. SOCIETY. 1849.

The Largest Mutual Life Office in the Empire.

Funds, £38,000,000.

Annual Income, £5,000,000.

MODERATE PREMIUMS.

LIBERAL CONDITIONS.

WORLD-WIDE POLICIES.

Every Year a Bonus Year. Whole-life Policies, 20 years in force, show average increase of the sum assured by Bonus exceeding 50 per cent.

ENDOWMENT ASSURANCE RESULTS ALSO UNSURPASSED.

37, Threadneedle St., London, E.C. 2.



# SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

ASSETS exceed £11,000,000.

FIRE (INCLUDING LOSS OF PROFITS), LIFE, ACCIDENT, ILLNESS, ANNUITIES, PENSIONS, LEASEHOLD, BURGLARY, CLASS BREAKAGE, TRANSIT OF SECURITIES, FIDELITY, PROPERTY OWNERS' LIABILITIES, HORSE DRIVING ACCIDENTS, MOTOR CAR RISKS, THIRD PARTY, EMPLOYERS' LIABILITY AND MARINE INSURANCES EFFECTED ON THE MOST FAVOURABLE TERMS.

Edinburgh: 35, St. Andrew Square.

London: 5, Walbrook, E.C. 4, and 4, St. James' St., S.W. 1.

# PHENIX ASSURANCE COMPANY LIMITED.

ESTABLISHED 1782.

Head Office: PHENIX HOUSE, KING WILLIAM STREET, LONDON, E.C. 4.

Total Assets Exceed £17,000,000.

Claims Paid Exceed £100,000,000.

Chairman—Rt. Hon. LORD GEORGE HAMILTON, P.C., G.C.S.I.

**FIRE. LIFE. ACCIDENT. MARINE.**

Loss of Profits following Fire, Workmen's Compensation, Fidelity Guarantee, Burglary, Trustee and Executor, &c.

Prospectuses and Proposal Forms may be obtained on application to any of the Branch Offices or Agencies, or to the Head Offices  
General Manager - SIR GERALD H. RYAN.

# ROYAL EXCHANGE ASSURANCE.

Incorporated A.D. 1720.

Governor: Vivian Hugh Smith, Esq.

**FIRE. LIFE. SEA. ACCIDENTS. MOTOR-CAR. PLATE GLASS. BURGLARY. ANNUITIES. FIDELITY GUARANTEES. EMPLOYERS' LIABILITY. LIVE STOCK. THIRD PARTY. LIFT, BOILER AND MACHINERY. TRUSTEE AND EXECUTOR BUSINESS.**

Apply to The Secretary. } Head Office—ROYAL EXCHANGE, LONDON, E.C. 3.

# THE PROVIDENT ASSOCIATION OF LONDON LIMITED.

Provident House, Bishopsgate, London, E.C. 2.

Founded 1877.

AUTHORISED BY ACT OF PARLIAMENT, INTITLED PROVIDENT ASSOCIATION OF LONDON ACT, 1910.

Invested Funds - - £6,822,535.

Total Advances upon House Property to Policy-holders and Certificate-holders exceed

**8½ MILLIONS.**

W. W. BENHAM, } Joint  
J. J. GREEN, } Managers.

PROVIDENT HOUSE, BISHOPSGATE, LONDON, E.C. 2.

# The Investors' Review.

## Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Something faintly approaching to an old-fashioned squeeze flitted across the Money market at the end of last week. Money was in demand, and applications at the Bank were of sensible amount. Consequently money rose in the open market to 3¼ per cent. for day-to-day loans. Discount rates, however, were only affected to the extent of 1/8 or so, and when business was resumed on Tuesday the market immediately fell back into ease.

No wonder, for the Bank return issued on Thursday showed a formidable increase in its resources. Other deposits have risen by £12,724,000, and are, at £150,273,000, £21,304,000 larger than they were a year ago. The money has come mostly from a depletion of the public or Government deposits, which have receded £7,555,000. Another £3,357,000 was provided by an increase in the Government securities, and other securities are £1,131,000 up. Also the reserve is £637,000 larger owing to an increase of £818,000 in the stock of coin and bullion, counterbalanced only to a small extent by the expansion in the active note circulation.

Thus the market is easy, and yesterday bills due within the current month were bought at 3½ per cent., and the quotation for May and June bank paper was only 3¾ per cent. It amounts to little one way or another.

Like ourselves, the French Government has to devote a certain amount of money to prevent the price of Rentes from falling. In the first quarter of the current year the amount thus assigned to what we call depreciation has been about £5,735,000, or at the rate of nearly £22,000,000 per annum.

That is a good round sum no doubt, but substantially less than the same necessity has thrust upon us.

By its latest advance of \$200,000,000 to the British Government the United States is now our creditor to the tune of \$2,720,000,000, or about £550,000,000. Its loans to the whole of the Allies amount to about £1,033,000,000 sterling, or \$5,161,000,000.

The Treasury has decided no longer to provide the funds required to pay the interest on the Russian loans held in this country, and the British and French Governments have issued a joint declaration of their policy as regards the Russian repudiation of their borrowings. But it should be noted that while the French Government has subscribed to the views of the British Government in this matter—which are indisputable—it has not gone to the length of refusing to provide further funds to meet the coupons on Russian bonds. On the contrary, it has introduced legislation to enable the Government to go on paying the interest on these bonds held in France.

A committee has just been formed in Paris to protect French interests in Russia, other than those represented by State loans. The committee includes representatives of the banking and industrial community, and is presided over by M. de Verneuil, late Syndic of the *Agents de Change*. The banks represented on the committee include the Banque Française pour le Commerce et l'Industrie, the Banque de Paris et des Pays Bas, Banque des Pays du Nord, the Credit Lyonnais, the Société Générale, and the Comptoir National d'Escompte.

There has been a sharp relapse in sterling in all the European neutral centres this week. The Spanish exchange has touched the fresh low level of 18.43 pesetas to the pound; this is to be attributed to the delay in putting into effect the loan arrangements made with the Bank of Spain referred to some time ago. Christiania has fallen 17½ points to 14.92½ kr., Copenhagen 15 points to 15.15 kr., Stockholm 10 points to 14.00 kr., and Berne 30 points to 20.40 fr. The decline in these exchanges, however, is likely to be followed by a speedy recovery for the special rate allowed here on foreign balances is understood to be working very effectively. The lira has depreciated afresh, despite the control arrangements, and is now quoted at 41.90 lire to the pound. The Paris exchange has improved in favour of our Ally, the French having now to pay only 27.19½ frs. for the pound sterling. Sterling in Amsterdam will now only purchase 10.12½ florins, a decline of 15 points on the week.

## SILVER.

The silver market has been dull, and the cash price for bars has fallen back to 45¼d. per oz. There has not been much business doing, for owing to the Easter holidays the working days have been very few. Mocatta's circular says that the China exchange has shown an easier tone, and that purchases from that quarter seem unlikely at present, consequently the offerings in San Francisco have been rather larger. Montagu's circular tells us that the stock in Bombay on March 8 was 1,300 bars, and that in Shanghai on March 23 the stock in sycee showed an increase of 200,000 ozs. at 29,975,000 ozs., and that in dollars an increase of \$100,000 at \$13,900,000.

## BANK OF ENGLAND

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, April 3, 1918.

### ISSUE DEPARTMENT.

Notes Issued	£	Government Debt ..	£
79,007,145	11,015,100	Other Securities ..	7,434,900
	7,434,900	Gold Coin and Bullion ..	60,557,145
		Silver Bullion ..	—
	£79,007,145		£79,007,145

### BANKING DEPARTMENT.

Proprietors' Capital ..	£	Government Securities ..	£
14,553,000	59,308,032	Other Securities ..	113,486,817
Rest ..	3,550,624	Notes ..	31,008,710
Public Deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts) ..	36,288,080	Gold and Silver Coin ..	872,047
Other Deposits ..	150,272,776		
Seven Day and other Bills ..	11,126		
	£204,675,606		£204,675,606

Dated April 4, 1918.

J. G. NAIRNE, Chief Cashier.

### BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year, April 4.	March 27, 1918.	April 3, 1918.	Increase.	Decrease.
£	£	£	£	£
3,117,260	3,596,923	3,550,624	—	46,299
50,123,837	43,842,793	36,288,080	—	7,554,713
128,968,333	137,548,565	150,272,776	12,724,211	—
30,678	10,538	11,126	588	—
			Decrease.	Increase.
39,244,854	Gov. Securities ..	55,951,282	59,308,032	3,356,750
123,307,951	Other do. ..	112,356,263	213,486,817	1,130,554
32,189,690	Total Reserve ..	31,244,184	31,880,757	636,573
			12,724,799	12,724,799
			Increase.	Decrease.
£	£	£	£	£
38,900,585	Note Circulation ..	47,817,095	47,998,435	181,340
54,690,888	Coin and Bullion ..	60,611,279	61,429,192	817,913
19.8 p.c.	Proportion ..	17.2 p.c.	17.1 p.c.	—
5 "	Bank Rate ..	5 "	5 "	—

## LONDON BANKERS' CLEARING.

Date.	1918.	1917.	Increase.	Decrease.
January	2,073,224,000	1,865,125,000	208,099,000	—
February	1,605,654,000	1,779,524,000	—	173,870,000
March 6	464,845,000	540,796,000	—	75,951,000
" 13	426,604,000	312,196,000	114,408,000	—
" 20	419,381,000	331,574,000	87,807,000	—
" 27	474,006,000	308,346,000	165,660,000	—
April 3	324,156,000	359,347,000	—	65,191,000
Total ..	5,787,870,000	5,526,821,000	576,061,000	315,012,000

## CURRENCY NOTES.

Return of Currency Notes for the week ended April 3, 1918.

	Issued.	Cancelled.	Outstanding.
£1 notes .. ..	3,228,698	1,329,411	167,924,086
10s. notes .. ..	1,075,504	652,938	38,347,106
Note certificates .. ..	230,000	—	24,580,000
Previous total .. ..	861,193,537	637,271,440	223,922,097
	876,126,831	645,275,639	230,851,192

Ratio of gold held against notes, this week, 13.83 p.c.; last week, 14.20 p.c.

PUBLIC INCOME AND EXPENDITURE.  
(For 7 days ended March 30.)

REVENUE.	EXPENDITURE.
Customs .. ..	National Debt Service ..
Excise .. ..	Interest, &c., on War Debt ..
Estate, &c., Duties ..	Development & Road Impvt ..
Stamps .. ..	Payments to Local Taxation ..
Land Tax and House Duty ..	Other Consolidated Fund ..
Property and Income Tax ..	Charges .. ..
Excess Profits Tax ..	Supply Services .. ..
Land Values .. ..	Bullion Advances .. ..
Post Office .. ..	For Advance for Interest ..
Crown Lands .. ..	on Exchequer Bonds under ..
Sundry Loans .. ..	Capital Expenditure ..
Miscellaneous .. ..	(Money) Act, 1904 .. ..
Bullion advances repaid ..	For Treasury Bills .. ..
For Treasury Bills for Supply ..	Other Debt under War Loan ..
5% Exchequer Bonds, 1930 ..	Acts, 1914-16 .. ..
5% Exchequer Bonds, 1922 ..	For War Loan and Exchequer ..
6% Exchequer Bonds, 1920 ..	Section 61 of Finance Act, ..
National War Bonds ..	1916, and Section 34, 1917 ..
War Savings Certificates ..	Under Telegraph (Money) ..
4% War Loan, 1929-1942 ..	Act, 1913 .. ..
5% War Loan, 1929-1947 ..	Under Post Office (London) ..
Other Debts created under ..	Railway Act, 1913 .. ..
War Loan Act, 1915, and ..	Under Military Works Acts ..
Finance Act, 1916 .. ..	Under Housing Act, 1914 ..
Telegraph Money Act, 1913 ..	Public Buildings Expenditure ..
Under Post Office Rly. Act, ..	Act, 1903 .. ..
1913 .. ..	Old Sinking Fund, 1907-8 ..
Under Military Works Act, ..	Sinking Fund, 1910-11 ..
1897-1903 .. ..	China Indemnity .. ..
Under Public Buildings ..	East African Loan .. ..
Under Housing Act .. ..	Cunard Agreement Act .. ..
Repayment of Advance for ..	Expenditure Certificates ..
Interest on Exchequer ..	Depreciation Fund .. ..
Bonds .. ..	Suez Canal Drawn Shares ..
China Indemnity .. ..	Temp. Advances Repaid ..
East Africa Loan repayments ..	Increase in Exchequer ..
Suez Canal Drawn Shares ..	balances .. ..
Ways and Means Advances ..	
Decrease in Exchequer ..	
balances .. ..	
£273,609,578	£273,609,578

\*Excluding sales through banks which have not yet been brought to account.

## FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Mar. 1, 1918.	Feb. 21, 1918.	Mar. 2, 1917.
Gold coin and certificates ..	92,323,000	89,501,600	60,832,600
Gold Settlement Fund ..	71,459,800	75,054,600	42,406,200
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks ..	174,282,800	175,056,200	103,238,800
Gold with Federal Res. Agent ..	177,069,200	175,404,600	63,516,200
Gold Redemption Fund ..	4,113,800	4,018,200	469,400
Total gold reserves ..	355,465,800	354,479,000	167,224,400
Legal tender notes, silver, &c. ..	12,088,800	12,085,800	1,994,200
Total reserves ..	367,554,600	366,564,800	169,218,600
Bills discounted—Members' ..	100,505,000	101,906,800	3,768,000
Bills bought in open market ..	59,842,600	59,214,000	22,811,600
Total bills on hand ..	160,347,600	161,140,800	20,579,600
U.S. Gov. long-term sec. ..	15,541,000	10,590,000	5,730,000
U.S. Gov. short-term sec. ..	31,496,400	33,941,400	3,893,600
All other earning assets ..	736,000	687,200	3,400,600
Total earning assets ..	208,121,000	206,359,400	39,612,800
Due from other Fed. Res. bks—n. ..	2,376,400	2,292,600	804,600
Uncollected items ..	73,837,000	59,880,400	30,805,200
Total deducts. fm gross dep. ..	76,213,400	62,173,000	31,609,800
5% Red. Fund ag Fed. Res. bks ..	107,400	107,400	80,000
All other resources ..	159,200	146,200	1,514,200
Total resources ..	652,155,600	615,290,800	242,035,400
Capital paid in .. ..	14,686,200	14,661,000	11,209,000
Surplus .. ..	226,800	226,800	—
Government deposits .. ..	30,156,200	11,233,000	2,832,400
Due to members—Res. account ..	277,604,000	291,944,000	141,778,600
Collection items .. ..	43,606,200	39,855,600	23,266,000
Other depts inc. For Govt. crds ..	12,824,400	11,665,800	—
Total gross deposits ..	364,190,800	354,698,400	167,877,000
F.R. notes in actual circulat'n ..	270,218,200	262,916,200	62,851,600
F.R. bk nts in circn—nett liab. ..	1,599,800	1,599,800	—
All other liab. in for Govt. crds ..	1,239,800	1,188,600	97,800
Total liabilities ..	652,155,600	615,290,800	242,035,400
Gold res. ag nett deposit liab. ..	60.5%	60.0%	75.7%
Gold res ag F.R. nts in act circ ..	66.6%	67.5%	101.8%
Ratio of gold res to nett dep. ..			
and F.R. nts liabilities combined ..	63.7%	63.8%	84.0%
Ratio of total res. to nett ..			
deposit and F.R. note liabilities combined ..	65.8%	66.0%	85.0%

## NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	Mar. 30, 1918.	Mar. 23, 1918.	Mar. 16, 1918.	Mar. 31, 1917.
Loans .. ..	867,377,000	858,344,000	863,768,000	719,274,000
Reserve held in own Vaults ..	3,162,000	3,384,000	3,226,000	56,554,000
Reserve held in Fed. Res. Bk. ..	103,684,000	102,438,000	102,602,000	42,508,000
Cash in own Vaults .. ..	20,596,000	20,294,000	20,330,000	—
Reserve held in Other Depos. ..	1,576,400	1,486,000	1,536,000	11,584,000
Nett Demand Deposits .. ..	748,040,000	741,910,000	734,478,000	739,438,000
Nett Time Deposits .. ..	37,218,000	38,824,000	40,058,000	36,028,000
Circulation .. ..	7,136,000	7,048,000	6,568,000	5,650,000
Excess Lawful Reserve .. ..	9,200,000	8,550,000	9,448,000	24,050,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

## NEW YORK STATE BANKS &amp; TRUST COMPANIES (dollar at 4s.).

	Mar. 30, 1918.	Mar. 23, 1918.	Mar. 16, 1918.	Mar. 31, 1917.
Loans .. ..	150,482,000	148,604,000	148,508,000	155,428,000
Specie .. ..	2,028,000	2,934,000	24,914,000	13,622,000
Deposits .. ..	141,254,000	139,952,000	139,374,000	165,262,000
Legal Tenders .. ..	13,468,000	13,172,000	12,532,000	2,156,000

## BANK OF FRANCE (25 francs to the £).

	Mar. 23, 1918.	Mar. 21, 1918.	Mar. 14, 1918.	Mar. 29, 1917.
Gold in hand .. ..	133,457,480	133,406,240	133,316,160	130,095,960
Silver in hand .. ..	10,217,000	16,230,720	10,248,200	10,535,320
Bills discounted .. ..	53,128,720	41,591,000	42,563,560	20,901,840
Advances .. ..	44,114,280	45,595,560	47,020,800	47,897,960
Note circulation .. ..	1,007,173,120	992,998,760	989,764,800	738,393,240
Public deposits .. ..	1,891,000	2,207,360	1,552,040	6,947,660
Private deposits .. ..	112,342,230	109,624,640	103,927,400	101,625,480
Foreign Bills .. ..	371,320	362,560	434,200	104,200

Proportion between bullion and circulation 2.35 per cent., against 23.68 per cent. last week. Advances to the State £560,000,000, increase £12,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £19,384,960, decrease £118,510, and at the branches £24,826,600, decrease £28,880.

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	Mar. 23, 1918.	Mar. 15, 1918.	Mar. 7, 1918.	Mar. 23, 1917.
Total Coin & Bullion ..	126,305,500	126,257,450	126,223,550	127,287,500
Treasury Notes .. ..	66,937,150	66,109,050	65,787,500	17,389,650
Bills discounted .. ..	673,455,150	667,471,500	653,272,250	462,905,700
Advances .. ..	259,050	309,800	318,800	553,800
Note circulation .. ..	569,960,550	567,764,400	566,205,200	411,241,250
Deposits .. ..	356,455,300	337,255,450	320,452,050	225,176,750

Clearing House return during February £420,879,905, against £478,428,170 in January.

## BANK OF SWEDEN (18 kroner to the £).

	Mar. 16, 1918.	Mar. 9, 1918.	Mar. 2, 1918.	Mar. 17, 1917.
Gold .. ..	13,049,000	13,060,000	13,079,000	10,724,000
Balance abroad .. ..	—	—	—	—
Foreign Bills .. ..	7,193,000	7,349,000	7,316,000	7,701,200
Swedish and Foreign ..	—	—	—	—
Govt. Securities .. ..	3,959,000	3,130,000	3,137,000	4,033,000
Discounts and Loans ..	14,705,000	12,715,000	12,720,000	7,754,000
Notes in circulation ..	32,756,000	31,560,000	31,721,000	22,640,000
Deposits at notice .. ..	6,971,000	5,183,000	5,519,000	7,939,000

## BANK OF SPAIN (25 pesetas to the £).

	Mar. 23, 1918.	Mar. 16, 1918.	Mar. 9, 1918.	Mar. 24, 1917.
Gold .. ..	79,948,941	79,937,892	79,910,619	53,705,208
Silver .. ..	28,241,379	28,193,998	28,171,097	30,074,800
Foreign Bills .. ..	3,562,844	3,568,481	3,566,120	3,468,367
Discounts and Short Bills ..	30,420,521	30,345,940	30,669,071	25,856,926
Treasury Account, &c. ..	25,014,821	24,991,728	24,914,212	26,750,566
Notes in Circulation .. ..	114,017,169	114,547,835	114,767,490	95,143,063
Current Accounts, Deposits ..	33,766,316	34,097,245	34,240,597	31,426,403
Dividends, Interests, &c. ..	1,495,893	1,525,832	1,643,316	1,206,900
Government Securities ..	5,858,916	5,227,053	5,726,708	2,357,502

## NETHERLANDS BANK (12 Florins to the £).

	Mar. 30, 1918.	Mar. 23, 1918.	Mar. 16, 1918.	Mar. 31, 1917.
Gold and Silver .. ..	60,789,000	60,865,666	60,919,250	49,786,000
Bills and Advances .. ..	13,064,166	11,401,333	11,108,333	14,382,833
Note circulation .. ..	74,406,750	72,215,000	71,804,917	62,379,466
Deposits .. ..	4,730,333	5,358,500	4,653,916	6,386,000

## SWISS NATIONAL BANK (25 francs to the £).

	Mar. 15, 1918.	Mar. 7, 1918.	Feb. 28, 1918.	Mar. 15, 1917.
Gold and silver .. ..	16,970,560	16,929,884	16,903,360	15,817,208
Bills .. ..	9,127,964	8,933,817	8,860,124	7,492,276
Note circulation .. ..	25,533,136	25,513,684	25,866,764	20,853,880
Current and deposit ..	3,968,184	3,803,412	3,079,406	5,385,420

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	Mar. 26, 1918.	April 4, 1918.
		Sellers. Buyers.	Sellers. Buyers.
Amsterdam .. ..	Cable transfers .. ..	10.24	10.24
Paris .. ..	Cable transfers .. ..	27.24	27.26
	Three months' bills ..	27.64	27.65
Switzerland .. ..	Cable transfers .. ..	20.58	20.61
	Three months' bills ..	20.93	20.98
Petrograd .. ..	Cable transfers .. ..	nom.	nom.
Genoa, &c. .. ..	Cable transfers .. ..	41.58	41.68
Spain .. ..	Cable transfers .. ..	18.56	18.66
	Three months' bills ..	61	62
Lisbon and Oporto ..	Cable transfers .. ..	27.2	28
Copenhagen .. ..	Cable transfers .. ..	15.28	15.38
Christiania .. ..	Cable transfers .. ..	15.05	15.15
Stockholm .. ..	Cable transfers .. ..	14.25	14.35

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques	Francs to £1	25.22½	27.22	27.19½
Amsterdam, cheques	Florins to £1	12.107	10.20	10.05
Italy, sight	Lire to £1	25.22½	41.70	41.90
Madrid, sight	Pesetas to £1	25.22½	18.52½	18.20
Lisbon, sight	Pence to milreis	53d.	28½d.	28d.
Switzerland, sight	Francs to £1	25.22½	20.50	21.17½
Christiania, sight	Kroner to £1	18.159	15.92½	14.82½
Stockholm, sight	Kroner to £1	18.159	14.10	13.87½
Copenhagen, sight	Kroner to £1	18.159	15.29	15.17½
Petrograd, sight	Roubles to £100	94.57	nom.	nom.
Alexandria, sight	Piastres to £1	97½	97½	97½
Bombay, T.T.	Sterling to rupee	1/4	1/4½	1/4½
Calcutta, T.T.	Sterling to rupee	1/4	1/4½	1/4½
Hong Kong, T.T.	Sterling to dollar	—	3/1½	3/0½
Shanghai, T.T.	Sterling to tael	—	4/4½	4/4½
Singapore, T.T.	Sterling to dollar	—	2/3½	2/3½
Yokohama, T.T.	Sterling to yen	24.58d.	2/1½	2/1½
New York, cable	Dollars to £1	4.86½	4.76½	4.76½
Buenos Aires, T.T.	Pence to dollar	47.58d.	51d.	50½d.
Valparaiso, 90 days	Pence to peso	—	15d.	15½d.
Montevideo, T.T.	Pence to dollar	51d.	62d.	63d.
Rio de Janeiro, 90 days	Pence to milreis	16d.	13½d.	13½d.

## OPEN MARKET DISCOUNT.

	Last week.	This week
	Per cent.	Per cent.
Thirty and sixty day remitted	3½	3½
Three months	3½	3½
Four months	3½	3½
Six months	3½	3½
Three months fine inland bills	4	4
Four months	4	4
Six months	4	4

## BANK AND DEPOSIT RATES.

	Last week	This week
	Per cent.	Per cent.
Bank of England minimum discount rate	5	5
" " short loan rates	—	—
Bankers' rate on deposits	1	3
Bill brokers' deposit rate (call)	3	3
" " 7 and 14 days' notice	3½	3½
Current rates for 7 day loans	3½	3½
" " for call loans	3½	2½-3

Mr. W. E. Martin, one of the assistant managers of the Prudential Assurance Co., having reached the age limit, has retired from the service of the company, which he entered in 1872. After filling various important executive appointments, Mr. Martin became controller of the estates in 1904, and in 1908 was appointed assistant manager, a position which he has held for the past 10 years.

## The Week's Stock Markets.

There was only a poor attendance in the House when the Stock Exchange resumed business after its long week-end, and the accumulation of orders was so small that it would not have done much credit to an ordinary Saturday before that became a *dies non*. Investors were not out to look for bargains, preferring to adopt a waiting attitude, and the dealers were perhaps a little premature in marking up prices, especially for War Loans and other gilt-edged securities. However, this shows a healthy optimism which is valuable in these days, and whether intended from that point of view or not the feeling is to be commended as a symptom of entire confidence in the Allies' position and prospects. At the same time, there is a great deal of uneasiness in responsible quarters about the Government's proposals with regard to raising the military age to 50. Not only is it recognised that very few men of that age are really fit either for camp life or campaigning, but the effect on the business of the country is regarded with something akin to absolute dismay. Men of 45 to 50 in the City as a rule have attained responsible positions where they would be extremely difficult to replace owing to their many years of knowledge and experience, and even at present it is hard enough to keep businesses running smoothly with older men, and boys, and inexperienced girls. From past experience of the working of the military machine there are ample grounds for fearing that men who are indispensable in their present positions will become broken-down burdens on the country instead of an invaluable asset, and there is a pretty general feeling that the whole idea is merely another example of frethy clap-trap which is likely to do infinitely more harm than good.

After its long holiday the Stock Exchange returned to business in a rather anxious frame of mind with regard to the developments on the Western front, and evidently the investing public generally were also inclined to adopt a waiting attitude as the accumulation of orders was almost entirely negligible. The tone, however, was wonderfully good in the circumstances, and it is an exceedingly gratifying sign that British funds, and particularly War Loans, have shown throughout exceptional strength. All the leading issues have gained good fractions, and Bank stock, among others, has risen as much as a point.

# Wesleyan & General Assurance Society.

ESTABLISHED 1841.

INCORPORATED 1914.

Principal Office—BIRMINGHAM.

## SUMMARY OF THE SEVENTY-SEVENTH ANNUAL REPORT FOR THE YEAR ENDING 31st DECEMBER, 1917.

The total income from Premiums and Interest after deduction of Tax was £1,163,410 15s. 3d., showing an increase of £31,671 9s. 11d.

The Claims, including Surrenders, during the year amounted to £548,449 6s. 6d., making a total exceeding NINE MILLION POUNDS paid since the commencement of the Society.

The amount paid in War Claims up to 31st December, 1917, was £168,057 14s. 5d.

The total Assets at the end of the year amounted to £3,108,490 19s. 6d., showing an increase of £231,270 18s. 11d.

The amount invested in British and French Government Securities was £901,639 5s. 3d.

In the Industrial Department, after providing for the liability imposed by the Courts (Emergency Powers) Act, there was a valuation deficiency due to War causes of £24,405 3s. 7d.

After writing down the value of certain securities by £4,000, and applying £2,000 as an addition to the Investments Reserve, the Valuation surplus shown in the Ordinary, Sickness and Annuity Departments was £38,251 12s. 11d.

Out of this sum £35,000 has been set aside as an addition to the Contingency Fund, increasing that Fund to £75,000, the primary object of which is to enable bonuses to be granted in respect of the period elapsed since the last declaration as soon as conditions will allow.

The Directors have adopted the recommendation of the Actuary, and will grant bonuses on policies becoming claims before the presentation of the accounts for the year 1918, in accordance with the conditions set forth in his report.

The Directors are confident that the whole of the members will heartily support and approve the course which has been adopted, as thereby their present security has been preserved unimpaired and their prospects of future profits have been enhanced.

B. SHIRLEY SMITH, Chairman.

ARTHUR L. HUNT, General Manager.

	Last Week	This Week		Last Week	This Week
Consols.....	54	54	N.S.W. 4½% 5 yr. bds.....	97½	97½
War Loan 3½%.....	86	86	" 4½% 1922-7.....	92	92
" 4½%.....	100½	100½	" 5% 1921-3.....	97	97
" 5% 1929-47.....	93½	93½	" 5½% 1920-2.....	94½	94½
" 4½% 1919-42.....	100½	100½	New Zealand 4½% 1929.....	86½	85½
India 3½%.....	53½	53½	Queensland 4½%.....	79	79
" 3½%.....	62	62½	" 4½% 1920-5.....	92½	92½
Australian 5½% 1920-22.....	99	99	Union of S. Africa 4½%.....	93	93
Canada 4½% 1940-60.....	80	80	1920-5.....	92½	92½
" 4½% 1920-5.....	94½	95	Victoria 4½% 1920-5.....	92½	92½
N.S.W. 4½% 1933.....	82½	82½	Westn. Aus. 4½%.....	79	79
Argentina 4½% 1900.....	68	68	French War Loan, 5%.....	76½	76½
Belgian 3½%.....	62½	62½	Japan 4½% (1st), 1905.....	91½	91½
Brazil, 1913.....	70	68½	" 5% 1907.....	83	82
" 5% 1914.....	82	82½	Mexican 5½% 1899.....	57	57
Chinese 1896.....	89	87½	Russia 4½%.....	35½	34½
" 1912.....	77	75½	" 4½% 1909.....	39½	36
Egypt Unified 4½%.....	87	87	" 5% 1906.....	49½	44
Caledonian defd.....	9	9	London and N.-W.....	88½	88
Gt. Central pf.....	128	122	London and S.-W. dfd.....	22	21½
" dfd.....	62	62	Do red. pf. 1914.....	95	95
Gt. Eastern.....	34½	34½	Metropolitan.....	20½	20½
Gt. Northern dfd.....	34½	34½	Do. 5% pf.....	74½	74½
Gt. Western.....	82½	82½	Met. District.....	14½	14
Lancs. and Yorks.....	63½	63½	Midland dfd.....	54½	55½
London Brighton defd.....	54½	53½	Nth. British dfd.....	13½	13
London Chatham ord.....	8	8½	Nth.-Eastern.....	92½	92½
			Sth.-Eastern dfd.....	27½	27½
Canadian Pacific.....	159½	158	Chesapeake.....	59	59
E. Indian Guar. 4½% debts.....	84	84	Erie.....	19	19
Grand Trunk ord.....	87	83	Southern.....	25½	24
Do. 1st pf.....	53	51			
Do. 3rd pf.....	20½	19½	Cent. Argentine ord.....	58½	60
Antofagasta dfd.....	136	137	Leopoldina.....	37½	36½
Brazil Common.....	5	5	Mexican ord.....	18	18
B. A. & Pacific.....	40	40½	San Paulo (Brazilian).....	183	184
B. A. Gt. Southern.....	69	70	United of Havana.....	73	74
B. A. Western.....	66	67	London City & Midland.....	7½	7½
Anglo-South American.....	8½	8½	London County & West.....	15	14½
Bank of Australasia.....	116½	116	London Joint Stock.....	28½	28½
Bank of N.S. Wales.....	36	36	Nat. Prov. of Eng. (£10½ pd).....	26	25½
Barclay & Co. "A".....	7	7	Do. (£12 pd).....	30	29½
Do. "B".....	11½	11½	Parr's.....	32	32
Capital & Counties.....	25	25	Standard of S.A.....	11½	11½
Chartered of India.....	72	73½	Union Discount.....	10½	10½
Hongkong & Shanghai.....	82	82	Union & Smiths.....	26½	26½
Lloyds.....	24½	24½			
London & Brazilian.....	25	25	Kynochs.....	39½	38½
Armstrong, Whitworth.....	43½	43½	Mond Nickel ord.....	32	31½
Birmingham Small Arms.....	59½	62 6x	South Durham Steel.....	44½	44½
Cammell-Laird.....	6½	7	Thornycroft.....	41½	40½
Cargo Fleet.....	25½	25½	Vickers.....	43½	43½
Dorman, Long.....	37½	37½	Fine Cotton Spinners.....	34½	35½
Associated Cement.....	38	38	Forestal Land.....	48½	48½
Borax dfd.....	38½	35½	Furness, Withy.....	66½	65½
Bovril.....	20½	20½	Harrods Stores.....	2½	2½
Brazil Traction.....	42	42	Hudson's Bay.....	7½	7½
British Amer. Tobacco pf.....	18½	18½	Imperial Tobacco "C" pf.....	33½	33½
British Aluminium.....	32½	31½	Lever Bros. "C" pf.....	20½	20½
British Oil & Cake.....	31½	31½	Lyons, J.....	38	38
Brunner, Mond.....	14½	14½	Marconi.....	33½	32
Casner-Keller.....	34	34	Maypole Dairy dfd.....	18½	17½
Coats.....	54½	54½	National Steam Car.....	16½	17½
Courtaulds.....	72½	72½	Pears, A. & F.....	1½	1½
Cunard.....	44	44½	P. & O. dfd.....	337½	337½
Dennis Bros.....	36½	36½	Royal Mail.....	122	122
Eastern Telegraph.....	153½	153½	Underground Inc. Bds.....	78½	77½
Eastmans.....	10½	9½			
English Sewing Cotton.....	54½	55½	North Caucasian.....	8½	8½
Anglo-Egyptian "B".....	33½	34½	Roumanian Cons.....	6½	6½
Baku (10s).....	1½	1½	Shell.....	58½	58½
Burmah.....	68	68	Spies (10/-).....	5½	5½
Lobitos.....	14½	14½	Ural Caspian.....	18	18
Mailkop Pipeline.....	2½	2½			
Mexican Eagle pf.....	62½	62½	Perak 2/-.....	7½	7½
Allagar 2/-.....	3½	3½	Port Dickson 2/-.....	3½	3½
Anglo-Java Rub. 2/-.....	6½	6½	Rub. Estates Johore £1.....	39½	39½
Anglo-Malay 2/-.....	13½	14½	Rub. Estates Krian 2/-.....	37½	37½
Ayer Kuning £1.....	45½	45½	Rubber Trust £1.....	27½	28½
Batang Malaka 2/-.....	4½	4½	Sampang (Java) 2/-.....	24	24
Bekoh 2/-.....	4½	4½	Sapumalkande £1.....	27½	27½
Brit. N. Borneo Trust £1.....	16½	16½	Seaport £1.....	26½	26½
Bukit Cloh 2/-.....	4½	4½	Selangor.....	31½	31½
Bukit Kajang £1.....	72½	72½	Sengat 2/-.....	31½	31½
Bukit Mertajam 2/-.....	4½	4½	Seremban £1.....	37½	37½
Bukit Sembawang 2/-.....	34½	34½	Shelford £1.....	35½	35½
Carey United £1.....	41½	41½	Sialang £1.....	62½	64½
Ceylon Para 2/-.....	9½	9½	Singapore Para 2/-.....	41½	41½
Chersonese.....	3½	3½	Singapore United 2/-.....	3½	3½
Chevi t 2/-.....	6½	5½	Soembar Ajoe 2/-.....	24½	24½
Dalkeith 2/-.....	29½	29½	Stratbrook £1.....	33½	33½
Eastern Invest. Trust £1.....	25½	25½	Straits Bertam 2/-.....	6½	6½
Grand Central £1.....	26½	26½	Sumatra Para 2/-.....	8½	8½
Gula Kalumpung £1.....	35½	35½	Sungei Bahr £1.....	36½	36½
Highlands £1.....	56½	57½	Sungei Kapar 2/-.....	104½	104½
Java Investment £1.....	26½	26½	Sungei Krut £1.....	49½	49½
Java Para £1.....	29½	29½	Taipang 2/-.....	42½	42½
Johore Rubber Lands £1.....	31½	32½	Tali Ayer £1.....	32½	32½
Kamunin 2/-.....	3½	3½	Tandong £1.....	8½	8½
Kinta Kellas 2/-.....	4½	3½	Tandong Malin £1.....	30½	30½
Kuala Kubu 2/-.....	2½	2½	Tebrau £1.....	62½	62½
Labu 2/-.....	9½	9½	Telogredjo £1.....	43½	43½
Langen Java £1.....	37½	37½	Tempeh 2/-.....	103½	103½
Linggi 2/-.....	25½	26½	United Serdang 2/-.....	8½	8½
London Asiatic 2/-.....	9½	9½	United Sumatra 2/-.....	3½	3½
Malacca £1.....	5	5	Val d'Or 2/-.....	36½	36½
Malayalam £1.....	38½	36½	Vallambrosa 2/-.....	21½	21½
Merlimau 2/-.....	5½	5½	Way Halim 1½ pd.....	—	—
Padang Jawa 2/-.....	3½	3½			
Pataling 2/-.....	41½	40½	Gt. Boulder (2/-).....	12½	12½
Abbotiakoon (10/-).....	7½	7½	Kyshtum.....	19½	19½
Bechuanaland Exp.....	4½	4½	Mashonaland Agency.....	6½	6½
Brakpan.....	68½	67½	Meyer & Charlton.....	5	4½
Broken Hill Prop. (8/-).....	10½	11	Modder "B".....	7½	7½
Cam & Motor.....	6	5½	Myore.....	78	78
Central Mining (£1a).....	14½	15½	Rio Mines (5/-).....	28½	28½
Chartered.....	2½	2½	Rio Tinto (£15).....	63½	64
City Deep.....	18	18	Russ-Asiatic.....	24	24
Cons. Gold Fields.....	17½	18½	Spring Mines (10/-).....	3½	3½
Cons. Langlaagte.....	18	18	Tanganyika.....	3½	3½
Crown Mines (10/-).....	18	18	Tanayik.....	3½	3½
De Beers dfd. (£a 10s).....	128	128	Van Ryn Deep.....	38	38
East Rand.....	5½	5½			
Eduld.....	18½	18½			
Gov. Areas Mod.....	38½	38½			

Colonial loans did not attract much attention at first, but a certain amount of buying made its appearance later, and quotations were marked up ½ to 1 in most of the active issues. In the foreign market the weakness of Russian bonds was conspicuous owing to the decision of the British and French Governments not to undertake liability for the payment of further coupons. There has been a good deal of discussion as to the advisability of this policy, and opinions on the subject are very much divided. French loans were inclined to give way a little, but Spanish Fours advanced a point. Very little business took place elsewhere, but Cuban Ports were noticeably heavy, and lost as much as 2 points.

Home Railways made a good start, and although buying was on only a very moderate scale, dealers considered it prudent to mark their prices up. The market, however, afterwards became completely stagnant and rather flat in appearance. Nothing happened in the American section except for some display of strength in the price of International Mercantile Marine. Canadian Pacific and Grand Trunks were very weak owing to the poor February statements, which show a still further disquieting increase in working expenses. Mexican Rails were scarcely mentioned, but the Argentine division was much firmer on the excellent receipts for last week, in some cases the takings constituting a record. On the other hand, it seems doubtful whether the Government will grant a further increase in freights to compensate for the higher working charges, and the outlook for the companies must still be regarded as somewhat precarious. San Paulos advanced a point.

Bank shares as a rule were steady without much movement in either direction, but Chartered of India rose as much as 1½ on the excellent report and dividend. Brewers were scarcely mentioned, and no change of any prominence occurred. Egyptians were inclined to be weak, but an exception was Agricultural Bank of Egypt shares, which gained a good fraction. Iron and Steel shares opened with a dull appearance, but improved somewhat later in the week, and some of the Explosive section made moderate headway. The most prominent movement, however, was in the case of Birmingham Small Arms, which rose smartly. Shipping shares were dull, and among Miscellaneous Industrials, Courtaulds recovered strongly after the severe reaction which occurred last week. Maypole Dairies were weak on the gloomy statement made at the meeting, and Textile shares as a rule were dull and neglected.

Oil shares have shown up rather well amidst the surrounding dull and drab conditions, and Burmahs were particularly in evidence with a fairly substantial advance. Anglo-Persians, Eagles, "Shells" and Spies also improved, but there was a slight drop in Venezuelan Concessions. Rubber shares have not been in any great demand, but, on the other hand, little stock comes on the market, and buyers still find it difficult in getting their orders executed except in the leading shares. On the whole, the movements have been in an upward direction, but business is so much a matter of negotiation that the real strength of the market has scarcely been tested.

## LONDON PRODUCE MARKETS.

A firm condition of affairs predominated in most directions, though business proceeded quietly, holiday influence being felt during the greater part of the week.

SUGAR remained unchanged. Cuban receipts totalled 140,715 tons, and Centrals working 169.

COFFEE.—A steady inquiry for spot parcels led to a moderate volume of business being effected, and the undertone of the market keeps firm. The terminal market disclosed a dull and nominal state of affairs.

COCOA quiet and featureless at regulation prices.

SPICE.—A fair inquiry predominated for pepper, and market ruled firm. Fair black Singapore, spot, sold, 1s. 4½d.; white ditto, 2s. 1½d.; Tellicherry, quoted, 1s. 5d.; Aleppy, 1s. 4½d.; and Muntok, sold, 2s. 2d. Cloves firm, quiet. Fair Zanzibar, spot, quoted, 2s. 5d. Pimento, 5½d. Tapaoca firm. Fair flake, spot, sellers, 8½d. Penang seed pearl, 7½s.; and medium, 7½s., with fair small sago, 80s. In auction washed rough Cochin ginger, sold, 90s. to 91s. Mace dearer, and Eastern, sold, 3s. 2d. to 3s. 6d. per lb. Capsicums realised higher rates.

RICE.—Market ruled unchanged, also beans and peas.

HEMP.—Manila receipts last week, 20,000 bales.

SHELLAC quiet, with only retail sales on the basis of 440s. for fair free second orange.

RUBBER.—Quite steady, but general trade slow. Crepe, spot, sold, 2s. 5d. to 2s. 5½d.; April, 2s. 5d. to 2s. 5½d.; May-June, 2s. 5½d. to 2s. 6d.; July-December, 2s. 7d. to 2s. 7½d. Ribbed smoked sheet, spot, sold, 2s. 4½d. Fine hard Para, spot, done, 2s. 10½d. to 2s. 11½d.; soft fine, quoted, 2s. 7d.; ball, 1s. 9d.

CORN (Mark Lane).—A quiet but very steady tone was the prevailing characteristic since business was resumed this week, offers being on a limited scale. Wheat—Native grain now held for 76s. 9d. per qr., 504 lbs. Imported—No. 1 Northern Manitoba realised 81s. 6d.; and No. 2, 80s. Red winter quoted at 78s. Australian, 83s. 6d. Flour—Imported in request with limited sales at 51s. 3d. to 51s. 9d., according to quality. English (G.R.), 44s. 3d. per sack, ex mill. Barley—English milling, 62s. 9d. per qr. Maize remains out of offer and quite nominal. Oats—American white clipped, No. 2, 61s. 6d., landed; English, 47s. 3d.

COTTON (from our Manchester correspondent).—The market has been rather slow in recovering from the effects of the Easter holidays, and the recent developments in connection with the war have resulted in buyers showing rather less enterprise. Spinners and manufacturers remain in a strong position and prices continue

(to harden, the level of quotations in all directions being of a record character. Although rather better advices are being received as to the progress of the new American crop, sentiment in the New York market has again been bullish. Further information is still awaited with regard to the arrangements of the Government as to the distribution of the Egyptian growth for next season. The leaders of our industry recognise, under the new man power proposals of the Government, that the mills will have to supply some men for the Army, and it is said that the Control Board may have to revise the restriction of output scheme so far as the employment of the operatives is concerned. The inquiry in piece goods has been rather featureless.

## CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING APRIL 5, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt. duty 14, 98% polarisation ..	£ s. d.	£ s. d.	<b>Wool</b> —per lb. Australian ..	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Scoured Merino ..	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Cr'sbr'd ..	nom.	nom.
Granulated ..	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Lyle's granulated ..	2 6 9	2 6 9	Greasy Crossbred ..	nom.	nom.
Foreign granulated, first marks	nom.	nom.	New Zealand (scoured) Merino ..	nom.	nom.
f.o.b., spot ..	nom.	nom.	Greasy Crossbred ..	nom.	nom.
German Cubes f.o.b. ..	nom.	nom.	Cape snow white ..	nom.	nom.
French Cube ..	nom.	nom.	<b>Indiarubber</b> p. lb.		
Crystallised, West India ..	2 6 9	2 6 9	Plantation, Spot ..	0 2 5	0 2 5
Beet, 88% f.o.b. ..	nom.	nom.	<b>Coal</b> —per ton		
<b>Tea</b> —per lb., duty s. d. s. d.	s. d. s. d.	s. d. s. d.	Durham, best ..	nom.	nom.
1/2 lb. ..	nom.	nom.	Seconds ..	nom.	nom.
Indian Pekoe ..	nom.	nom.	East Hartlepool ..	nom.	nom.
Broken ..	nom.	nom.	Seconds ..	nom.	nom.
Orange ..	nom.	nom.	Steamers, best ..	32 6	32 6
Broken ..	nom.	nom.	Seconds ..	29 6	29 6
Pekoe Souchong ..	nom.	nom.	<b>Lead</b> —per ton.	£ s. d.	£ s. d.
Ceylon Pekoe ..	nom.	nom.	English Pig ..	nom.	nom.
Broken ..	nom.	nom.	Foreign soft, net ..	£ 29 1/2-£ 28 1/2	£ 29 1/2-£ 28 1/2
Orange ..	nom.	nom.	<b>Quicksilver</b> —per bottle firsthand	nom.	nom.
Broken ..	nom.	nom.	<b>Tin</b> —per ton		
Pekoe Souchong ..	nom.	nom.	English Ingots ..	£ 320-£ 323	£ 320-£ 323
<b>Cocoa</b> —per cwt.	s. d. s. d.	s. d. s. d.	Do. bars ..	£ 321-£ 324	£ 321-£ 324
duty 6d. per lb. ..	87 0 -96 0	up to 90 0	Standard cash ..	£ 316	£ 316
Trinidad—per cwt. ..	80 0 -95 0	„ „ 85 0	Tin Plates, per box ..	nom.	nom.
Grenada ..	60 0 -70 0	„ „ 65 0	<b>Copper</b> —per ton.		
West Africa ..	77 0 -95 0	„ „ 100 0	English, Tough, per ton ..	nom.	nom.
Ceylon Plantation ..	103 1/2-110 1/2	„ „ 90 0	Best Selected ..	£ 119-£ 123	£ 119-£ 123
Guayaquil ..	110 0 135 0	110-0 135-0	Sheets ..	£ 149	£ 149
<b>Coffee</b> —per cwt.	77 0 151 0	77-0 151-0	Standard ..	£ 110-110 1/2	£ 110-110 1/2
duty 42 1/2 per cwt. ..	110 0 137 0	110-0 137-0	<b>Jute</b> —per ton.		
East India ..	110 0 135 0	110-0 135-0	Native firsts for shipment ..	nom.	nom.
Jamaica ..	110 0 137 0	110-0 137-0	<b>Oils</b> —		
Costa Rica ..	110 0 137 0	110-0 137-0	Linseed, per ton ..	£ 58	£ 58
<b>Provisions</b> —			Rape, crude ..	£ 66	£ 66
Butter, per cwt. ..	252/	252/	Cott'n Seed, crude ..	£ 60	£ 60
Australian finest ..	252/	252/	Petroleum Oil, per 8 lbs. ..	1/7 1/2	1/7 1/2
Argentine ..	252/	252/	Water White ..	1/8 1/2	1/8 1/2
Irish Creameries ..	nom.	nom.	Oil Seeds, Linseed ..	—	—
Dutch ditto ..	nom.	nom.	Calcutta—per ton		
Russian finest ..	nom.	nom.	Spot ..	29 15 0	29 15 0
Paris baskets ..	nom.	nom.	Rape ..	£ 29-10 1/2-30	£ 29-10 1/2-30
Danish finest ..	nom.	nom.	<b>Iron</b> —per ton		
Brittany rolls ..	nom.	nom.	Cleveland Cash ..	nom.	nom.
doz. lb. ..	nom.	nom.	<b>Tobacco</b> —duty, unmanufactured 7/4 to 8/0 per lb.		
<b>Saicon</b> —per cwt. ..	172/	172/	Maryland & Ohio ..	nom.	nom.
Irish ..	172/	172/	per lb. bond ..	0 8 -2 1	0 8 -2 1
Continental ..	171 1/2-172 1/2	171 1/2-172 1/2	Kentucky leaf ..	0 7 -0 11	0 7 -0 11
American ..	171 1/2-180 1/2	171 1/2-180 1/2	Latakia ..	2 0 -5 0	2 0 -5 0
<b>Hams</b> —per cwt. ..	203/	203/	Havana ..	1 6 -6 6	1 6 -6 6
Irish ..	162 1/2-165 1/2	162 1/2-165 1/2	Manila ..	nom.	nom.
Canadian ..	125 1/2-165 1/2	125 1/2-165 1/2	Cigars, duty 10/6 per lb. ..	2/ upds.	2/ upds.
<b>Cheese</b> —per cwt. ..	129/6-160/	129/6-160/	<b>Timber</b> —Wood.		
Dutch ..	nom.	nom.	Pitch Pine ..	300/-400/	300/-400/
Canadian ..	nom.	nom.	Indian Teak ..	380/-700/	380/-700/
English Cheddar ..	nom.	nom.	<b>Turpentine</b> —		
Wilt's loaf ..	nom.	nom.	American Spot ..	124/3	124/3
New Zealand ..	nom.	nom.	<b>Copra</b> —per ton		
<b>Rice</b> —per cwt. ..	s. d.	s. d.	Malabar ..	46 0 0	46 0 0
Japan ..	nom.	nom.	Ceylon ..	46 0 0	46 0 0
Rangoon a stars ..	26 3	26 3	F.M.S. Singapore ..	45 10 0	45 10 0
<b>Eggs</b> —per 120. ..	£ 54-£ 50	£ 54-£ 50	F.M. Straits ..	45 10 0	45 10 0
English ..	35 0-36 6	34 0-36 0	<b>Flour</b> —per sack.		
Irish ..	34 6-35 0	34 6-33 0	Country Straight ..	44/3	44/3
Danish ..	nom.	34 0-35 0	Runs ex Mill ..	44/3	44/3
<b>Spelter</b> —					
G.O.B. as to position ..	£ 54-£ 50	£ 54-£ 50			

Only miscellaneous sales have occurred for large and small outlets. The undercurrent of demand in finishing and printing cloths keeps up fairly well, but there are no signs of a revival of buying in sized materials. The selling basis in India remains poor, and the political situation in China continues to have an adverse effect upon trade. Only small lots have changed hands for Egypt and South America. A healthy demand has again been experienced in home trade fabrics. American yarns have been dearer to buy, and the independent attitude of spinners has been very pronounced. The supplies on the market, especially in wefts, seem to become smaller and smaller. A fair inquiry has come through in Egyptian spinnings at full rates.

## By-the-Way War Notes.

Nine days have passed since we last wrote about the war, and during most of that time the enemy has continued to battle with the fury of despair and to suffer disappointment and loss. The long battle which began on March 21 has led to as yet uncounted sacrifices of human life—of German human life especially—and still the end is not in sight. It is not in sight because the masters of Germany cannot brook the confession of defeat, the humbling of their pride, the baulking of their ambition. Also they dread the consequences. Therefore, in all probability the wholesale slaughter will break out again soon, and proceed until the manhood of Germany is wholly used up, or until hunger sucks the life out of the peoples in both Central Empires, and wipes out the two tyrannies in famine. It may be thus, but the toil is not light that the Germans will have to endure to enable them to renew their assaults. Their own devastations in the past now hamper them, and, above all, the airmen of the Allies—French, American, and British—throw fresh obstacles in their path and take hourly toll of men and material. Every week sees our air fleets grow in prowess and renown.

One thing we may be sure of—as long as the military horde dominates Central Europe under the figureheads of the Hohenzollern and Habsburg Emperors, so long will it be impossible to attain a true peace. And the nation understands that fully now. There are no illusions about the meaning of the war or the nature of the peace which must end it. As General Smuts said at the Clothworkers' Company, "Germany means to win this war, and to follow up her victory with what Hindenburg has just called 'a forcible German peace.' And ours is the duty to resist it to the death." Yes, to resist to the death, or perish for ever. And we have resisted, thank God! and are prepared to resist still, unflinchingly, with the utmost loyalty to our Allies, confident that victory attends our efforts, is attending them even now. What have the Germans won? Just enough promise of a success to come to tempt them on and on to their destruction.

Those who are inclined to look with despair at the prolongation of the war should try to imagine what might have been had the Prussian despots possessed at the outset sufficient glimmer of common sense to be a damper on their colossal vanity. German aims in the war were defeated at the Battle of the Marne. Everyone remembers the programme; how Belgium was to be overrun and subdued and all Northern France down to Paris and beyond captured and annexed within a matter of two or three weeks—by the end of August at latest. The whole scheme was shattered by the magnificent defence of the French and the "contemptible British Army" at the Battles of the Ourcq and the Marne. The *coup de grâce* was given to the German onslaught by General Foch, now the trusty and loyally obeyed Supreme Chief of the Allied troops in France and Belgium, and it meant the ruin of the Prussian design. Now, supposing after that defeat the Prussians had had sense enough to recognise that they must at least postpone the realisation of their mad dream of masterhood over Europe and the world, and made haste to sue for peace. If they had withdrawn from France and Belgium, apologised for their hasty onslaught, bargained for the amount of compensation for which they were liable, and arranged to pay it, we should probably have fallen into the trap and made a peace more fertile of future misery even than the peace forced upon France in 1871 by the Treaty of Frankfurt. A peace made at the end of 1914 would in all probability have left the corruptions of Tsardom still enthroned behind the Romanoffs in Russia, to Russia's eclipse; it would have left Poland still helpless at the mercy of the Prussian and Austrian interlopers; Serbia would have been either abandoned to its fate or granted a minimum of territory in which to prolong its circumscribed

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existence as an independent nation; and the Turk would still have been left free to massacre in Armenia and to drain the subsistence of his Christian subjects all over Asia Minor.

But any such treacherous peace was for ever rendered impossible by the fury of the baffled Prussians, and their resolve to go on and on until they had asserted their mastery is proving to be the world's deliverance. The peace which is now coming cannot fail to be a peace of deliverance because it will ensue after the maleficent energies of the aggressor empires have been destroyed. Not a kick will be left in either when the task of the Allies is accomplished. Both empires are now insolvent to a degree that probably their own financiers do not yet comprehend or wish to comprehend; and both are to-day hungry to the verge of absolute starvation, notwithstanding "treaties" with Ukraina and so many grain-loaded waggons coming and about to arrive from Russia. We, therefore, have but to go on with the slaughter, paying no heed to such lying politicians as Count Czernin, such weavers of professorial cobwebs of falsehood as Count Hertling, refusing all intercourse with the enemy, holding our own in the battlefield, beating back the hordes of assailants, overwhelming them from the air, and the day cannot now be distant when they will be forced to throw down their arms. Nay, we are not sure that the day is not approaching when their own subjects, victims of a malignant oppression and an unfathomable lust of power, will turn in their hunger and despair upon their betrayers and dash the weapons out of their hands. Be that as it may, our duty is to fight on until we win our peace.

A demon-like impishness bred of weakness and despair is revealed by this long-distance bombardment of Paris with a monster new German gun, or guns. It excites astonishment and half converts the horror inspired by the performance into a feeling of contempt. A feeling of confidence is also disseminated amongst the Allies, for such a freak exhibition of wanton devilishness proclaims to all the world that the masters of Germany feel themselves to be beaten. Obviously they have ceased to hope for a triumphant march into Paris, so in revenge do their wanton best to destroy it. And it was surely appropriate to Boche characteristics that this latest production of the Krupp gunshops should have first evoked a message of exulting approval from Krupp's partner, William Hohenzollern, and be immediately thereafter followed by an Easter massacre of worshippers in a Paris church. There was a fiendishness revealed by the conjunction of such words and deeds as seems to have even penetrated the boar hides of the Prussian officials, for they were moved to express hypocritical regret for the crime. We say "hypocritical" because they sought to disguise the abominableness of the deed by calling Paris a "fortress." This shows that the brutes either themselves felt some flutterings of shame, or had an uneasy consciousness that the loathsome incident might not prove exactly a pleasing one to their Catholic fellow-citizens. We hope it is true that one of the guns has burst and killed all who served it. Such monsters can do nothing else than burst after they have revealed the profundity of criminal insanity to which the madness of Pan-Germanism and the lust of slaughter have brought the German nation down.

People still bewail the "defection of Russia," as they call it, but Russia has not betrayed us, not the Russian people on their own motion and of deliberate purpose. The Russian people themselves have been betrayed by a faction whose Slavic idealism, let us recognise, has not been wholly evil in origin and purpose, and out of whose mistakes a new Russia may arise, is arising. And will not the very eclipse and misfortunes of a temporarily submerged Russia facilitate the arrangement of an enduring peace, make more easy the re-establishment of a free Poland in the fullest meaning of the name, the settlement of Rumanian claims over Transylvania and Bessarabia, and even render more easy the adjustment of the duties of Western Powers in Asia Minor, once the arch-enemy, Prussian militarism, has been destroyed? And will not the change wrought in Greece since Constantine the traitor was packed off help much towards a settlement of the Balkan wrangle, and towards the final extinction of Turkish oppression in Europe, in Anatolia, and along the Syrian coast of Asia Minor? We decidedly think so. The way of peace is being prepared for all the time, even as the Allies fight on and suffer.

There is still alarm expressed in places lest the Germans should get back their colonies, and we see that New Zealand is again exciting itself over the fate of Samoa. Is there any need for agitation over the fate of these colonies now when the end is coming in sight, an end which will seal the doom of the German Empire for ever? Thanks to our prolonged resistance and to the supremacy of the Allied power on the sea; thanks also to German U-boat infamies, German ships will no longer be free of the ocean. The damages must first be made good, and with neither a trade to sustain and expand nor ships to convey goods in, how can Germany have colonies? General Smuts need not fear. The world will not see "a fresh instalment of militarism, fresh scheming and preparing and arming of this generation for the greater struggle which must engulf the next as a result of this war." We cannot doubt but that the end will be satisfactory to the long-suffering and war-weary Allies. All we at home can do is to refresh our courage by meditating on these things, and noting the way we have been led. Thus refreshed, we become immovable in the resolution to endure all things, and to stop at no sacrifice until a victory the world needs is won. Is each of us giving all he can save or spare to insure this victory?

A welcome decline is shown by last week's report of losses by submarine. The previous week, ended March 23, was a bad one, showing 15 large vessels and 9 small sent to the

bottom. Last week only 5 large and 6 small were sunk, together with 4 fishing craft. These are the figures after adjustment, the actual number returned for the past week being 6 ships of 1,600 tons and over and 7 of less than that tonnage, together with 5 fishing vessels, but in each class one vessel is included which had been sunk at an earlier date. Thus the return shows a reduction of 9 in the week's devastation. Altogether 4,795 ships came to and went from our ports, or 164 fewer than in the previous week, but a number still well above the recent average, so that the percentage of losses was again unusually low, and we hope this diminution will be maintained, not always to the same degree, but in a curve tending downwards month by month. The average for the month of March was a little over 19 vessels a week of all sizes, and that was high compared with the January average. We look to April to do better, to beat January. Against the French the German submarine had no success at all last week, no French steamers having been sunk. Unfortunately, it was otherwise with Italy, three of whose ships of 1,500 tons and upwards were sunk.

Friday morning brings us the news that the German offensive has been resumed, and that renewed efforts are being made by massed avalanches of troops to penetrate our ranks and drive through them into Amiens, thus putting a wedge in between our armies and those of France. There is nothing to be surprised at in this news, because the German high command have got their armies into such a tangle and placed them in such danger on the flanks that they dare not sit still. They must try to drive forward, no matter what the cost, for hunger also pushes them, and we are glad that it is so, because the more they strive, the more they will be defeated, and the war will the sooner end.

## The Week in Mines.

Business in the Mining Markets has been very restricted this week, owing chiefly to fears on the part of members as to the dislocating effect of the Government's new man-power proposals. It is felt that they must have the result of causing the offices to reorganise their staffs again—a very difficult process on this occasion, owing to the scarcity of substitutes, trained or untrained. The only market in which there has been any marked activity has been that for Cornish tin shares, which have been very active and buoyant.

### SOUTH AND WEST AFRICANS.

In the South African market prices have, with few exceptions, shown a persistent downward tendency. Brakpans have fallen  $\frac{1}{4}$  to  $\frac{1}{2}$ , New Modders to 22 $\frac{1}{2}$ , Modder Deeps to 7, City Deeps to 24 $\frac{1}{2}$ , Crowns to 17 $\frac{1}{2}$ , and Goerz to 13s. 6d. On the other hand, Modder Leases have recovered to 3 19-32, after touching 3 $\frac{1}{2}$ , and Springs at 3 $\frac{1}{2}$  and Sub-Nigels at 1 9-32 are both higher on the week. Rand Mines have risen  $\frac{1}{4}$  to 2 $\frac{1}{2}$ , but Central Minings have declined  $\frac{1}{4}$  to 5 $\frac{1}{2}$ . Both these companies are interested in the British Cellulose and Chemical Manufacturing Co., which has just been formed with a capital of £3,500,000. This company is already making very large profits through its subsidiary concern, and plans have been made by arrangement with the Ministry of Munitions for spending up to about £5,000,000 out of profits on works extensions. Both Vickers and Nobels are interested in the concern. In the Rhodesian department, Chartereds have been firm at 14s. 9d., but Rezendes have declined  $\frac{1}{4}$  to 4 $\frac{1}{2}$ , and Tanganyikas at 3 $\frac{1}{2}$  and Zambesias at 23s. are both lower. Diamonds have weakened, including Jagersfontains to 4 $\frac{1}{2}$ , despite the maintenance of the dividend at 4s. per share. Among West Africans Ashanti Goldfields have declined to 20s. on the reduction in dividend.

### COPPER AND MISCELLANEOUS.

In the Copper group, Rio Tintos rose  $\frac{1}{4}$  to 64, on the increase in profits shown in the report, but Mount Elliotts have declined  $\frac{1}{4}$  to 3 $\frac{1}{2}$ . Broken Hill shares are mostly lower, but the falls are slight. Nigerian Tin shares, though lower on the week, are above the lowest points touched. Tin Areas have been notably firm at 7s. 3d., in anticipation of a good report for the period ended May last. Cornish tin shares have been especially active and strong, under the lead of South Croftys. These have been in strong demand on rumours that the recent developments have been exceptionally favourable. The shares show a rise of 12s. 6d., to the record price of 45s. East Pools have advanced 3s. 6d. to 30s., the report creating a very favourable impression, while Geevors are 2s. 9d. higher at 23s. Russian shares are easier. Irtysh Corporations have been unaffected at  $\frac{1}{2}$  by the calling of a special meeting to approve the transfer of the control to the British Canadian Corporation under the scheme explained at the last meeting.

## MINING NEWS.

EAST POOL AND AGAR.—The report for 1917 shows that the nett profit amounted to £59,651, an increase of £37,166. It is proposed to pay a final dividend of 3d. per share, making 1s. 3d. in all, or 25 per cent., as compared with 15 per cent. for 1916, and to raise the carry forward from £5,843 to £36,876. In view of future expenditure contemplated, both as regards increasing the machinery and plant of the mine, and more extensive underground developments, which will involve large additional capital expenditure, the directors consider it prudent to increase the cash reserves, and to capitalise £20,000 of the undistributed profits. They therefore propose to increase the capital to £120,000 by the creation of 80,000 shares of 5s. each, which will be distributed among the shareholders in the proportion of one fully-paid share for every five shares held by them.

**RHODESIAN MINERAL OUTPUT.**—The production of gold in February declined sharply, the total showing a decline of £21,774 on January, and of £57,711 on February, 1917. The following table shows the production since January, 1914:—

MONTH.	1914.	1915.	1916.	1917.	1918.
	£	£	£	£	£
January .....	249,032	293,133	318,586	296,113	253,807
February .....	259,888	286,789	313,769	289,734	232,023
March .....	273,236	299,686	335,368	300,183	—
April .....	295,907	315,541	339,386	297,977	—
May .....	290,062	318,898	323,793	299,271	—
June .....	306,421	322,473	333,070	288,195	—
July .....	320,670	336,505	322,365	288,731	—
August .....	316,972	344,493	338,001	294,359	—
September .....	309,398	321,085	322,035	291,367	—
October .....	337,241	339,997	325,608	286,878	—
November .....	311,711	313,160	317,135	275,830	—
December .....	309,669	331,376	306,205	270,616	—
Totals..	3,580,207	3,823,166	3,895,311	3,495,353	485,830

The number of producers was 160, or 1 less than in January, and the output of other metals was 15,599 ounces of silver, 33,096 tons of coal, 305 tons of copper, 361 tons of asbestos, 5 tons of chrome ore, 1 ton of wolframite, 4 tons of arsenic, and 10 carats of diamonds.

**PRINCESS ESTATE.**—A circular has been issued to the shareholders of this company pointing out that the capital has been reduced to £57,503 by writing off 18s. per share, and afterwards increased to £107,503 by the creation of 500,000 new shares of 2s. each. These new shares have been subscribed for at par by Messrs. A. Goerz and Co., and the company's indebtedness to that firm liquidated out of the proceeds. New shares are now being offered to the shareholders in South Africa in the proportion of one new share for each share held. The Treasury has declined to permit the offer of the shares to shareholders resident in this country, which, in the circumstances, seems quite reasonable. If the money can be provided in South Africa, it ought not to be sought here.

**H.E. PROPRIETARY.**—The report for the 14 months ended December 31 shows a surplus of £10,231, which is transferred to a general reserve account. A contract for the sale of certain claims in the Nigel district to Sub-Nigel, Ltd., for shares in that company, has been completed. A provisional contract has also been made for the purchase of the Farm Klippoorjie, No. 228 (Northern portion), Heidelberg. The directors are advised that the whole of the property is traversed by the main reef series at an easily workable depth. The purchase price is 200,000 shares of 10s. each. It is proposed to co-operate with owners of adjoining property in a comprehensive scheme of boring, with a view to flotation as a separate company.

**PENGKALEN.**—The profits of this tin company for the year ended September 30 were £10,850. Dividends of 12½ per cent. have been paid on the preference shares and of 2½ per cent. on the ordinary shares; £4,000 is written off for depreciation, and the carry forward is raised from £552 to £3,902.

### DIVIDENDS ANNOUNCED.

**American Cyanamid Co.**—\$3 per share on account of arrears of preferred dividend will be paid to stockholders on May 1. Preferred share certificates registered in the name of Messrs. Sperling and Co. may be presented at their office, Basildon House, Moorgate Street, after the 15th inst., for purpose of claiming dividend.

**Barsi Light Railway Co.**—Interim 3 per cent. (6s. per share) in respect of year to March 31, 1918, payable on April 26. A year ago 8s. per share was paid.

**Cunard Steamship Co.**—10 per cent., less tax, with bonus of equal nominal amount of fully-paid 5 per cent. War Loan Inscribed stock, tax free, payable April 22. Amounts of bonus under £1 will be paid in cash.

**Cheviot Rubber.**—Final 5 per cent. (actual) in respect of 1917, making 10 per cent. for year; reserve, £5,000; forward, £25,500 (subject to excess profits duty). 15 per cent. for 1916, with £9,000 to reserve and £11,704 forward.

**Central Provinces Prospecting Syndicate.**—Final 8 per cent., with 8 per cent. bonus, making, with interim 8 per cent. paid in October, 24 per cent., less tax, for year 1917, same as for previous year.

**Credito Italiano.**—7 per cent. for year 1917; 5,000,000 lire to statutory reserve account, and 1,000,000 lire to a new reserve account. 6 per cent. a year ago, with 2,500,000 lire to reserve.

**Damansara (Selangor) Rubber Co.**—Third interim 15 per cent. (less tax) on account of year 1917.

**Hope Brothers.**—At rate of 8 per cent., less tax (against 6 per cent.), making 6 per cent. for year, plus bonus of 2 per cent. To reserve and contingency fund, £11,000; forward, about £20,000.

**Joseph Travers and Sons.**—10 per cent., the same, and bonus of 1s. per share on ordinary shares, for year ended Jan. 31, A year ago no bonus was paid.

**Lima Light, Power, and Tramways Co.**—1½ per cent. on shares payable against Coupon No. 16 in London by Messrs. Grace Brothers and Co., 144, Leadenhall Street, E.C.

**Malakoff Rubber Co.**—Final 15 per cent., against 20 per cent. a year ago. \$25,000 to reserve and \$75,000 forward.

**Plymouth, Devonport, and South-Western Junction Railway.** 3½ per cent. per annum for second half of 1917 on ordinary stock, same as a year ago.

**Sungei Reyla (F.M.S.) Rubber Estate.**—Interim 2½ per cent., free of tax, on account of 1917, payable April 10.

**Tharsis Sulphur and Copper Co.**—12½ per cent.; equal to 5s. per share, payable tax free, for 1917, after writing off £30,740. A year ago 15 per cent. was paid, after writing off £23,315.

**Transvaal Gold Mining Estates.**—3¼ per cent. (9d. per share) for period ended March 31, 1918. A year ago 5 per cent.

**Val de Travers Asphalte Paving Co.**—Further 4 1-5d. per share, less tax, making 7 1-5d. per share, or 3 per cent. for 1917, same as for 1916.

**Virginia (Carolina) Chemical Co.**—Usual quarterly 2 per cent. (being at rate of 8 per cent. per annum) on the preferred stock, payable April 15; also 75 cents per share on common stock, payable May 1.

**Weardale Lead Co.**—Interim 1s. per share (free of tax), payable on April 15, same as a year ago.

### Shipping Output Improving.

The Secretary of the Admiralty announces that the tonnage of merchant vessels completed in United Kingdom yards and entered for service during the month of March, 1918, compared with preceding periods, was as under:—

Month.	Completions.	Year Ending.	Completions
	Gross Tons.	1917.	Gross Tons.
March .....	118,699	March 31 .....	692,225
April .....	69,711	April 30 .....	749,314
May .....	69,773	May 31 .....	773,116
June .....	109,847	June 30 .....	833,863
July .....	83,073	July 31 .....	865,147
August .....	102,060	August 31 .....	928,470
September .....	63,150	September 30 ..	957,185
October .....	148,309	October 31 .....	1,046,036
November .....	158,826	November 30 ..	1,133,336
December .....	112,486	December 31 .....	1,163,474
1918.		1918.	
January .....	58,568	January 31 .....	1,173,953
February .....	100,038	February 28 .....	1,194,540
March .....	161,674	March 31 .....	1,237,515

The figures for last month (March) of 161,674 tons constitute a record, and demonstrate that the workers have taken to heart the anxiety caused by the comparatively low output of January and February of 58,568 tons and 100,038 respectively. It will be seen that, although there are fluctuations in the output of individual months, the annual output shows a steady upward tendency. Owing to the heavy falling off in January and February the figures for the past quarter are disappointing, but with the more energetic policy now in force the deficiency will soon be made good if the March level is maintained or exceeded.

### OILFIELDS PRODUCTION.

**Baku Russian Petroleum.**—Week ended February 23, 61,540 poods.

**United British Oilfields.**—Week ended March 27, 2,389 tons.

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## Tea, Oil and Rubber.

It is really amusing to follow the painful efforts of the chairmen of rubber companies to find reasons for supporting the restriction of output policy. In the forefront we usually find the lack of shipping facilities. There is an old saying about "getting your pigs to market," and the same surely applies to rubber; if the commodity cannot be sent to the factories it had much better be left in the trees, where it costs almost nothing for storage accommodation. That is the most elementary form of common sense, and we have not such a poor opinion of the ability of estate managers as to think that they require all the weight of the Rubber Growers' Association and a vigorous Press campaign to take the course which is dictated by the most ordinary kind of prudence. At the meeting of the Labu Company, Colonel Leather elaborated this point with many embroideries. The storing of large stocks would necessitate the erection of extra warehouses, at a time when finances are short and materials difficult to obtain. Then the climate would almost certainly have a deleterious effect on the material, and a large amount of capital would be required to finance the stores. On the other hand, cutting down the output would allow many of the trees to be rested, and there would be a saving of labour. Finally, "the restriction of output should have some beneficial effect upon prices," and that is the crux of the whole matter. We do not in the least blame the companies for trying to maintain prices, although we think the policy is foolish and may prove dangerous, but it surely did not require all this fuss and threats of compulsion to do what is right and prudent, and we are rather inclined to think that the supporters of the scheme have really at the back of their heads an idea that they can control prices and make consumers pay much more than the real market value of the material. If so, they will find themselves grievously mistaken before very long.

## COMPANY RESULTS IN BRIEF.

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re-serves.	Dividend.	Carried Forward.
Aplin and Barrett .. (Dec.)	£ 71,600	£ 66,850	50,000	20	£ 51,100
Do. ....Prev.	71,300	64,900	50,000	20	41,150
Barry, Ostlere, and Shepherd .. (Jan.)	134,098	112,600	25,000	8	71,560
Do. ....Prev.	109,913	78,300	10,000	8	31,920
Charles Baker & Co. (Jan.)	35,830	14,340	6,500	8	1,410
Do. ....Prev.	32,020	15,960	5,500	8	2,770
Mirrlees Watson Co. (Dec.)	38,980	32,020	100,000	12½	7,260
Do. ....Prev.	34,160	30,690	80,000	10	6,960
Owen Owen .. (Feb.)	40,940	34,670	30,000	29	9,600
Do. ....Prev.	31,130	28,490	30,000	16	7,030
Slazenger's .. (Dec.)	38,150	18,990	47,350	6	16,180
Do. ....Prev.	31,760	16,230	42,200	4	14,260
T. J. Harries & Co. (Feb.)	17,560	16,330	27,000	5	1,680
Do. ....Prev.	9,680	8,780	15,000	nil	2,780
Workington Brwry. (Feb.)	35,140	17,150	35,000	10	13,350
Do. ....Prev.	29,920	14,750	32,000	6	8,500

## Answers to Correspondents.

Sims.—We are doubtful and see no immediate rise, although the price tempts and may cause a jump one day.

C. A.—Well, take it. But at the same time the shares may rally on the power given to raise charges.

Rustic.—We see little in their favour, although the price has crept up lately. But you might perhaps buy a few if prepared to hold.

Good Interest.—Good, but not cheap these days. They pay little more than 5 per cent.

H. B. T.—Yes. There is nothing else to be done, although the road is still a long one.

M. F. R.—Yes, quite a good debenture of its class, but not likely to appreciate just now.

Dover.—Only if you can sell to clear all expenses and leave yourself a little to cover loss of interest.

G. J. F.—A further rise is quite possible, but the present conditions are abnormal. Under the circumstances we should advise you to sell half.

L. C. D.—We do not care to recommend the office you mention. If you will send us particulars of age we will send you the name of an office.

Maltster.—(1) We think you should sell. (2) Cannot recommend a purchase, outlook not very encouraging.

E. C. M.—If you are prepared to wait it is a fair lock-up.

A. K. S.—(1) At present the company is doing remarkably well, and seems likely to continue prosperous. There is no objection to a purchase, but you must watch them fairly closely. (2) Quite strong financially, but no prospects of increase in dividend at present, so far as we can see. Think might be sold.

## What Balance Sheets Tell.

### STEWARTS AND LLOYDS, LTD.

Trading profits last year after providing for excess duty amounted to £454,300, an increase of £35,000, but general charges were rather heavier, and after again writing off £100,000 for depreciation the nett profit is £27,000 up at £285,900. With £8,000 more brought in the available balance

is £35,000 higher at £397,000, but the dividend and bonus on the deferred shares remain at 12½ per cent., tax free, but the reserve gets £100,000 against £60,000, and the balance forward is reduced by £5,000 to £105,000. The company is in an enormously strong position, and the shareholders are not likely to grudge the directors the increase of £4,000 in their fees for which they are asking. Treasury sanction has now been obtained for the issue of the balance of 425,000 deferred shares of £1 each, and they will be offered to existing holders at par. It is also proposed to increase the authorised capital to £3,100,000 by the creation of an additional 850,000 deferred shares, so that a further expansion of the business is evidently anticipated. Debentures amounting to £192,000 fall to be redeemed on July 1 next, but this will not cause any embarrassment as the cash in hand amounts to £470,000 and there are first-class investments for £1,140,000, an increase of £580,000 during the year. Creditors have increased £360,000 to £1,346,000, while debtors have fallen £94,000 to £1,250,000, and stocks are slightly lower at £690,000. Expenditure on capital account, including shares in subsidiary companies, amounts to £2,029,000, against which there is a depreciation fund of £1,320,000, so that at all points the company appears to be strongly buttressed against any possible adversity.

### P. AND W. MACLELLAN, LTD.

In 1916 the profits showed an increase of £21,000, and this is followed by a further gain of £16,000, raising the total to £90,000. With £2,000 more brought in, there is a balance of £110,040, out of which £15,000 is again written off for depreciation and £25,000, against £20,000, is placed to reserve. The dividend on both the preference and ordinary shares is raised from 10 per cent. to 12 per cent., leaving £27,300, or £7,000 more, to be carried forward. Evidently the company has had a most prosperous year, as these results are arrived at after providing for excess duty. Changes in the balance-sheet are not of much significance, but £60,500 of the depreciation fund has been used to write down buildings and plant, which now stand at £307,850. Goodwill was wiped off some years ago, and the reserve fund stands at £175,000, so everything looks as comfortable as could be wished.

### W. T. GLOVER AND CO., LTD.

This "controlled" establishment for the manufacture of wires and cables only superficially seems to have been doing rather badly. In 1916 nett profits dropped £4,600, and last year there was a further decline of £9,400, bringing the total down to £40,440. But, all the same, the dividend was raised a year ago from 5 per cent. to 6 per cent.; this time it is 5 per cent., but there is a bonus of 2½ per cent. in addition, making 7½ per cent. in all, so that things are evidently better than they look. The amount brought in was £10,400 larger, making the available balance £1,000 up at £62,460, but the appropriation to reserve is doubled at £20,000, and the carry forward is reduced £11,300 to £10,770. Reserve and sinking funds now amount to £170,000, an increase of £27,000, and the balance-sheet has a very clean appearance.

### CLYDE VALLEY ELECTRICAL POWER CO.

This company now issues yearly instead of half-yearly accounts, and for 1917 the gross receipts amounted to £342,800, an increase of £78,500. Expenses, however, rose £88,500 to £253,500, fuel costing £25,000 more and taxes £47,000 more. Consequently the nett revenue was £10,000 less at £89,300, while £50,000, or £7,500 more, is set aside for depreciation. The balance allows of the dividend of 2½ per cent. for the year being repeated, and the balance forward is reduced by £4,600 to £21,150. It is explained that the large increase in taxes is due to the payment of excess profits duty as adjusted at June 30, and provision for the estimated assessment up to the end of the year. Extensions to Clyde's Mill Power Station have been completed, and the plant is now in operation, and a further installation of 15,000 k.w. at Yoker Power Station is now in progress.

### PENMANS, LTD.

This well-known Canadian business made a gross profit last year of £1,671,000, while operating expenses amounted to \$535,000 and the nett profit showed an increase of \$270,000 at \$1,136,000. After providing for debt charges and depreciation, the balance is \$177,000 larger at \$915,500, but the dividend remains at 5 per cent., and \$100,000 more at \$500,000 is placed to reserve. The undivided surplus is increased by \$135,000, and now amounts to \$808,000, while the reserve stands at two million dollars. Current assets exceed liabilities by \$2,650,000, and everything looks prosperous. It is stated that the sales amounted to \$6,896,000, an increase of \$1,050,000 over 1916, which, in turn, showed a gain of \$1,097,000 over 1915.

### CANADA CEMENT CO., LTD.

Further substantial progress was made last year, and the nett profits, after deducting \$2,190,000 for depreciation and special equipment, amounted to \$2,861,000, an increase of \$640,000. Out of this \$400,000 is placed to reserves, and the dividend on the ordinary stock is raised from 4½ per cent. to 6 per cent., while \$484,000 is added to the undivided surplus, raising it to \$2,577,000. Property account has been reduced by \$1,700,000, and investments have risen from \$35,000 to \$915,000, while current liabilities are \$2,040,000 lower at \$634,400. It is stated that the demand for the company's product was practically the same as in the two previous years, in spite of the fact that work on many large and important projects was suspended, and the directors anticipate that the current year will give a fairly good account of itself. The company has greatly strengthened its position, and the outlook seems promising.

## COMPANY MEETING.

## THE SCOTTISH PROVIDENT INSTITUTION

## MUTUAL LIFE ASSURANCE.

The 80th annual general meeting was held in Edinburgh yesterday, D. Douglas MacLagan, Esq., in the chair.

The report for the year 1917 states that the new proposals received were 1,589 for £1,387,652, and of these 1,420 were completed, assuring capital sums amounting to £1,255,607. The amount reassured with other offices was £113,900. The premiums of all kinds, including the price of annuities, but after deducting sums paid for reassurance, were £789,213. The total receipts, including interest, amounted to £1,374,220. The accumulated funds amounted at December 31, 1917, to the sum of £16,129,002. The claims under 1,095 policies by the deaths of 824 members were £887,786, and the claims by survivorship under endowment policies £110,797, making the total claims for the year £998,583.

The Chairman, in moving the adoption of the report, said: Although I am not in a position to submit to you results quite as favourable as those which were available to our chairman of last year, I think that I may confidently assume your satisfaction with the amount of new business which we are able to report. When we consider that the bulk of the insurable portion of the population is engaged in the Great Adventure, and that by their side are many of those who have been most efficacious in procuring business for the Institution in the past, we may well be gratified that the harvest is so plentiful as one in view of the fact that the labourers are so few. We are all the more indebted to those, both at the Head Office and at the Branches, to whose assiduous and successful exertions the results in your hands are due. New assurances of over one million and a-quarter under the present adverse conditions may well be viewed as satisfactory.

The figures relating to the annuity business show that while the price received is smaller than in 1916, and greatly less than was customary in pre-war days, the number of contracts issued and their relative amounts are both higher. These figures indicate that our annuity rates no longer offer the same inducement to the normal investor when placed in competition with the high returns which are now obtainable from the Government. We have been frequently urged to raise our annuity rates in view of the higher rate of interest now prevailing; but, owing to the counteracting effect of high Income-tax, and the uncertainty as to the future, it has not been thought prudent to make any change in the meantime. In the same way there has been a marked falling-off in the amount received by way of single premiums for life assurances; and to that extent the smaller addition to the Realised Funds compared with what in former days was usual is accounted for.

## WAR CLAIMS.

A special interest attaches to the incidence of mortality during the war. Last year there was again a large addition to the war claims, amounting, as stated in the report, to £114,000. As you are aware, it was decided by the Association of Life Offices at the beginning of the war that no extra premiums would be exacted from non-military members called to active service, and consequently the general body of the policyholders have in one form or another to bear the losses. No doubt this is as it should be, and it has certainly been a very important contribution to the country's welfare. Up to now the war claims falling upon the Institution have amounted to about £400,000; and these being almost entirely under policies on the lives of young men whose assurances were taken out comparatively recently, the total premiums received under these policies were necessarily small in amount, and consequently the nett loss to the office is very little less than the actual amount of the claims. Hitherto we have been able to state from year to year that the claims by death have largely fallen among the oldest class of policies which in ordinary course would have a comparatively short future duration, and for which the office had in hand reserves approximating to the full amount of such claims. This would still hold good for this year if the war claims could be eliminated, though for the time being it has to be somewhat modified. We have, however, the satisfaction of knowing that payment of these claims has helped materially to lighten the burden of the war in many a home.

## FUNDS.

We have completed the fourth year of this quinquennium, and for practically the whole of that period the affairs of this and other kindred Institutions have been under the influence of the great war. The report makes reference to the heavy burdens upon us all for which that catastrophe has been responsible. One of these is the depreciation in the value of securities, most marked perhaps in the case of American securities, caused by the entry of the United States into the war—an event of the most far-reaching importance. From that depreciation recovery is only a question of time, since it is caused not by any deterioration in the intrinsic value of the securities, but because the United States has been marshalling its financial resources as wholeheartedly as those which are military and naval. It will be noticed that there is an entry in the accounts of £13,144 as loss on realisation of securities during the year, and it has been thought desirable to write off at

the present time a further sum of £135,000 from certain other Stock Exchange and heritable securities, thus leaving the funds at the end of the year at £16,129,000. I may refer also to the item in the balance-sheet of £417,200 "Temporary Advances." This represents the balance outstanding at the end of the year of a larger sum borrowed from our bankers on security of War Loan Stock in order to enable the Institution to increase its holdings in Government securities. This loan has since been repaid, with the exception of a small balance, and the investments in British and Allied Government War securities, together with the amount of the securities on loan to the Treasury, now represent rather more than one-third of the Institution's funds.

## INSURANCE AS AN INVESTMENT.

As a result of the war there have passed into the English vocabulary certain new words and phrases. Among these is one which has of late received some considerable attention in the Press of the country, and has been the occasion of a Parliamentary debate. I refer to what is vaguely, but alluringly, called the "conscription of wealth" or the "conscription of capital." It is satisfactory that the leader of the Liberal party took the opportunity that presented itself in the House of Commons of declaring that anything in the nature of repudiation of our national obligations, however it might be veiled or disguised, was a thing which this country would never contemplate and could never pursue. That is a most important declaration, because the phrase to which I am referring has been utilised to indicate a method which might be adopted as a means of hastening the reduction of our unwieldy National Debt. However much or however little the "conscription of wealth" may suggest to different types of mind, it seems unthinkable that Life Assurance funds should be the object of any predatory attack. Life Assurance Societies, especially Mutual Societies, do not stand for the wealth but for the thrift of the country; and any action that would interfere with the implementing of the contracts which they have made, would be taken a departure from what is described in the utterance referred to as "our unimpeachable credit." Indeed, the imposition of any levy that would kill thrift, or even discourage it, would be fatal to the nation's prosperity. And I would point out that to those who look for an investment beyond the reach of risk at the hands of unscrupulous raiders, a policy of assurance should very strongly appeal. Moreover, in the time of reconstruction after the war there will be a great dearth of capital, and to those requiring facilities from their bankers, no more acceptable security can be offered as collateral than that of a life policy under the distinctive system of our own Institution. Our premiums, while low, are not, as under some non-profit tables recently issued, unduly low, and yet they do not deprive the policy-holder of the expectation that in due time he will share in the profits of the Institution—restored, as we may anticipate, to their former level by victory and a lasting peace. It should never be overlooked that, after all, the main object of an assurance policy should be to secure from its initiation the largest possible measure of protection, and here, again, a policy with the Scottish Provident affords the Assurer his readiest opportunity.

## WOMEN WORKERS.

In one of the "Obiter Scripta" which he is contributing to the *Fortnightly Review*, Mr. Frederick Harrison expresses it as his opinion that in these days of violent changes one of the most striking of all is the new strength and place in human society in which women now find themselves. I feel sure that most of us will agree with him in this, as we cannot fail to have been struck not only by their ubiquity but also by their versatility. In many walks of life we find them doing work formerly entrusted almost exclusively to men, and they do that work well. Having this revolution in the national life in view, the directors sanctioned the preparation of a scheme for the assurance of women workers, and while our experience of it has been of comparatively short duration, we have seen enough of its operations to feel confident that it will not only be of great service to the women themselves, but that it will be the means of adding not immaterially to the number of assurances effected in this Institution.

From the list of Honorary Directors the name of the Hon. Lord Guthrie will be missed. In the course of last year public attention was drawn to the undesirability of Judges of the Court of Session holding the office of Ordinary Director, and although that of Honorary Director was not open to the same objection, his Lordship felt himself constrained to interpret the movement in its widest sense. We regret that we have lost his name, but we know that his interest in the prosperity of the Institution remains unabated.

I have already made mention of the fine services rendered in these difficult times by those at the Head Office and at the Branches with their greatly diminished staffs, and it would not be easy to exaggerate them. I revert to the subject for the purpose of saying that in view of the conditions of work and of the cost of living, a war bonus continues to be paid to members of the staff in receipt of salaries below a certain limit. I am quite sure that this will meet with the complete approval of all the members.

The motion for the adoption of the report was seconded by Mr. R. L. Blackburn, K.C., and votes of thanks to the directors and to the chairman having been proposed by Mr. A. Gray Muir, W.S., and Sir George M. Paul, D.K.S., LL.D., the meeting terminated.

## INDIAN RAILWAYS.

NAME.	Week ending	GROSS TRAFFIC FOR WEEK.			Wks.	GROSS TRAFFIC TO DATE.		
		Amount	In. or Dec. on last year.	Rs.		Amount	In. or Dec. on last year.	Rs.
Assam Bengal	Jan. 26	166,613	+ 50,152	23,06,302	1	1,57,061		
Barsi	Feb. 2	28,700	+ 29,600	7,03,500	2	2,10,800		
Bengal & N.W.	Jan. 26	5,01,000	+ 71,130	63,93,753	1	6,60,312		
Bengal Nagpur	Feb. 1	10,48,000	+ 1,000	4,53,96,932	1	36,02,366		
Bombay, Baroda	Mar. 23	16,56,081	+ 1,30,000	3,57,82,000	1	6,24,000		
B. rma	Jan. 26	5,59,081	+ 44,846	1,74,17,738	1	17,031		
Delhi Umballa	Mar. 23	1,04,000	+ 18,624	23,22,486	1	2,99,499		
East Indian	" 30	21,15,000	+ 2,46,000	6,02,19,000	1	11,45,000		
Gt. Indian Penin.	" 23	23,33,700	+ 1,78,900	5,60,16,954	1	35,93,349		
Lucknow-Bareilly	Jan. 26	54,359	+ 7,216	8,20,169	1	83,175		
Madras and S.								
Mahratta	Feb. 2	10,50,000	+ 651	1,79,97,643	1	9,78,769		
Nizam's Gd. (Broad)	" 2	1,96,742	+ 40,860	23,41,723	1	42,280		
Rohilkund and (Metre)	" 2	1,23,720	+ 11,775	15,51,324	1	38,895		
Kumaon	Jan. 26	36,701	+ 2,297	700,330	1	57,477		
South Indian	Feb. 2	6,44,344	+ 61,586	1,15,87,804	1	8,53,402		

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or Dec. on last year.	Rs.	Wks.	Amount	In. or Dec. on last year.	Rs.
Dublin United	Mar. 1	7,305	+ 1,364	61,814	1	11,088		
Hastings and Dist.	" 18	1,093	+ 124	10,521	1	840		
Isle of Thanet	" 16	194	+ 55	4,147	1	1,843		
Lancashire United	" 27	2,682	+ 802	31,417	1	9,839		
Provincial	" 15	2,604	+ 593	56,858	1	9,730		
Yorks. (West. Rding.)	" 31	2,343	+ 577	30,436	1	7,167		

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or Dec. on last year.	Rs.	Wks.	Amount	In. or Dec. on last year.	Rs.
Alabama Power	Feb. 1	127,420	+ 26,091	345,887	1	327,163		
Anglo-Argentine	Apr. 1	53,346	+ 584	704,907	1	44,354		
Auckland Electric	Oct. 26	22,308	+ 880	92,118	1	7,832		
Brazilian Traction	Jan. 1	M3,696,000	+ M306,000	M3,696,000	1	M306,000		
Brisbane Elec. Inv.	Feb. 1	32,009	+ 2,269	66,509	1	3,689		
British Columbia	Dec. 1	167,333	+ 30,967	599,797	1	60,091		
B. A. Laoroze	Feb. 1	34,397	+ 1,580	303,775	1	1,239		
Burmah Electric	" 1	Rs.22,985	+ Rs. 73	157,522	1	Rs. 217		
Calcutta	Mar. 30	Rs.64,889	+ Rs.1,372	Rs.58,835	1	Rs.43,671		
Carthagenia and								
Herrerias	Feb. 6	4,031	+ 808	8,042	1	837		
Cordoba Light								
P. & T.	Jan. 1	12,845	+ 413	134,966	1	641		
Hongkong	Feb. 16	18,149	+ 5,635	94,318	1	102		
La Plata	Mar. 6	5,347	+ 819	14,803	1	1,867		
Lima	Feb. 1	41,913	+ 7,685	85,449	1	14,380		
Madras Electric	Mar. 31	Rs.48,284	+ Rs.12,949	Rs.237,008	1	Rs.33,569		
Manila Electric	Aug. 8	65,467	+ 4,667	547,492	1	70,625		
Mexico	Nov. 1	215,256	+ 108,666	3,193,106	1	197,227		
Rangoon	Feb. 1	5,662	+ 1,057	11,023	1	1,785		
Singapore Electric	Dec. 29	13,201	+ 1,173	668,805	1	11,901		
Toronto	Nov. 1	425,556	+ 8,753	5,032,176	1	239,133		
United of Monte V.	Feb. 1	34,573	+ 2,269	135,674	1	10,261		
Vera Cruz	Dec. 1	51,000	+ 12	618,000	1	—		
Winnipeg	Nov. 1	86,888	+ 14,744	748,976	1	327,782		

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or Dec. on last year.	Rs.	Wks.	Amount	In. or Dec. on last year.	Rs.
Alcoyand Gandia	Mar. 30	Ps. 11,000	+ 500	Ps.120,900	1	Ps.13,670		
Antofagasta (Chili)	Feb. 31	40,450	+ 2,050	516,405	1	37,105		
Arauco	Feb. 1	12,500	+ 2,500	26,500	1	4,500		
Argentine N.E.	Mar. 30	8,200	+ 900	324,780	1	64,098		
Bilbao R. and Canta	Feb. 1	2,953	+ 655	8,062	1	433		
Bolivar	" 1	9,500	+ 639	89,236	1	19,030		
Brazil	Dec. 1	M5,022,000	+ M667,423	M5,037,000	1	M506,695		
Brazil Gt. Southern	Nov. 1	M15,44,050	+ M80,000	M47,527	1	M51,057		
B. Ayres & Pacific	Mar. 30	100,000	+ 8,949	3,425,000	1	51,000		
Do. Central	Jan. 1	29,421	+ 12,000	175,667	1	168,155		
Do. Gt. South'n	Mar. 31	137,000	+ 18,000	4,265,793	1	168,549		
Do. Western	" 31	58,000	+ 18,000	1,878,000	1	86,000		
Central Argentine	" 30	169,000	+ 78,000	4,086,200	1	48,200		
C. Ur'g'ay of Mre V.	" 30	19,476	+ 4,636	709,949	1	199,825		
Do. East'n Ex.	" 30	5,424	+ 1,533	193,677	1	6,553		
Do. North'n Ex.	" 30	3,519	+ 251	124,226	1	31,591		
Do. West'n Ex.	" 30	2,351	+ 521	66,496	1	13,732		
Cordoba Central	" 30	37,500	+ 7,050	1,150,350	1	6,700		
Costa Rica	Jan. 19	3,996	+ 2,749	81,054	1	66,253		
Cuban Central	Mar. 30	34,448	+ 5,083	740,746	1	141,804		
Dorada Extension	Feb. 1	7,400	+ 1,400	15,700	1	2,300		
Egyptian Delta	" 10	8,720	+ 1,433	249,329	1	58,751		
Entre Rios	Mar. 30	19,400	+ 6,950	586,700	1	120,500		
French Sante Fé	Jan. 16	147,488	+ 55,713	147,488	1	55,713		
Gt. South. of Spain	Mar. 16	Pa. 39,187	+ Ps.1,759	Ps.334,463	1	Ps.726,923		
Gt. West. of Brazil	" 16	15,400	+ 3,300	246,600	1	71,050		
Havana Central	" 16	10,421	+ 2,946	314,210	1	61,364		
Inter. of C. Amer.	Feb. 6	24,247	+ 9,386	47,671	1	17,585		
La Guaira and Car.	" 1	5,500	+ 3,500	13,750	1	4,250		
Leopoldina	Mar. 30	29,663	+ 8,052	417,176	1	112,700		
Midland Uruguay	Feb. 1	10,000	+ 3,280	104,920	1	4,110		
Mogiana	Dec. 1	M2,312,000	+ M534,708	M2404,100	1	M812,420		
N.W. of Uruguay	Feb. 1	23,000	+ 1,202	212,065	1	819,746		
Nitrato	Mar. 31	31,062	+ 5,020	173,726	1	13,154		
Paraguay Central	" 23	3,280	+ 600	10,590	1	14,460		
Paulista	Dec. 1	M3,461,000	+ M752,617	M34115,000	1	M218,775		
Peruvian Corp'n	Feb. 1	S925,410	+ S80,640	S8,203,030	1	S917,638		
Salvador	" 23	3,112	+ 1,055	57,556	1	86,350		
State of Bahia S.V.	Mar. 31	M76,000	+ M25,000	M2404,100	1	M33,000		
S. Paulo (Brazilian)	Dec. 1	M1,996,000	+ M44,032	M209770,0	1	M1888,207		
Sorocabana	" 1	22,293	+ 5,348	20,286	1	56,904		
Taitai	Feb. 1	88,002	+ 21,423	2,113,774	1	523,622		
United of Havana	Mar. 30	12,352	+ 3,450	332,452	1	91,685		
West'n of Havana	" 30	11,570	+ 1,610	22,493	1	2,392		
Zafra and Hueva	Feb. 1							

\* Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or Dec. on last year.	Rs.	Wks.	Amount	In. or Dec. on last year.	Rs.
Neira	Nov. 1	56,698	+ 1,486	124,329	1	8,374		
Canadian Northern	Mar. 21	788,200	+ 69,100	29,450,700	1	501,600		
Canadian Pacific	" 31	4,306,000	+ 374,000	32,629,000	1	15,540,000		
Gr. Trk. Main Line	" 31	305,171	+ 4,115	2,115,915	1	109,175		
Gr. Trk. Western	" 31	48,744	+ 2,158	391,614	1	13,915		
Detroit G. H. & M.	" 31	15,205	+ 5,840	136,872	1	10,187		
Gr. Trk. Prairie Sc.	" 21	27,025	+ 9,602	258,639	1	73,169		
Mashonaland	Nov. 1	56,698	+ 1,486	56,698	1	1,486		
Mid. of West'n. Aus.	Jan. 1	9,296	+ 790	52,517	1	4,005		
New Cape Central	Feb. 16	2,563	+ 556	16,354	1	2,695		
Rhodesia	Dec. 1	79,220	+ 2,472	269,405	1	11,925		

\* Months. † July 1. † Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME	NETT EARNINGS FOR MONTH.			No. of Mths.	NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year		Amount.	In. or Dec. on last year	
		Dols.	Dols.		Dols.	Dols.	
Atchafson T. & S. Fe	Dec.	3,543,000	+ 240,000	12	47,829,000	+ 1,248,000	
Atlantic Coast Line	"	2,036,000	+ 420,000	12	12,014,000	+ 607,000	
Baltimore & Ohio ..	"	1,851,000	+ 1,165,000	12	30,588,000	+ 3,425,000	
Canadian Northern	Feb.	6,480,400	+ 588,600	8	2,279,700	+ 4,606,700	
Canadian Pacific	"	591,000	+ 1,395,000	12	1,759,000	+ 2,659,000	
Chesapeake & Ohio	Dec.	1,238,000	+ 44,000	12	14,099,000	+ 1,400,000	
Chicago & N.W.	"	2,711,000	+ 10,000	12	27,013,000	+ 3,634,000	
Chicago Burl. & Q.	Nov.	1,642,000	+ 2,031,000	11	31,281,000	+ 3,956,000	
Chicago G.W.	Dec.	388,000	+ 11,000	12	3,876,000	+ 1,006,000	
Chicago Mil. & S.P.	"	892,000	+ 1,726,000	12	22,026,000	+ 9,338,000	
Chicago, Rock I.&P.	"	1,362,000	+ 439,000	12	17,523,000	+ 2,953,000	
Colorado & Southern	Nov.	444,000	+ 233,000	7	5,320,000	+ 370,000	
Cuba ..	Jan.	454,171	+ 245,735	7	1,591,444	+ 398,910	
Delaware & Hud. ..	Dec.	4,000	+ 509,000	12	5,686,000	+ 2,124,000	
Denver & Rio Gran.	"	296,000	+ 424,000	12	7,418,000	+ 1,943,000	
Erie ..	"	507,000	+ 1,848,000	12	10,538,000	+ 5,277,000	
Gr. Tr. Main Line	Jan.	£6,163,000	+ £310,150	12	—	—	
Grand Trunk Westn	"	£639,150	+ £37,500	12	—	—	
Detroit G. H. & Mil.	"	615,000	+ £2,850	12	—	—	
Gt. Northern	Dec.	1,165,000	+ 1,401,000	12	22,937,000	+ 6,179,000	
Illinois Central	Nov.	1,466,000	+ 409,000	11	17,538,000	+ 2,590,000	
Kansas City Southn.	Dec.	294,000	+ 86,000	12	4,495,000	+ 569,000	
Lehigh Valley	Nov.	628,000	+ 376,000	11	9,240,000	+ 2,410,000	
Louisville & Nashv.	"	1,296,000	+ 178,000	11	16,949,000	+ 835,000	
Minn. S.P. (Soo) J.	Dec.	357,000	+ 297,000	12	9,331,000	+ 3,648,000	
Miss. K. & Texas ..	"	912,000	+ 126,000	12	8,305,000	+ 2,573,000	
Missouri Pacific	Nov.	1,690,000	+ 321,000	7	9,425,000	+ 1,920,000	
New York Cent.&H.	"	2,939,000	+ 742,000	11	45,049,000	+ 1,335,000	
N. Y. N. Haven & H.	"	1,469,000	+ 603,000	11	19,597,000	+ 1,605,000	
New York Ont. & W.	Dec.	111,000	+ 26,000	12	2,228,000	+ 97,000	
Norfolk & Western	"	1,281,000	+ 200,000	12	19,654,000	+ 3,808,000	
Northern Pacific ..	"	1,414,000	+ 1,832,000	12	27,423,000	+ 4,110,000	
Pennsylvania East							
and West Lines.	Jan.	5,940,000	+ 1107,3000	1	5,940,000	+ 1107,000	
Phil. and Reading ..	Nov.	1,064,000	+ 1,199,202	11	14,877,000	+ 6,626,000	
Reading ..	"	577,933	+ 5,846	11	9,806,000	+ 212,860	
St. Louis & San F.	"	1,304,000	+ 353,000	11	8,569,000	+ 1,093,000	
Seaboard Air Line..	Dec.	673,000	+ 205,000	12	8,628,000	+ 24,000	
Southern	"	2,953,000	+ 241,000	6	14,753,000	+ 2,098,000	
Southern Pacific ..	"	4,465,000	+ 1,038,000	11	55,577,000	+ 7,255,000	
Union Pacific	Dec.	3,247,000	+ 197,000	12	42,942,000	+ 2,115,000	
Wabash ..	"	316,000	+ 1,026,000	12	12,003,000	+ 841,000	

# The Investors' Review

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## THE NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.

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**One Reply to One Question — One Shilling.** Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

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## Passing Events.

Not so many National War Bonds of the Bank of England issue were sold in the week ended on Saturday last, the first of the new fiscal year. The applications numbered 12,538, a decrease of 1,814, and the amount applied for was £5,376,000 less at £10,940,000, but this brings up the total amount credited to these bond sales to £622,133,000. Through the Post Office for the week ended March 30 there were 32,700 applications, or 2,900 more than in the preceding week, and the amount applied for was £130,000 more at £900,000. This brings up the total applications for the Post Office series to 1,005,500, and the amount applied for to £24,943,000. In the same week, these two smaller issues being always behind the Bank of England figures, the total number of War Savings Certificates sold was 1,714,515. This brought up the aggregate to date to 175,936,136 certificates, which, at 15s. 6d., represented £136,350,505 in money. Adding the products of these various forms of debt together, we get an aggregate of about £783,000,000, which is by no means unsatisfactory, although still far short of what is required. Of this total £622,000,000 is ascribable to the Bank of England issue of War Bonds, and no doubt we shall be told in the Budget speech how much of this handsome sum is new money and how much the product of debt conversions.

As usual, the first week in a new financial year is never distinguished by overflowing receipts at the Exchequer, and the week ended April 6 proves no exception to the rule. From taxation and monopolies the receipts were £16,384,000, of which £8,202,000 came from property and income-tax, including super-tax, and £4,378,000 from excess profits tax; that is to say, £12,580,000 of the entire income of the week came from these two categories of direct taxation. Current expenditure amounted to £57,552,000, or at the rate of nearly £8,222,000 a day. Of this total £11,972,000 represented interest on war debt, and £2,420,000 is set down to miscellaneous, leaving only £43,160,000 as the amount absorbed by supply, or £6,167,000 a day. Beyond this statement of actual income and outgo, which shows the outgo to be well on to four times the revenue, there was an unusually large credit overturn, thanks to the fact that no less than

£128,827,000 of supply Treasury bills matured and had to be met. They and the excess current expenditure of more than £41,000,000 were met by an issue of £105,313,000 new Treasury bills, by the receipt of £15,478,000 from National War Bonds, by £1,400,000 the yield from War Savings Certificates sold, and by £43,000,000 raised on temporary advances. Even that was not enough. It left about £4,800,000 to be drawn off the Exchequer balances, which were therefore brought down to £16,230,000. In this way the outstanding total of Treasury bills has been reduced by £24,212,000 to £949,465,000, but to what extent the floating debt under temporary advances has been increased we do not know. Perhaps that likewise will be explained next week, when Mr. Bonar Law unfolds the mysteries of his Budget. We hope his exposition will be full, frank, and devoid of all subterfuge or make-believe, because it is quite time the nation began to shed its illusions.

It is a relief to come across speeches like some of those made at the annual meeting of the Association of Chambers of Commerce held this week. Sir Algernon Firth presided, and delivered an address which ought to help much to check the passion for manufacturing what he called "wild-cat" schemes. Perhaps there was a little too much disposition shown to look to the Government for the initial impulse and subsequent guidance of our industries in the period succeeding the war, but that, though dangerous, is quite natural in the circumstances, and the advice was good which Sir Algernon gave to traders that they should take steps to combine, "either with or without the knowledge and consent of Government departments," in order to secure supplies of raw material in good time so as to anticipate the Germans. A delegate complained that the President had omitted any reference to our future trade relations with Germany, but the complaint was not warranted, because, as Sir Algernon said in his answer, the country cannot now be committed as regards its policy after the war. A discussion at present of our trade relations with Germany after the war can only be fanciful and academic. We make far too much of a bugbear of Germany, not only on the battlefield, but in the fields of trade and industry. We assume, for example, that Germany will have the command of capital and be able to resume her predatory

industrial competition after the war just as if nothing had happened. As a matter of fact, Germany will be almost totally destitute after the war, and unable to recommence her former aggressive attacks in any market, even the nations willing to be exploited. We also shall all be too poor after the war to be able at once, or for many years to come, to resume our former habits in business, to create new markets for our productions while increasing the old, but Germany and Austria will be infinitely poorer than the Allies, and will be shut out from the ocean, a pariah among the nations, whereas we shall be among friends. A totally new foundation will therefore have to be laid on which to rest future trade of the world. Each country will be in the position of having to depend upon cash or actual commodities for its power to buy from other countries more than has ever before been the case. But with goodwill and in a spirit of mutual helpfulness we shall succeed. It is well, therefore, to take a sensible view, an unimaginative view, of the future, a view also less self-centred, and meanwhile to do our utmost to conserve our producing capacity so as to be ready to put our best, our least credit-fed energy into the work of reconstruction when the time comes, as we are persuaded it will do before so very long.

In some ways the Stock Exchange is suffering from the war more than any other institution in the City. It is so partly because its trustees and managers have shown a patriotic liberality in their treatment of members. For example, no less than £58,628 of their subscription money was last year remitted to 1,586 members, and in addition another £16,702 was sacrificed, being the payments due on account of 1,020 clerks. In all, therefore, fully £77,000 of the usual revenue was sacrificed because these members and clerks have in one way or another, but principally in joining the Army, gone to serve their country. The consequence is that the revenue has been severely curtailed. Total receipts for the year ended March 25 amounted to only £130,304, which was £18,468 less than the income of the previous year. A slightly larger decline was effected in the expenses, which were brought down by £20,497 to £114,409, but even so the nett revenue remaining was only £2,029 larger at £15,895. It takes £20,000 to pay £1 per share on the paid-up capital of £260,000, and that is all the dividend which the trustees and managers have again decided to pay. But as the revenue is only £15,895, it follows that the balance left to carry forward is reduced from £206,519 to £202,414. It is fortunate that the management had accumulated so handsome a balance in past years, for it may be many a day before the Stock Exchange gets over the losses caused by this war. Receipts from entrance fees were £4,053 against £3,916 the previous year, but either figure is in pitiful contrast to what has been. Poverty, however, does not tempt the managers to ignore any of their obligations, and £1,500 has been written off leasehold redemption account as well as £1,450 off licence account. The number of members has declined 164 to 3,884, but the number of authorised clerks is only six smaller at 696, and the total number of clerks has been reduced by no more than 72. The number of proprietors fell off 32 last year to 2,289. Nothing in the accounts invites comment beyond noting that vigilance appears to be exercised in effecting economies where possible.

Business was not quite so flourishing for the Hong-kong and Shanghai Banking Corporation last year as in 1916, and the nett profits fell \$485,000 to \$6,654,000. We note, too, that there was a contraction of \$4,330,000 to \$24,920,000 in the note circulation, no doubt owing to the restriction in shipping facilities causing a decline in trade. But any falling off in this direction was more than compensated for by the rise in the exchange. The interim dividend of £2 3s. was remitted at the rate of 2s. 6½d., against 2s. 1½d., and the final dividend of the same amount comes at 3s., against 2s. 4½d. Consequently the directors are able to double the bonus at 20s. per

share (also remitted at 3s.), to write one million, against \$750,000, off bank premises, and double the appropriation to silver reserve, which this time gets a million. A year ago \$600,000 had to be set aside for depreciation of securities, and the carry forward is increased by \$60,000 to \$3,223,000. The sterling reserve (taken at 2s.) remains at £1,500,000, and the silver reserve is now \$19,500,000, whereas the paid-up capital is only 15 millions, so that the position is an enormously strong one. Current accounts have increased 20 millions to \$223,167,000, and fixed deposits are \$8,300,000 higher at \$90,860,000. Bills payable are \$5,450,000 up at \$17,383,000, and acceptances have risen \$3,400,000 to \$6,085,000. Cash has increased 24 millions to \$84,132,000, and bills receivable are \$2,400,000 up at \$146,130,000, but there is a reduction of 14 millions, at \$131,607,000, in discounts and advances. The balance-sheet now totals at \$418,940,000 an increase of 16 millions, and the management have every reason to be proud of the commanding position which the bank has achieved in the East. The immediate future may be somewhat uncertain, but it is difficult to imagine any circumstances which would seriously affect the prosperity of the bank.

Owing to the decision to make the fiscal correspond with the calendar year, the 36th annual report of the Canadian Pacific Railway Co. only covered the six months ended December, 1916. In these circumstances it might have been expected that, following the usual custom adopted in such cases, the principal figures for the whole of 1916 would have been given for comparison in submitting the results for the past year. That, however, has not been done except in the case of certain more or less unimportant working details, and the report for 1917 is therefore robbed of a good deal of its interest. All we are told is that "the gross earnings of the transportation system in the fiscal year 1917 exceeded those of the previous year by \$13,000,000, but the nett earnings were less by \$4,000,000. This large addition of 17 millions to the working expenses may be attributed almost entirely to the advance in wages, and in the cost of fuel and materials of every description." So we must leave it there for the present in the hope that a more illuminating statement will be submitted at the annual meeting to be held on May 1: Gross earnings for the year amounted to \$152,389,000 and working expenses to \$105,843,000, leaving a nett revenue of \$46,546,000. Fixed charges absorbed \$10,229,000, and \$500,000 was handed over to the pension fund. After transferring nett earnings of Pacific Coast steamships and other "side shows" to special income account there is a balance of \$33,848,000. Preference dividend at 4 per cent. requires \$3,227,000, and the ordinary dividend at 7 per cent. \$18,200,000, leaving a surplus of \$12,421,000. In addition the ordinary stock, as usual, gets an extra 3 per cent. from special income, which amounted to \$10,713,000, and after paying this dividend there is a surplus of \$13,835,000, as against \$10,922,000 brought in. Working expenses for the year amounted to 69.46 per cent. of the gross earnings, as compared with 63.88 per cent. in 1916. The number of passengers carried was 15,577,000, almost exactly the same as in the previous year, but tons of freight rose fully a million to 31,200,000, and compared with 24,895,000 in 1915. Earnings per ton-mile were 0.70 cents against 0.65 cents, and per passenger-mile 2.03 cents against 1.96 cents. Sales of agricultural land amounted to 789,000 acres for \$14,331,000, being an average of \$18.16 per acre. Included in this area were 58,680 acres of irrigated land, which fetched \$46 per acre, so that the average price of the balance was \$15.92, a much higher figure than would have seemed possible a few years ago. We are decidedly interested to learn that, before the adoption in 1913 of the policy of selling lands to settlers only, considerable areas had been bought by land companies and others for speculative purposes, and that "nearly all of these purchasers

were in default and nothing was being done with the lands." Consequently the directors have negotiated the cancellation of the contracts and the restoration of the lands to the company. Some of these have already been resold to settlers, and it is expected that purchasers will be found for the balance "at prices somewhat better than those specified in the cancelled contracts." And we suppose that is about all we shall ever be told officially with regard to the shocking Canadian land boom scandals.

Nothing very exciting has occurred in the affairs of the British Bank of South America, Ltd., during the past year. Gross profits amounted to £352,400, an increase of £28,000, but expenses were higher, and the nett profit comes out at £167,600, or £7,400 more. After again paying a dividend of 24s. per share, or 12 per cent., this increase is added to the carry-forward, which now amounts to £97,600. Current and deposit accounts have increased £1,140,000 to £9,170,000, and other accounts are up £400,000 at £2,020,000, but bills payable have fallen £700,000 to £2,160,000. On the other hand, cash has risen £910,000 to £3,867,000, while discounts and advances are £80,000 lower at £11,540,000. The balance-sheet totals at £15,614,000, an increase of £830,000; but the figures indicate a rather stagnant condition of affairs, no doubt owing to the difficulties under which trade with South America and Europe has to be conducted.

W. T. Henley's Telegraph Works Co., Ltd., made further substantial progress last year, the trading profits after providing for special taxation showing an increase of £40,000 at £238,700, following a gain of £37,000 in 1916. The allowance for depreciation of plant, &c., is increased by £6,000 to £66,300, and income-tax requires £11,000 more at £28,750, but £15,000 more was brought in. There is a slight change in the form of the accounts, and we need not go through all the details, but after placing £25,000 against £20,000 to reserve and repeating the dividend (with bonus) of 25 per cent. the carry forward is increased by £42,000 to £112,000, subject to excess duty for the past year. Changes in the balance-sheet are of little importance, but, as already announced, it is proposed to split the ordinary £5 shares into £1 shares and to increase the capital to £600,000 by the creation of £200,000 new ordinary shares. This has been sanctioned by the Treasury, but the further proposal to capitalise the Tyre business as a separate concern is held up for the present. Shareholders, however, need not worry, as the bonus from this scheme must accrue ultimately, and they can afford to wait. The stupidities of the New Issue Committee of the Treasury have compelled even Sir Fredk. Banbury to resign, and a little business sanity may be inoculated into the Department presently.

For some time past articles of vivid interest have been appearing in the *Daily Mail* from the pen of Mr. Ernest Lionel Pyke. This English gentleman had the misfortune to be caught by the outbreak of the war while taking the cure at Homburg, and has been kept a prisoner in Germany until a few weeks ago. But although a prisoner, he seems to have had a good many influential friends in Germany, and to have been permitted a large amount of personal liberty. For a time he was inspector of the kitchen at Ruhleben, and had unusual means of noting the changes the war effected in the routine of German civilian existence. His articles have, therefore, been full of instruction, and should be published in book or pamphlet form, so that the ignorant ideas prevalent here regarding the internal miseries of Germany might be wholesomely modified. It is not realised here, for example, that both Germany and Austria are hungry with a hunger which is now dangerously near the point of absolute famine. Possibly the population of the German Empire is not yet so close to unrelievable food destitution as that of the Habsburg Empire, but it is hungry

enough to make it probable that one main reason for the German onslaught at the beginning of the third week of last month was the desire of the Nemesis-pursued Prussian slave-drivers to find some way of escape from the coming retribution. In Austria it is known conditions must to-day be such as to render a devouring famine a certainty unless relief can be found by breaking into some source of supplies our sea blockade and rigorous siege on land shuts them out from. In Germany it will very soon now be no better. The Prussians have failed to find the grain they have scrambled after in Russia, and Rumanian supplies, if any exist still, are not sufficient to feed the Austro-Hungarian armies, let alone the civil population, and nothing is left for Germany. Worst of all, the prospect of harvest for this year in both Empires must in the nature of things be worse than it has been in any year since the war Prussia forced upon us began. There is neither labour nor the fertilisers available to make it otherwise, so that, were the Germans to lay down their arms to-morrow, we believe the prospect to be such that famine would continue to gnaw at the vitals of the country for some years to come. The generation which has been destroyed by the war cannot be replaced by any device of the war-masters or of the fool-politician. Mr. Pyke regards it as probable that hunger will incite the Germans to break out in revolution. "At one period of the war," he says, in the article printed last Wednesday, "it was the fashion to say that the Germans were so docile and well drilled that they would never revolt. Then came the food riots, strikes, and other demonstrations of unrest at Berlin, Essen, Hamburg, Kiel, Dusseldorf, Leipsic, and elsewhere, also in Austria, at Vienna and Prague, for instance. People then said there might be a revolution in Germany after the war," but Mr. Pyke seems to think that it may come in time to help to end the war, and nobody here can dogmatically say that he is wrong. But a revolution could not now save the Germans from the retribution their crimes are bringing upon them.



## PASS DOWN THE PLATFORM

There are four, five, or six cars to a train. There are two gates to a car, and sometimes three. Two passengers cannot get through the same gate at the same time, but they can get through different gates at the same time. Even loading means quicker loading.



Electric Railway House, Broadway, Westminster, S.W.1.

Mappin and Webb, Limited, closed the year 1915 with a debit of £21,150 at profit and loss, and 1916 saw this converted into a credit balance of £9,230, which was carried forward. Last year the trading profits amounted to £81,760, an increase of £26,000, and, after providing for depreciation, debenture interest, &c., the nett profit is £16,400 higher at £46,780. This allows of the payment of two years' preference dividend, leaving 12 months in arrear, but this might have been paid, as the carry forward of £20,890 is more than sufficient to cover it. All the same, the directors are prudent in keeping a substantial balance in hand. It is stated that the improvement in trading is being maintained, and if it continues, the position will be appreciably stronger a year hence. Very satisfactory progress has been made since changes in the management were made about three years ago, and we are glad to see this fine old business obtaining results more worthy of its traditions. No doubt it has benefited recently by the increased spending power of the people, but, even in normal times, it ought to be able to do a very profitable trade.

In 1916 the profits of Val de Travers Asphalte Paving Co., Ltd., showed an increase of £2,700, but less was received as interest, and a smaller amount was brought in, with the result that the dividend had to be reduced from 5 per cent. to 3 per cent. Having regard to all the circumstances, it is satisfactory to find that last year the results were so well maintained, the changes in the figures, indeed, being almost microscopic. Trading profits show an increase of £70 at £19,520, but while £400 more at £2,140 had to be allowed for depreciation, only £1,000 was written off mining property, against £1,470 set aside to wipe out the cost of the Venezuelan concession, and the nett profit is practically the same at £14,680. Consequently, the dividend of 3 per cent. is repeated, and the balance forward is the same at £1,900. With economies enforced on local authorities, and the scarcity of labour, it would not have been at all surprising if the business had suffered a serious set-back, and strict economy must have been observed to secure the results which have been achieved.

The report of the Institution of Mining and Metallurgy for the past year is full of interesting and important information. It is the senior organisation of its kind in the world, and its activities have naturally never been on such a vast scale as during the war. Very little information on its direct war work, however, can be given at this stage, but the Joint Committee of the Institution, which was appointed to obtain an adjustment of the incidence of taxation on the mining industry has achieved a very notable success. As a result of negotiations with the Board of Inland Revenue, the latter has admitted the committee's claim that mines are wasting assets, and that amortisation of capital during life should be allowed in calculating liability to excess profits duty. This is a complete reversal of its former attitude. The Board of Revenue, in agreement with the Board of Referees, requested the Institution to take two selected groups—one gold and one copper—and to present them as representative cases. The two groups eventually agreed upon were gold mining in West Africa and copper mining in Australia, and the West African case was taken for it. The preparation of this case necessitated an extensive investigation, which entailed the examination of records for ten years of over 250 companies, the results of which had to be classified and submitted to accountants for verification and for detailed calculations for the preparation of tables. The Board of Referees eventually fixed at 22½ per cent. for the industry, but it took its action not upon any of the nine alternative methods of computation, nor upon the alternative submitted by the Board of Inland Revenue. Consequently much of the labour was wasted, for no rulings were obtained on principles, which was the main object of the committee; and it has therefore been decided not to pro-

ceed with the second case, as no useful purpose would be served thereby. But it is obvious that the Inland Revenue, having admitted that mines are wasting assets for excess profits duty purposes, it must logically admit this position in regard to income-tax in the future.

### Ministers in a Panic and an Irish Revolt.

Why is it that the present Government every little while gets into a panic and does its best to put the whole nation into one likewise? We fear it is because it is an impressionist, emotional administration, without sufficient grasp of the forces it is driven by, to be able to initiate and sustain a consistent, resolute policy. At first the Prime Minister's speech, in which he gave his reasons for the new man-power extension proposals, together with a narrative of the sets-back in the field which led to the decision, disposed us to let things slide. An emergency is before the country unquestionably, not an appalling emergency, nor one that in any measure forebodes our ultimate defeat, still an emergency of such gravity as requires stern resolve and the utmost determination to hold fast and hold on. If, then, the authorities in charge of the nation's affairs at this crisis feel that extra efforts are demanded, the nation can only assent, bow its head, and submit. In the end it must do so, whether convinced of the necessity or not.

This is the fact, and yet we do not quite see how our military power is to be strengthened by the calling up of men of 50 years of age, or, in the case of medical officers (and perhaps parsons), of men of 55; but the Government says it must have these men, and however much the nation's industries and business may be hampered, or even permanently injured by the necessity of obeying this call, it will probably get the power to enrol them. There can be no question about the nation's willingness. At the same time, the country is not disposed to be hustled into this latest war measure without reflection or discussion, or without being given sufficient reason for the further call upon its energies, and Mr. Asquith's suggestion that more time should be given for an examination of the Bill had to be listened to. It is, on the face of it, a hurry-scurry, dashed-at-in-a-panic measure, and the inclusion of Ireland in the conscription law may turn out to be a mistake, made in the heedlessness of the moment, fraught with disastrous consequences to the Government design, though not, we hope and believe, to the resolute prosecution of the war.

How has the necessity arisen for this scrambling speed? The Prime Minister himself let out the secret, and we are surprised at his naivety in doing so. Were his mind as astute as his language is often adroit, he surely would have kept silence or turned down another path. Varied motives, however, may have impelled him to tell the House, with an air of confiding in it, that Sir Henry Wilson, the recently appointed Chief of the Staff, gave a forecast of the present campaign "in the month of January or the beginning of February last," in which he foreshadowed the actual purpose and scope of the German attack commenced on March 21. It would come south of Arras, Sir Henry predicted, and would be an attack on "the widest front that has ever yet been assailed." The Germans would accumulate 95 divisions to make it with, and would throw the whole of their forces and their strength into the task of breaking the British lines at the point selected. Their objective was to be Amiens, and the end sought was the severance of the British and French forces. That was the anticipation submitted by Sir Henry Wilson two or three months ago, and Mr. George characterised it as "one of the most remarkable forecasts of enemy intentions that has ever been made."

It may have been, but that is not the point. The point is—what did the Government do in obedience to this intelligent anticipation of the enemy's plan? Did it hurry up every available man it could lay hands on in the country and forward artillery and ammuni-

tions of every description in quantities overwhelming, so as to be ready at all points to parry the blow? No; it did nothing. Mr. George does not even tell us whether Sir Henry Wilson's forecast had ever been communicated to Sir Douglas Haig. The War Cabinet may have thought that the Commander-in-Chief knew it already, being a man of intelligence and experience who had often asked for reinforcements. The Prime Minister turned off on the side issue of a united command, with a view, apparently, of mitigating the censure which might fall upon his own administration, and then led the House towards thoughts of military glory by giving a vivid description of the stern resistance offered by Brigadier-General Carey and a chance gathering of troops under him—a mixed mass of signalmen, engineers, labour men, and odds and ends of machine gunners—who closed the gap the Germans had forced open that might have led the way to Amiens. They held the foe at bay for nearly six days. Mr. George was probably right in describing this as "one of the most brilliant achievements in the history of the British Army." It assuredly averted disaster.

But why was costly heroism like this necessary? Because, prophecies and warnings or none, instead of having our Army accumulated in France, tens and hundreds of thousands of the men in it were in England. You could not go to any city, town, or village in the United Kingdom without encountering men on leave. The London streets swarmed with them, and many of the influences under which they came here were not calculated to improve their discipline or temper their courage.

So, because we were heedless, because our Government was heedless and occupied with many things foreign to the business in hand, the enemy nearly broke through, and said Government at once fell into a panic. "The Cabinet," said Mr. George, "took every step to hurry up reinforcements in order to fill up the gap in our armies. No such large numbers of men have passed across the Channel in so short a period of time. As the emergency was so great, it was impossible to allow those who were summoned to France the usual leave to visit their relatives, and the troops deprived of their promised rest went cheerfully." Excellent measures taken two months too late, and naturally that did not end the state of panic in the War Cabinet or of the Ministry in the bunch. So this Bill had to be jumbled together in hottest haste and made ready for submission to Parliament when it re-assembled. It was introduced on the re-opening day with the intimation that it must be passed into law within one week. Such is the style of "political strategy" with which we are assured the war will be won. It makes us begin to doubt.

Here we see the whole process of "war measures" incubation, and the Prime Minister's confession in his speech warrants us in saying that the entire emergency now demanding legislation at express speed has been created by the Ministry itself. Through its failure to follow Sir Henry Wilson's indications—common sense provisions of any kind—it threw an almost super-

human task upon the troops holding our part of the Western front, and has probably added large numbers to the total of our casualties, to the discouragement of the survivors. Worse still, if possible, a domestic cleavage has been created which it would have been well to keep invisible while the war lasted. By dragging Ireland within the scope of the conscription law the Nationalists have been given an opportunity—and a well-grounded opportunity—to rise in Parliamentary revolt, and to denounce the Government for its treachery, repudiating its legislative power over Ireland the while. As usual, the protests made by Irish members during and after the Prime Minister's speech were in heated language, suggestive not merely of exaggeration, but of political strategy not altogether admirable because not wholly sincere. But behind it all lay the fact that no British Government, least of all this one headed by Mr. Lloyd George, has had the courage to carry out the law of the land in defiance of faction and landlord power. Home Rule for Ireland is on the Statute Book, and it might just as well have never been enacted for all that has been done to enforce the law. The great landlords of Ireland and England have again been too powerful for the philanthropy and brotherly feelings of our Ministries, smothered in good intentions, and it is no exaggeration to say that in the matter of moral courage and perspicacity, of wise and practical statesmanship based on an understanding of the problem and the determination to be honest at no matter what cost, our present treatment of Ireland is on all fours with our treatment of Turkey during all the second half of last century. Is it to be wondered at that Irishmen, loyal as the great majority are and eager to take their share in this war of deliverance, see their chance of revenge in wrecking this Bill?

Will Irish opposition destroy this Man-Power Bill? It would not surprise us if it did, nor would it excite any great measure of regret anywhere. It is a panic measure, and therefore as likely as not useless for the object sought. The Prime Minister talked about our American Allies, about the "material and dramatic" assistance rendered by President Wilson in this emergency, and said that the Allies looked forward to having a large American army in France in the spring, although "it would not be possible for these fine American troops in any large numbers to take part in this battle," which might well be "the decisive battle of the war." That is probably true in some measure, although the final decision may not come until after many battles have been fought. But why did not Mr. George remind the country that American troops are already in the battle line, and will be so in augmenting numbers as the weeks pass? Did he forget because the Americans are away in the right wing of the French armies? American airmen, too, are proving brave and expert fighters alongside the French and British airmen, and facts like these will not be forgotten by the nation in weighing the *pros* and *cons* of this "panic extension-of-age Bill. It will be asked, for instance, by how much our Army will be strengthened by the old

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men added to it, by the parsons and others roped in as non-combatants.

[Why, by the by, are preachers of all sects and creeds to be treated differently from the priests and pastors of France, who have to fight in the ranks just as their untoured fellowmen do, alongside the tailor, the cobbler, the grocer, the baker, and field labourer. This differentiation will not conduce to the strengthening of the hold of the sects over the people.]

Will not the fighting be over before these recruits are in a position to shoot even should the campaign last into 1919, as Lord Curzon, oblivious of Germany's extremity, seems to believe? If there is real need, and if a genuine use could be made of these elderly men, we feel sure that neither they nor the nation would utter a syllable in objection to their being called up. But as their summons is confessedly a consequence of the Government's disregard of warnings, and general apathy towards military necessities, there will be the strongest objection in many quarters, and from Ireland such opposition as may well do mischief to the true military interests of the country in this time of stress and agonising strain. Does the Prime Minister think he is "getting on with the war" by this distempered law making?

### Capital and Labour—and the Landed Interests.

A letter appeared in the *Times* of April 2 from the pen of Mr. Frederick Huth Jackson, one of the ablest of our City business men. It was devoted to a discussion of the resettlement of industry question, and enunciated some indubitable truths. Nothing, for instance, can be more sure than that problems of infinite importance will confront us when peace returns, and the first of these problems is demobilisation, or, as Mr. Jackson phrases it, "the reinstatement in civil employment of our fighting men and the transfer to normal employment of civilian workers of both sexes now so largely engaged in war work." Above and beyond these insistent problems, which are already beginning to excite many anxious thoughts, there is the question of the relation of labour to capital. Mr. Jackson admits that these two designations represent interests now antagonistic. Some, he says, maintain that there is and always must be "a fundamental antagonism between capital and labour," and he admits that in past time the capitalist—if that is the correct term for the employer—"has in many instances, exploited all the labour for his own profit, and has shown little regard to the welfare of the men as individuals apart from the commercial value of their labour to him." We know this state of things exists. It confronts us every day of our lives in the recitals of trade disputes, of threatened strikes or actual strikes, and in continual manifestations of dissatisfaction with their lot amongst the working men. Therefore, the dominating question which, above and before all others, demands solution is the question of reconciliation of the antagonist interests. We scan papers and books continually to try and light upon some guidance in the solution of this problem, and hitherto have found none. Mr. Huth Jackson tells us that labour is entitled to demand, and to obtain, in future proper treatment, and a recognition of its rights to its proportionate share of the profits of industry, whether in the shape of increased wages or by other methods, but he does not give us the slightest hint of how to go about the attainment of this goal.

We turned for help the other day to a book published by authority of the Council of the British Association to see whether it would assist us at all. It is called "Industry and Finance, War Expedients and Reconstruction," and consists of a number of very capably written essays gathered together under the editorship of Mr. Adam W. Kirkaldy, Professor of Finance in the University of Birmingham. Among these essays we found one on "Workshop Committees," specially recommended in Mr. Kirkaldy's preface. It is written by Mr. C. J. Renold, of Manchester, a man of large business experience, and it

gives no help whatever towards solving this governing problem of the future. Throughout the essay the workmen are treated as a class apart, and the writer deals merely with the best way to arrange for intercommunion between the two classes, whether by shop committees, as was suggested by the Whitley Committee, or otherwise. The workman is to be looked after very much as prize store cattle would be, so as, if possible, to bring the best return to the owner. Now, this sort of thing will no longer do at all, and the relation between capital and labour will have to undergo a fundamental change before we can begin to talk of industrial peace, still less of "Leagues of Nations," and dreams around impracticable ideals of that sort. Mr. Jackson's description of the common view of the relations between capital and labour finds warrant in the entire history of our industrial development, above all in the story of our joint-stock enterprise. In the building up of industries the workman has never been regarded as a fellow-man with like aims and interests to those of the employer. He is better paid because he has more facilities for combination than the agricultural labourer, but not otherwise more humanely dealt by or with. Is there not in the story of the past some help towards finding a solution which may lead to something better in time to come? Is not the workman himself a "capitalist," and does not his skill and training, which represents his capital, entitle him to a partner's share in the business? If the workmen were partners, would there be these constantly recurring disputes over wages, over the amount of work to be done per hour, and other matters? What we want to light upon is some method by which all interests will be harmonised and all designs shaped towards the same end, and we feel sure that the change can be attained provided honesty, moderation in desires, and absolute fair play are introduced in the relations between employer and employed.

Most urgent of all is it that our agricultural industry should be organised and reduced to a co-ordinated system in whose gains all should have a share, for upon this industry far more than on any other will depend our capacity to maintain national solvency after the war. Unless we can produce enough food at home to make us independent on the average of years of foreign supplies, we shall stand in the utmost danger of falling into decay as a great trading and manufacturing people. Now no branch of our industry is so out of gear and lacking in organisation on honest practical lines at the present time as our agriculture. The proof lies in the fact that £40,000,000 of our capital borrowed for war purposes has had to be set aside to bribe the farmers to produce food. That is not a wholesome state of affairs, and things agricultural cannot remain as they are. What are our landowners, great and small, doing to provide a cure for this lamentable state of affairs? Nothing worth mentioning that we can find. They just plough along the old ruts; sometimes obeying the mandates of the President of the Board of Agriculture, or the confusion of other departments that cross his authority, sometimes not; but to wake up to their responsibility, to recognise that the soil they claim to own is not theirs to do with as they please, but the nation's, that it must be opened up for the settlement of our returned soldiers, that it must be cultivated to its utmost degree of fertility, that the workman—and a skilled workman the agricultural labourer emphatically is—must be treated as a human being and given the opportunity to rise in the world, that markets must be found and the supplies for them systematised; that, in short, co-operation in all departments must take the place of the old patriarchal, slipshod, pleasure-seeking habits is apparently nowhere grasped or even thought of.

Is there no man capable of leading the nation towards a better system in agriculture? It is all very well to talk and write excellent sentiments, but what is urgently wanted is something actually done, and we appeal to the landlords as being the greatest, most despotic, and, on the whole, most solidly wealthy class in the community to wake up to a sense of their responsibilities. It is in their power to revolutionise for

the good of the community the whole agricultural system. Will they step down from their privileged position, divest themselves of their stifling privileges, and become men like other men; submit to the exigencies of life's conflict, and share with those less fortunate the lot that lies ahead for us all? If not, they may depend upon it that they and all their beautifully devised system of laws and assumptions by which their privileges have been rendered secure for centuries will be swept away.

### London Electric Supply Companies.

On the whole, the joint-stock undertakings which supply electric light and power in the London area did very well last year. With the exception of the small Smithfield Markets Company they all obtained substantially larger gross receipts, and in most cases nett income was also larger, in spite of the increase in working expenses. The Charing Cross and County of London were unfortunate in this respect, but on the other hand no fewer than seven companies were in a position to raise their dividends, and in only one case had a reduction to be made, as will be seen from the following summary of results:—

	Gross Re- ceipts.	Nett Re- ceipts.	Total Re- serves.	Divi- dend.	Carried For- ward.
	£	£	£	%	£
Brompton and Kensington	61,900	30,320	140,000	10	5,220
Do., 1916 .....	55,880	23,940	130,000	9	5,075
Charing Cross-West End.	165,140	61,870	215,920	4	8,285
Do. do., 1916 .....	150,470	71,640	195,060	5	15,090
Do., City.....	212,540	65,390	122,820	nil	18,000
Do., do., 1916 .....	176,460	65,550	104,560	nil	18,000
Chelsea .....	86,600	35,560	174,820	5	3,480
Do., 1916 .....	76,310	31,680	160,440	3	3,680
City of London.....	351,190	141,660	249,470	8	17,570
Do., 1916 .....	332,940	133,830	247,480	8	17,130
County of London .....	379,840	153,500	132,950	7	15,020
Do., 1916 .....	343,070	150,900	101,440	7	18,380
K'nsingt'n & Knightsbri'ge	78,710	23,020	142,500	7	580
Do., 1916 .....	68,060	21,470	136,960	6	205
Metropolitan.....	318,220	133,670	427,360	4	4,930
Do., 1916 .....	277,900	116,900	377,360	3	4,760
Notting Hill .....	51,380	24,270	54,300	300	1,750
Do., 1916 .....	46,790	23,300	51,360	300	400
St. James' and Pall Mall..	161,150	37,850	86,000	9	5,290
Do., 1916 .....	143,070	28,000	81,500	8	2,590
Smithfield Markets.....	15,620	2,270	11,720	nil	1,210
Do., 1916 .....	16,400	3,800	12,010	nil	2,110
South London .....	66,660	30,940	70,400	5	3,420
Do., 1916 .....	59,040	28,390	61,930	5	3,050
South Metropolitan.....	131,930	55,160	81,600	6	7,630
Do., 1916 .....	95,880	50,510	76,450	4	7,250
Westminster .....	306,180	88,820	383,270	9	13,270
Do., 1916 .....	262,620	66,290	357,150	7	2,950

Few of the companies give complete details about the amount of electricity generated and sold, or the average charge per unit. It is a pity that Parliament did not insist on uniformity in this respect, as it does in the case of railways and gas undertakings, but the companies themselves might with advantage supply fuller information. The Brompton and Kensington gives an interesting statement showing the progress of the business since the start in 1890. In that year there were 248 consumers, with the equivalent of 13,665 lamps (35 watt) connected; in 1917 there were 6,860 customers, with 383,840 lamps, increases of 180 and 38,100 respectively over the previous year. Evidently strict economy was enforced, and the expenditure was actually rather less than in 1916, notwithstanding the increase in the fuel bill. No such luck fell to the lot of the Charing Cross Company, which still presents separate accounts for the West-end and City undertakings. In the former section the lamps (30 watt) connected increased 16,500 to 741,000, and the units sold rose 614,000 to 12,390,000. But, whereas gross receipts advanced £15,000, expenses were £25,000 higher, purchase of current in bulk from the City station alone costing £17,000 more. Even so, the City business was not very profitable. Lamps connected increased 41,000 to 790,000, but, while receipts improved £36,000, expenses advanced to a corresponding extent, and, after paying fixed charges, including preference dividend, and placing £18,250 to

reserve, the carry-forward remains at £18,000. Units sold amounted to 32,210,000, an increase of 3,800,000, while the fuel bill alone rose £28,000, and we are inclined to think that there is room for economy here. The Chelsea company, along with the St. James' and Westminster, takes part of its current from the Central Supply Co., Ltd., but the fuel bill increased £3,400, and expenses altogether were £6,400 up. Lamps connected showed an increase of 9,600 at 337,000, and the units sold were 467,200 higher at 4,739,000. The City of London sold 29,700,000 units, an increase of 715,000, and expenses were £10,400 higher, of which £8,000 was due to fuel. In the case of the County of London the units sold increased 2,565,000 to 37,595,000, and expenses advanced £40,000, of which £18,000 has to be debited to the coal bill. The Kensington and Knightsbridge states that the lamps (30 watt) connected increased 35,450 to 557,600, and the number of units sold was nearly half-a-million larger, an increase of 10½ per cent. Expenses accordingly rose £9,000, so that most of the gain in revenue was wiped out. Units sold by the Metropolitan Company increased nearly four millions to 28,446,000, and the expenses were £23,500 higher, of which £19,000 was due to fuel, while £10,000 more at £50,000 was placed to depreciation and reserve fund. There are only 27,000 shilling ordinary shares in the Notting Hill Co., so that the big dividend only absorbs a little over £3,000. Lamps connected (30 watt) numbered 252,300, an increase of 10,500. The St. James' and Pall Mall purchased nearly the whole of its current—15,643,000 units, an increase of 1,160,000—and costs advanced £8,300. Units sold by the South London Co. increased 851,600, or 12½ per cent., and expenses were £5,000 higher, almost entirely due to the higher cost of fuel. We get very little information from the South Metropolitan Co., but the horse power (746 watts) connected increased 2,500 to 23,900. Expenditure, however, rose £31,400, so that most of the gain in gross receipts was wiped out. From the Westminster we only learn that the total power connected rose from 44,000 to 48,100 k.w., which is not very illuminating, while expenses advanced £20,000.

Looking at the results generally, we think it is fairly obvious that the present system of small individual plants is most wasteful and uneconomic. The whole of the energy required could be quite easily provided from a central generating station at a fraction of the

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present cost. To a limited extent this is accomplished by the Central Supply Co., but the whole business requires to be reorganised, and it would pay to scrap existing plants in favour of a more up-to-date system. As several of the companies are really, if not nominally, under one control, there ought to be no difficulty in arranging this, and we cannot afford in the future to go on with the old haphazard methods which have served us in the past.

### By-the-Way War Notes.

Superficially, the military position looks nearly as black as the political, which is gloomy enough, notwithstanding the fact that the second reading of the new Military Service Bill was carried by a majority of 223 in a House of 423. It is, indeed, beyond measure horrible, this daily story of the murder going on in France and Flanders, and what makes it the more agonising for us is the reappearance of names made familiar in the early years of the war by our heroic and successful resistance to the enemy's assaults, names like Neuve Chapelle, La Bassée, Givenchy, Messines, even, and Ploegsteert. The war is drifting northwards into the Ypres cockpit, and, as we write, the Germans seem to be about to cut off Armentières, and may succeed in sweeping across the Lys to join hands with other troops working southward from Poperinge or Messines. All along the British front, in fact, the fighting has become strenuous and insistent, so that all our energies have to be constantly exercised in repelling assaults.

Is the enemy really going to succeed, then, and win out to the ocean, at the end of the long day of warfare? Is General Foch boasting without reason when he tells the Allies that we shall be in the end victorious? We think not, and regret that the uneasiness of the country is deepened by the way our picturesque war correspondents write and by the theorising of so many amongst our military critics. These last, for example, keep insistently warning us that we have lost "the initiative" in the campaign, which has passed over to the Germans, and that it may cost us an immense effort to regain the supremacy or freedom of manoeuvre. Surely this sort of assertion leaves out of account altogether the dominating condition in the fighting, viz., that it is a siege we are engaged in. The mere fact that only on the Eastern line of circumvallation the Germans have broken through and reached sources of food supply that should have been denied to them, does not essentially alter their position as besieged in the West, still less modify it on the seas. Germany cannot obtain a real and victory-inducing "initiative" in this Western struggle unless she breaks through, not only the barrier of the Allied armies, but the blockade of the ocean. It would be a disaster were our lines on land to be broken through, our armies rolled up and put out of action, an unspeakably ruinous disaster; but it need not necessarily be a final victory for the Germans—could not be so, with America standing by us in the struggle at sea and in the unyielding defence of whatever positions we continue to hold in France and Flanders. At the very worst, we could hold on and endure until the Prussian aggressor was exhausted. The German so-called "initiative" is but the expression of the beleaguered's gathering despair.

We see no danger of irretrievable disaster on land. Sir Henry Wilson has no doubt been unfortunate in the events which have followed in rapid succession his supercession of Sir William Robertson, but we are not called upon to blame either him nor any general for the misfortunes that have befallen us in this last furious onslaught of the wild boars at bay. Sorties are to be expected in a siege, and the besieged were stimulated by their domestic miseries to exercise their utmost ingenuity in so arranging their blows as to strike most overpoweringly at the weakest points in the lines of investment. They did so when they began the battle for Amiens on the 21st of last month, and they have done so again this week, when they gathered their masses in the North, to be flung against our Portuguese Ally in the hope that they might break our line at a doubtful spot and disorganise the troops, Portuguese and British, engaged in keeping them in. And they have been disappointed in both these sallies, because neither goal has been reached. They have not broken the British lines at any point, although they have bent them back in several places. All the resources which a feverishly demoniac ingenuity has invented and elaborated for the purposes of wholesale slaughter have been brought up to shower death upon us—60,000 gas shells alone are estimated to have been flung over the Portuguese lines and ours before this latest effort to re-open the road to Calais—and all the attempts have failed, in spite of the claim that it led to the capture of 6,000 prisoners and 100 of our guns as result of the drive upon Bethune. The check is vexatious, but it is not a defeat.

The efforts of the Prussians will be renewed, we may be sure, and continued as long as pawns can be found acquiescent in being sent forward to fight. It is of the essence of a siege to develop continual sorties in order to break up the enemy and set the beleaguered free. The battle may be resumed in the South on the Somme, in the hope that the onslaught further north may have made us shift our reserves. Or it may break out at some intermediate point, or a thrust from Belgium may once more be made against Ypres or the Belgian lines near the sea. Anything and everything is to be expected now, because the besieged Germans are goaded by the prospect of famine to desperation. Not merely does

hunger threaten the populations of both Central Empires, but their resources of all descriptions are exhausted, and the distension of credit which the war waste has induced already exceeds anything that we can imagine. Most German industries are ruined, German manhood is being destroyed with frantic profusion, and machinery, railroads, every instrument of civilisation they possessed before the war have deteriorated to an extent which makes perseverance in fighting as well as every kind of internal movement increasingly difficult.

We may judge to some degree the straits into which the Hohenzollern Empire has fallen by such communiqués as that one setting forth the immense booty Germany has captured in the Somme attacks. It is explained that the cost of the army and its feeding have both been much mitigated for the German people by the enormous quantities of clothing and food left by us in our retreat. Probably there is too much truth in the enumeration with which this intimation is fortified, because our habits of lavishness in provisioning the troops exceeds by many degrees the wisdom and vigilance with which the accumulations of stores are guarded; but at the very highest computation supplies of sufficient magnitude to feed and clothe more than a small number of the enemy's troops for more than a very few weeks cannot have been left to be seized. So, to the Germans the encouraging, and to the Allies the presumably discouraging, additional news is circulated through Amsterdam that supplies amounting to a million tons of cereals and fodder have been arranged with the Ukrainian Government, and that nearly the whole of this quantity will be delivered by July next. We hope the Germans will feel less hungry on reading the news, for there are no such quantities of food available in South-Western Russia.

Whatever happens, we do not believe that the populations in either empire, least of all the population of the Prussian despotism, can get sufficient food to stay its hunger for the whole time between now and next harvest. Famine is to-day brooding over the populations of both Empires, and the fact that it is so would alone be sufficient to account for the frantic persistence with which the Prussian high command is sending forward its miserable pawns to the sacrifice. Their destruction at least by so much reduces the pressure on what is left of the food stocks.

Ghostly accounts of the numberless trains of wounded that are being sent back to the rear in wagons of all descriptions, with the blood from unattended wounds dropping from the trucks, may have an element of sensational descriptive writing in them, just as the statement originating in a Paris newspaper that the British Army has reckoned that 250,000 dead Germans lie in front of its lines east of Amiens in the Somme morass, is beyond question an exaggeration, because it would mean losses of nearly a million in killed and wounded together. None the less is it certain that the toll the Allies take on the assaulting foe has been, and continues to be, gigantic beyond anything that has been seen before the present war, and must continue to be gigantic as long as the German generals are obliged to drive their troops to the assault in dense masses because men of individual courage and resource are not to be found in their armies. Here, also, we have good hope that the foundation for a world's peace is being "well and truly laid." As preliminary the pan-Germanic insanity has to be bled out of a people gone daft.

As one's eye ranges over the immense array embraced in this world-staggering outbreak of barbarism in a frenzy, one might be moved to doubt, if not to despair. For, checked, baffled as they may be in the West, the Germans seem nearly everywhere else to be either holding their own or to be marching from triumph to triumph. They and the Turks are beaten back by us in Palestine and Mesopotamia, but they are over-running Finland, and reaching out to the Arctic Sea, bit by bit absorbing Russia—and apparently meeting with no active resistance there—sitting on the neck of Rumania, making progress in securing the mastery of the Black Sea, and slowly working out a new dismemberment of Poland to their own profit. Working along the lines skirting the south-western shores of the Black Sea, the massacring, infamous Turk and his German masters are laying siege to Batum, and if driven out of Erzerum by the valiant Armenians are again master of Van, looking forward presumably to a triumphant reinvansion of Persia. In the Balkan Peninsula it looks stalemated. Bulgaria, with German assistance, continues to hold her lines against the Allies, and even on the Alpine frontier of Italy no progress is made in flinging back the ruthless foe. Renewed assaults intended to open the way to the Italian plains are said to be getting ready for launching along the Trentino front. A perfectly insane activity is thus revealed to the eye all over the arena, and at many spots the legions of hell seem to be prevailing. But their ultimate defeat should be all the more thorough and irretrievable for that.

Need this sight, therefore, depress us? Can history furnish any example of ultimate triumph resulting from similar displays of immeasurable covetousness at first successful? We can recall no instance that would serve. And even if the Prussian did succeed, do the circumstances of Germany warrant the belief that this assassin's triumph could endure, could be maintained without exhausting the vitality of the race or races by which it had been accomplished? We do not believe it, and still hold fast to our faith that in all this widespread activity, as in all the plotting, intriguing, and spying, Germany is preparing the way for the utter ruin of her Prussian Empire, and in doing so is, without knowing it or willing it, contributing by no means feebly or ineffectively to that emancipation of mankind from the domination of a military

caste and from the stifling and impoverishing supremacy of that caste entrenched behind feudal laws and customs which must come if the world is to have its "thousand years of peace."

Again last week our losses from submarines were small. Only four ships of 1,600 tons gross or over were sunk out of a total of 5,029 which entered and left our ports, *i.e.*, 234 more than in the previous week—and of vessels below 1,600 tons, only two were sunk. Two fishing vessels were also returned as having been sunk, but they fall to the debit of the last week in March, and of the 11 ships unsuccessfully attacked, two were also ascribable to that week. Thus in reality only six British ships were sunk last week, the smallest number since that week in November when the Prime Minister bragged in triumph over "only one big vessel sunk." We hope this diminution will continue, and the longer days undoubtedly help us in our defence, but we must not settle down with Georgian or innate complacency, and imagine that the work of our Navy is nearing an end. That end is not near at hand by a long way.

The most satisfactory shipping news of the week, apart from the smaller destruction of merchant ships and their cargo, is the statement that, thanks partly to the wise efficiency with which the crisis is being handled, the United States has now 2,762,605 tons of shipping in the Atlantic service. This shipping, moreover, is so well handled that the efficiency of the tonnage has been increased by 20 per cent., the equivalent of 400,000 tons, and there are still 471,000 tons of Dutch ships to be put in use as soon as they are ready and crews can be provided for them. By the end of May, the *Times* Washington correspondent reports, it is believed that American-controlled Trans-Atlantic tonnage will reach 3,500,000. That, coupled with our own larger shipping output, gives us much comfort, strengthens the belief that we shall win through all right. Only there is perhaps four months of strenuous fighting before us, and even then not the end.

Last week the French lost two ships of over 1,600 tons by submarine attack, but no smaller vessels. One ship was unsuccessfully attacked. The number of arrivals and sailings in French ports each exceeded 1,000.

# HONGKONG AND SHANGHAI BANKING CORPORATION.

## One Hundred and Second Report of the Court of Directors

To the ORDINARY YEARLY GENERAL MEETING OF SHAREHOLDERS,

Held at the City Hall, Hongkong, on Saturday, the 23rd February, 1918.

### TO THE PROPRIETORS OF THE HONGKONG AND SHANGHAI BANKING CORPORATION.

GENTLEMEN,—The Directors have now to submit to you a General Statement of the affairs of the Bank, and Balance-sheet for the year ending 31st December, 1917.

The net profits for that period, including \$3,166,578.85, balance brought forward from last account, after paying all charges, deducting interest paid and due, and making provision for bad and doubtful accounts and contingencies, amount to \$3,820,180.33.

The Directors recommend the transfer of \$1,000,000 from the Profit and Loss Account to credit of the Silver Reserve Fund, which Fund will then stand at \$19,500,000.

They also recommend writing off Bank Premises Account the sum of \$1,000,000.

After making these transfers, deducting the Interim Dividend of £2 3s. per share, paid on 13th August last, *viz.*, £258,000 at 2s. 6d. = \$2,046,942.15, and Remuneration to Directors there remains for appropriation \$5,743,238.18, out of which the Directors recommend the payment of a final Dividend of Two Pounds and Three Shillings Sterling per Share, *viz.*, £258,000, and a Bonus of One

Pound Sterling per share, *viz.*, £120,000, amounting in all to £378,000 which at 3s., the rate of the day, will absorb \$2,520,000.

The Balance \$3,223,238.18 to be carried to New Profit and Loss Account.

#### DIRECTORS.

The Honourable Mr. P. H. HOLYOAK has been elected Chairman for the year 1918, and Mr. G. T. M. EDKINS Deputy Chairman.

The Honourable Mr. C. E. ANTON, the Honourable Mr. E. SHELLIM and Mr. J. A. PLUMMER having resigned their seats on leaving the Colony, the Honourable Mr. DAVID LANDALE, Mr. A. H. COMPTON, and Mr. F. C. BUTCHER were invited to fill the vacancies. These appointments require confirmation at this meeting.

Mr. STANLEY H. DODWELL and Mr. G. T. M. EDKINS retire in rotation, but, being eligible for re-election, offer themselves accordingly.

#### AUDITORS.

The accounts have been audited by Mr. F. M. MAITLAND and Mr. E. A. M. WILLIAMS, who offer themselves for re-election.

STANLEY H. DODWELL,

Chairman.

Hongkong, 13th February, 1918.

LIABILITIES, 31st December, 1917.

LIABILITIES.		\$
Paid-up Capital .. .. .	15,000,000.00	
Sterling Reserve Fund £1,500,000 at ex. 2s. ..	15,000,000.00	
Silver Reserve Fund .. .. .	18,500,000.00	
Marine Insurance Account .. .. .	250,000.00	
Notes in Circulation:—		
(Authorized Issue against Securities and Coin deposited with the Crown Agents for the Colonies and their Trustees) .. .. .	\$15,000,000.00	
Additional Issue authorised by Hongkong Ordinances against Coin lodged with the Hongkong Government .. .. .	9,920,907.00	—24,920,907.00
Current Accounts:—		
Silver .. .. .	\$187,443,395.68	
Gold, £5,373,341 15s. = .. .. .	35,723,210.35	—223,166,607.03
Fixed Deposits:—		
Silver .. .. .	\$61,160,315.67	
Gold, £4,468,454 12s. 3d. = .. .. .	29,700,660.00	—90,860,975.73
Bills payable (including Call Loans and Short Sight Drawings on London Office) .. .. .	\$17,049,392.55	
Drafts on London Bankers .. .. .	333,669.62	—17,383,062.17
Acceptances on Account of Constituents .. .. .	6,085,624.55	
Profit and Loss Account .. .. .	7,773,238.18	
Liability on Bills of Exchange re-discounted, £8,699,715 17s. 5d., of which £6,419,800 3s. 2d. have since run off.		
	\$418,940,414.66	

ASSETS.		\$
Cash (including \$15,500,000 Coin lodged with the Hongkong Government against authorised and/or excess Note Circulation) .. .. .	84,132,051.40	
Bullion in Hand and in Transit .. .. .	7,590,795.49	
Indian Government 4% Conversion Loan .. .. .	2,369,050.95	
British Government Colonial and other Securities .. .. .	18,909,905.47	
Sterling Reserve Fund Investments, <i>viz.</i> :—		
£1,578,947 7s. 5d. 5% War Loan, 1929/47, at 95 = £1,500,000 at ex. 2s. .. .. .	15,000,000.00	
Bills Discounted, Loans and Credits .. .. .	131,607,145.68	
Bills Receivable .. .. .	146,129,894.55	
Liabilities of Constituents for acceptances, per contra .. .. .	6,085,624.55	
Bank Premises .. .. .	7,115,946.57	
	\$418,940,414.66	

### Dr. GENERAL PROFIT AND LOSS

To Interim Dividend:	
Paid on 13th August, 1917, £2 3s. per Share on 120,000 Shares = £258,000 at 2/6 .. .. .	\$2,046,942.15
Remuneration to Directors .. .. .	\$30,000.00
Final Dividend:—	
£2 3s. per Share on 120,000 Shares = £258,000 at 3/- .. .. .	\$1,720,000.00
Bonus of £1 per Share on 120,000 Shares = £120,000 at 3/- .. .. .	800,000.00
Transfer to Silver Reserve Fund .. .. .	1,000,000.00
Transfer to Bank Premises Account .. .. .	1,000,000.00
Balance forward to next year .. .. .	3,223,238.18
	\$9,820,180.33

#### STERLING RESERVE FUND.

To Balance £1,500,000 at ex. 2s. .. .. .	\$15,000,000.00
(invested in 5 per cent. War Loan 1929/1947)	
	\$15,000,000.00

#### SILVER RESERVE FUND.

To Balance .. .. .	\$19,500,000.00
	\$19,500,000.00

### ACCOUNT, 31st December, 1917.

By Balance of Undivided Profits, 31st Dec., 1916 .. .. .	\$3,166,578.85
Amount of Net Profits for the Year ending 31st December, 1917, after making provision for bad and doubtful debts and contingencies, deducting all Expenses and Interest paid and due .. .. .	6,653,601.48
	—\$9,820,180.33
	\$9,820,180.33

By Balance 31st December, 1916, £1,500,000 at ex. 2s. .. .. .	\$15,000,000.00
	\$15,000,000.00

By Balance 31st December, 1916 .. .. .	\$18,500,000.00
Transfer from Profit and Loss Account .. .. .	1,000,000.00
	\$19,500,000.00

We have compared the above Statement with the Books, Vouchers, and Securities at the Head Office, and with the Returns from the various Branches and Agencies (with the exception of the Hamburg Office, from which no Statement of Accounts has been received since 1914), and have found the same to be correct.

Hongkong, 13th February, 1918. E. A. M. WILLIAMS, A.S.A.A., } Auditors.

N. J. STABB, Chief Manager. STANLEY H. DODWELL, } Directors.  
H. C. SANDFORD, P. H. HOLYOAK,  
Acting Chief Accountant. E. V. D. PARR,

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## The Investors' Review.

### Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from  $5\frac{1}{2}$  per cent. on  
Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Pronounced ease has existed in the Money Market all this week. Seven-day money is still quoted nominally at  $3\frac{1}{2}$  per cent., but call money has gone down to 3 per cent., and often to  $2\frac{1}{2}$  per cent., and sometimes in the afternoon touched 2 per cent. Discount is also weak, although there is perhaps no quotable change in rates. June bills, however, were bought in the beginning of the week at  $3\frac{1}{2}$ , and April bills at  $3\frac{1}{2}$  per cent., so that the official quotation, as we may call it, of  $3\frac{1}{2}$  per cent. for 60-day paper is often too ornamental. As to the causes of the ease, they must be put down to several influences, the dominating one probably being hesitation in business. A sort of hush has come over the mercantile world while this fearful conflict rages in France and Flanders, and until the signs of the Allied ascendancy become more marked than they are at present the Money Market is likely to remain inert.

Because of the prevailing torpor, the decline of £18,079,000 shown by the Bank return in other deposits passed without having the least effect on the value of floating credits. The market was used partly to reduce other securities by £11,417,000, partly to increase the public deposits by £3,790,000, and also to meet the draft upon the reserve, which is down £875,000 to £31,005,000. Coin and bullion to the value of £993,000 has been taken away, but the note circulation has fallen off £118,000, so that the reserve is reduced only by the amount named. The proportion of the reserve to the liabilities, notwithstanding this reduction, is about  $\frac{2}{3}$  up to 18 per cent, because of the large reduction in the liabilities on other deposits.

Sir Edward Holden may be said to have routed the doubters in the discussion on bank amalgamations at the annual meeting of the Associated Chambers of Commerce. The facts he mentioned, illustrative of the help big banks give to small and to the Government, went far to dissipate any doubts entertained on the subject, and after giving them, Sir Edward declared, "we shall all have to buckle to, and it will be a question of the banks doing their utmost to assist you to produce, and for you to increase your exports as much as you possibly can. . . . Go on and manufacture stocks like mad," he said, "and have these stocks ready for the time when the war is over, so that you can begin to export them and meet the exchange through that medium instead of gold." There is wisdom in this advice, but we hope manufacturers will not go too fast or too far, even though they might soon be convinced of the necessity for big banks with massive resources capable of helping them to carry unwieldy stocks they could not sell. Who is to buy, Sir Edward, when the war is over?

At the meeting held this week of the British Italian Corporation, Ltd., that new State-patronised bank started less than two years ago, and whose "twin" is in Italy—we might call it a *liaison* bank, a bank that will link up and give assistance to other banks and to industries abroad after a fashion never hitherto systematically organised by any British company—many cheering statements were made by the chairman, Mr. S. W. Beaumont Pease. The bank has been so successful for the past, its first completed year, that it has been able to give the shareholders a dividend of 5 per cent., and the pro-

cess of linking up with other banks in helpful partnership for industrial expansion has gone on during the year, as witnessed by the fact that the Standard Bank of South Africa, the Bank of Australasia, and the Bank of West Africa have all become numbered amongst its shareholders. It has got an excellent and experienced Italian as general manager, moreover, in Commendatore George Manzi Fé, who has come to it from the Credito Italiano.

Changes have been taking place in the staff of the Chartered Bank of India, Australia, and China, and we doubt if we should know a single member of its London staff if we were again to visit its office. Once on a time we knew them all. The meeting for the past year, presided over by Sir Montagu Cornish Turner, the chairman, was chiefly remarkable for the recital of the changes in the staff occasioned by the untimely and lamented death of Mr. Thomas Fraser, whom we remember well as a courteous and able banker, and through other causes. An old director, for example, Sir Henry Cunningham, has resigned on the ground of his health, and has been replaced by a well-known Calcutta merchant, Sir Duncan Carmichael. But whatever its personnel, the bank goes on from strength to strength, and notwithstanding the many difficulties caused to business by the confusion of the war, it did very well last year, as our analysis of the report showed. Trade with the East, as everywhere, is now hampered by the scarcity of tonnage, but, time given, that difficulty will be surmounted, and in India itself the crop prospects are "most satisfactory," Sir Montagu said. In the Punjab, the area under cultivation has increased, the needed rain has fallen, and bumper crops are looked for. India as a whole is therefore in a state of great prosperity, which is all good news.

It is now regarded as certain that increased taxation will be proposed by the Chancellor in his Budget speech. Not only is an increase in the income-tax fully expected, but also an addition to the death duties. There is likely to be much less opposition to the latter than to the former, for the death duties have not been altered since the war began. Possibly some relief may be given to those with small incomes in the way of abatements, but apparently no alteration in the excess profits duty is expected. With regard to indirect taxation, a general increase is anticipated, partly for revenue purposes and partly in order to check expenditure on superfluous goods. In this connection it is forecasted that the Chancellor may propose taxation on expenditure on the rather novel lines adopted in January by the French Government. Such taxation, which would be aimed at articles of luxury, mainly consumed by women, would be welcomed in the City, where the orgy of luxurious expenditure in various parts of the country indulged in by those making excess incomes over the war is regarded as little short of scandalous.

The India Council has decided to raise the price of Council drafts on India one penny to 1s. 6d. for immediate transfers, and to 1s. 5 29-32d. for deferred transfers and bills. This advance is not the result of the rise in silver, for the price of the latter stands at the same level as it did in August last, when the rates for Council drafts were increased by  $\frac{1}{4}$ d. to 1s. 5d. and 1s. 4 29-32d. respectively. The price of silver has no connection with the price of Council drafts now owing to the prohibition on private imports of silver into India; consequently the latter cannot be used as a check to the price of drafts as an exchange operation. The cause of the advance is really the difficulty of providing enough rupees to meet the trade demand. The rise is equivalent to 6 per cent., which means that our imports of Indian products will cost us so much more, while the Indian importer will pay so much less for the goods he buys from Lancashire. Indian Rupee loans have advanced as the rise in the draft rate increases the yield by 6 per cent.

The principal event in the foreign exchange market has been the weakness of sterling in Spain. The Madrid exchange has fallen 52 points to the record low level of 17.93½ pesetas, and it may fall still lower pending the operation of the credits arranged between French and Spanish banks. The Swiss exchange has also fallen 35 points to 20.05 francs to the pound. A system of monthly credits, of between 10 and 12 million francs, has been arranged for between Great Britain and Switzerland. These credits are to be secured by collateral, and will vary according to the tonnage placed at the disposal of Switzerland. The scheme is on much the same lines as the arrangements made last autumn for Swiss credits for France. Dutch florins are more expensive, the pound sterling now being worth only 9.99½ florins, or 13 points less than last week. Stockholm has fallen a further six points to 13.94 kr., but Christiania at 14.94½ kr., and Copenhagen at 15.25 kr., have moved in our favour. The Paris exchange has improved to 25.16½ francs. The Uruguayan exchange has moved against us, the dollar being worth 64½d., a rise of 1½d.

The Landed Banking and Loan Co. of Hamilton, Ontario, is prepared to issue debentures bearing interest at the rate of 5½ per cent. for one to five years. Debentures will be repayable in sterling in London or Edinburgh at the dates agreed on, and interest is payable half-yearly on May 15 and November 11. Assets amount to about £780,000, and there is a surplus of £385,700 over liabilities. Treasury sanction has been obtained for the issue, and the agents for Great Britain are Messrs. Macandrew, Wright and Murray, Edinburgh.

### SILVER.

Something almost sensational has taken place in the Silver market this week, owing to the news that a Bill has been introduced in the United States Senate to provide for the melt-

ing of \$250,000,000 silver dollars into bullion, which will be repurchased by the American Treasury at \$1 per oz. This is the scheme mentioned some weeks ago, and means that the silver dollar is to be screwed up to its old ratio value as against gold. That is to say, the silver dollar is to be made equivalent to the gold dollar of 50d. Naturally, the effect of such a change could not fail to be momentous on the current price of bar silver. This, Mocatta's circular tells us, was stagnant for the first three days of this week at last week's quotation of 45¼d. per oz., but on Thursday the price jumped 1d. to 46¼d. per oz., and it will probably go higher still, and remain higher, for the Indian Government has been compelled to move also, and has raised the exchange value of its rupee, as is explained below. We said almost at the outset of the war that the world would probably have to fall back on silver as its principal metallic currency for some time after peace came back. We now fear lest we should have to be thankful if able to get silver. From Montagu's circular we learn that the stock of silver in Bombay, which was 1,300 bars at the beginning of last month, is now exhausted. In Shanghai the stock has risen to 31,000 ozs. in sycee and \$14,700,000, an increase of 1,925 ozs. and of \$800,000.

Applications for the Rs. 60,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,19,55,000. Of these, Rs. 58,77,000 were allotted in deferred transfers, and Rs. 1,23,000 in immediate transfers. Tenders for bills and deferred transfers at 18. 4 29-32d., and for immediate transfers at 18. 5d., received about 27 per cent.

### BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, April 10, 1918.

#### ISSUE DEPARTMENT.

	£		£
Notes Issued .. ..	78,144,180	Government Debt ..	11,015,100
		Other Securities ..	7,434,900
		Gold Coin and Bullion ..	59,694,180
		Silver Bullion ..	—
	£78,144,180		£78,144,180

#### BANKING DEPARTMENT.

	£		£
Proprietors' Capital ..	14,553,000	Government Securities ..	56,868,332
Reserve .. ..	3,107,031	Other Securities ..	102,069,443
Public Deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts) ..	40,077,734	Notes .. ..	30,263,475
Other Deposits .. ..	132,193,895	Gold and Silver Coin ..	741,990
Seven Day and other Bills ..	11,580		
	£189,943,240		£189,943,240

Dated April 11, 1918.

J. G. NAIRNE, Chief Cashier.

#### BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year, April 11.		April 3, 1918.	April 10, 1918.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,125,452	Rest .. ..	3,550,624	3,107,031	—	443,593
50,123,837	Pub. Deposits ..	36,288,080	40,077,734	3,789,654	—
128,968,333	Other do. ..	150,272,776	132,193,895	—	18,078,881
30,678	7 Day Bills ..	11,126	11,580	454	—
	Assets.			Decrease.	Increase.
39,244,854	Gov. Securities.	59,308,032	56,868,332	2,439,700	—
123,307,951	Other do. ..	113,486,817	102,069,443	11,417,374	—
32,189,690	Total Reserve ..	31,880,757	31,005,465	875,292	—
				18,522,474	18,522,474
				Increase.	Decrease.
£	Note Circulation	£	£	£	£
38,900,583	.. ..	47,998,435	47,880,705	—	117,730
54,690,888	Coin and Bullion	61,429,192	60,436,170	—	993,022
19 8 p.c.	Proportion ..	17 1 p.c.	18 p.c.	0 9 p.c.	—
5 "	Bank Rate ..	5 "	5 "	—	—

#### LONDON BANKERS' CLEARING.

Date.			Increase.	Decrease.
	1918.	1917.	£	£
January	2,073,224,000	1,865,125,000	208,099,000	—
February	1,605,654,000	1,779,524,000	—	173,870,000
March 6	464,845,000	340,796,000	—	75,951,000
" 13	426,604,000	312,109,000	114,495,000	—
" 20	419,381,000	331,574,000	87,807,000	—
" 27	474,006,000	398,346,000	165,660,000	—
April 3	324,156,000	389,347,000	—	65,191,000
" 10	401,307,000	253,111,000	148,196,000	—
Total ..	6,189,177,000	5,642,458,000	724,257,000	315,012,000

#### CURRENCY NOTES.

Return of Currency Notes for the week ended April 10, 1918.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes .. ..	3,454,190	3,177,679	168,200,597
10s. notes .. ..	1,391,001	1,366,064	38,372,043
Note certificates ..	1,220,000	—	25,800,000
Previous total ..	876,126,831	645,275,639	—
	882,192,022	649,819,382	232,372,640

Ratio of gold held against notes, this week, 13.80 p.c.; last week, 13.83 p.c.

### PUBLIC INCOME AND EXPENDITURE.

(For 6 days ended April 6.)

REVENUE.	EXPENDITURE.
Customs .. ..	£
Excise .. ..	£
Estate, &c., Duties ..	2,330,062
Stamps .. ..	Interest, &c., on War Debts, 1911, 1912 ..
Land Tax and House Duty ..	Development & Road Impvt ..
Property and Income Tax ..	Payments to Local Taxation ..
Excess Profits Tax ..	Other Consolidated Fund ..
Land Values .. ..	Charges .. ..
Post Office .. ..	Supply Services .. ..
Crown Lands .. ..	Bullion Advances .. ..
Sundry Loans .. ..	For Advance for Interest on Exchequer Bonds under Capital Expenditure (Money) Act, 1904 ..
Miscellaneous .. ..	For Treasury Bills .. ..
Bullion advances repaid ..	Other Debt under War Loan Acts, 1914-16 ..
For Treasury Bills for Supply ..	For War Loan and Exchequer Bonds under Section 61 of Finance Act, 1916, and Section 34, 1917 ..
5% Exchequer Bonds, 1930 ..	Under Telegraph (Money) Act, 1913 ..
5% Exchequer Bonds, 1922 ..	Under Post Office (London) Railway Act, 1913 ..
6% Exchequer Bonds, 1920 ..	Under Military Works Acts ..
National War Bonds .. ..	Under Housing Act, 1914 ..
War Savings Certificates ..	Public Buildings Expenditure Act, 1903 ..
4% War Loan, 1929-1942 ..	Old Sinking Fund, 1907-8 ..
5% War Loan, 1929-1947 ..	Sinking Fund, 1910-11 ..
Other Debts created under War Loan Act, 1915, and Finance Act, 1916 ..	China Indemnity .. ..
Telegraph Money Act, 1913 ..	East African Loan .. ..
Under Post Office Rly. Act, 1913 ..	Cunard Agreement Act ..
Under Military Works Act, 1897-1903 ..	Expenditure Certificates ..
Under Public Buildings ..	Depreciation Fund .. ..
Under Housing Act .. ..	Suez Canal Drawn Shares ..
Repayment of Advance for Interest on Exchequer Bonds .. ..	Temp. Advances Repaid ..
China Indemnity .. ..	Increase in Exchequer balances .. ..
East Africa Loan repayments .. ..	
Suez Canal Drawn Shares ..	
Ways and Means Advances ..	
Decrease in Exchequer balances .. ..	
£186,479,014	£186,479,014

\*Excluding sales through banks which have not yet been brought to account.

### FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Mar. 8, 1918.	Mar. 1, 1918.	Mar. 9, 1917:
	£	£	£
Gold coin and certificates ..	92,828,800	92,323,000	66,036,800
Gold Settlement Fund ..	70,917,000	71,459,800	41,112,200
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks ..	174,245,800	174,282,800	107,149,000
Gold with Federal Res. Agent ..	179,340,400	177,069,200	65,686,600
Gold Redemption Fund ..	4,053,400	4,113,800	465,000
Total gold reserves ..	357,639,600	355,465,800	173,300,600
Legal tender notes, silver, &c. ..	11,937,000	12,088,800	3,822,600
Total reserves .. ..	369,576,600	367,554,600	177,123,200
Bills discounted—Members' ..	104,068,000	100,505,000	3,700,000
Bills bought in open market ..	63,597,400	59,842,600	21,772,000
Total bills on hand ..	167,665,400	160,347,600	25,472,000
U.S. Gov. long-term sec. ..	14,430,800	15,541,000	5,825,200
U.S. Gov. short term sec. ..	39,564,400	31,496,400	3,893,600
All other earning assets ..	812,800	736,000	3,417,400
Total earning assets ..	219,466,400	208,121,000	38,608,200
Due fm other Fed Res bnk—n. ..	1,222,600	2,376,400	628,600
Uncollected items .. ..	67,456,600	73,837,000	26,082,200
Total deducts. fm gross dep. ..	68,679,200	76,213,400	26,710,800
5% Red. Fund ag Fed. Res. bnkts ..	107,400	107,400	80,000
All other resources .. ..	152,200	159,200	1,249,200
Total resources .. ..	657,981,800	652,155,600	243,771,400
Capital paid in .. ..	14,724,800	14,686,200	11,205,600
Surplus .. ..	226,800	226,800	—
Government deposits .. ..	11,241,600	30,156,200	2,480,200
Due to members—Res. account ..	293,100,800	277,604,000	144,097,600
Collection items .. ..	43,397,200	43,606,200	20,564,800
Other deps inc. For Gov. crdts ..	15,427,400	12,824,400	—
Total gross deposits ..	363,167,000	364,190,800	167,142,600
F.R. notes in actual circulat'n ..	276,798,000	270,218,200	65,322,400
F.R. bnkts in circn—nett liab. ..	1,600,000	1,599,800	—
All other liab. in for Gov crdts ..	1,465,200	1,239,800	100,800
Total liabilities .. ..	654,981,800	652,155,600	243,771,400
Gold res. ag nett deposit liab. ..	59.2%	60.5%	76.3%
Gold res ag F.R. nts in act circ ..	66.3%	66.6%	101.3%
Ratio of gold res to nett dep. and F.R. nts liabilities combined .. ..	62.6%	63.7%	84.2%
Ratio of total res. to nett deposit and F.R. note liabilities combined .. ..	64.7%	65.8%	86.1%

### NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	April 6, 1918.	Mar. 30, 1918.	Mar. 23, 1918.	April 7, 1917.
	£	£	£	£
Loans .. ..	861,102,000	867,370,000	858,344,000	727,840,000
Reserve held in own Vaults ..	3,438,000	3,462,000	3,384,000	99,776,000
Reserve held in Fed. Res. Bk. ..	107,534,000	103,438,000	102,438,000	46,712,000
Cash in own Vaults .. ..	20,600,000	20,596,000	20,294,000	—
Reserve held in Other Depos. ..	1,788,000	1,576,000	1,486,000	11,798,000
Net Demand Deposits .. ..	751,764,000	748,040,000	741,910,000	744,710,000
Net Time Deposits .. ..	37,094,000	37,218,000	38,824,000	37,980,000
Circulation .. ..	7,136,000	7,136,000	7,048,000	5,624,000
Excess Lawful Reserve .. ..	12,746,000	9,200,000	8,550,000	29,706,000
Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.				
NEW YORK STATE BANKS & TRUST COMPANIES (dollar at 4s.)				
	April 6, 1918.	Mar. 30, 1918.	Mar. 23, 1918.	April 7, 1917.
	£	£	£	£
Loans .. ..	150,082,000	150,482,000	148,604,000	157,952,000
Specie .. ..	3,014,000	2,928,000	2,934,000	13,680,000
Deposits .. ..	142,012,000	141,254,000	139,932,000	168,700,000
Legal Tenders .. ..	13,610,000	13,478,000	13,172,000	2,186,000

## BANK OF FRANCE (25 francs to the £).

	April 11, 1918.	April 4, 1918.	Mar. 28, 1918.	April 12, 1917.
Gold in hand ..	135,568,080	133,516,680	133,457,480	130,987,000
Silver in hand ..	10,205,320	10,198,640	10,217,000	10,384,240
Bills discounted ..	63,330,640	72,667,640	53,128,770	19,724,720
Advances ..	45,142,920	44,557,440	44,114,280	47,279,960
Note circulation ..	1,043,471,360	1,033,913,360	1,007,173,120	753,765,080
Public deposits ..	2,287,367	3,356,480	1,891,000	3,641,920
Private deposits ..	131,878,200	125,053,760	112,342,280	100,414,840
Foreign Bills ..	462,000	485,040	371,320	98,880

Proportion between bullion and circulation 21.51 per cent., against 21.78 per cent. last week. Advances to the State £604,000,000, increase £12,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £19,316,120, decrease £30,960, and at the branches £24,716,880, decrease £71,320.

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	Mar. 30, 1918.	Mar. 23, 1918.	Mar. 15, 1918.	Mar. 31, 1917.
Total Coin & Bullion ..	126,343,800	126,305,500	126,257,450	127,334,800
Treasury Notes ..	76,937,950	66,957,150	66,109,050	19,032,450
Bills discounted ..	801,713,950	673,455,150	667,471,500	679,815,500
Advances ..	323,100	259,050	309,800	465,500
Note circulation ..	598,890,350	569,960,550	567,764,400	430,800,750
Deposits ..	451,478,450	356,455,300	337,255,450	420,273,900

Clearing House return during March £459,815,355, against £420,879,905 in February.

## BANK OF SWEDEN (18 kroner to the £).

	Mar. 22, 1918.	Mar. 16, 1918.	Mar. 9, 1918.	Mar. 24, 1917.
Gold ..	13,599,000	13,049,000	13,060,000	10,734,000
Balance abroad and Foreign Bills ..	7,287,000	7,193,000	7,540,000	7,731,700
Swedish and Foreign Govt. Securities ..	3,937,000	3,959,000	3,130,000	4,032,000
Discounts and Loans ..	14,755,000	14,705,000	12,715,000	7,392,000
Notes in circulation ..	32,173,000	32,750,000	31,560,000	21,598,000
Deposits at notice ..	8,138,000	6,971,000	5,183,000	7,565,000

## BANK OF SPAIN (25 pesetas to the £).

	Mar. 30, 1918.	Mar. 23, 1918.	Mar. 16, 1918.	Mar. 31, 1917.
Gold ..	80,291,950	79,948,941	79,937,892	54,227,333
Silver ..	28,341,013	28,241,379	28,193,998	30,146,139
Foreign Bills ..	3,584,729	3,562,844	3,568,481	3,449,217
Discounts and Short Bills ..	30,352,127	30,420,521	30,345,940	31,516,170
Treasury Account, &c. ..	25,080,705	25,014,821	24,991,728	26,789,260
Notes in Circulation ..	114,123,403	114,017,169	114,547,835	95,691,218
Current Accounts, Deposits ..	33,864,460	33,766,316	34,097,245	30,764,596
Dividends, Interests, &c. ..	1,595,533	1,495,893	1,525,832	2,734,652
Government Securities ..	6,083,213	5,858,916	5,227,053	13,038,335

## NETHERLANDS BANK (12 Florins to the £).

	April 6, 1918.	Mar. 30, 1918.	Mar. 23, 1918.	April 7, 1917.
Gold and Silver ..	60,721,583	60,789,000	60,865,666	49,784,000
Bills and Advances ..	9,653,583	13,064,166	11,401,333	15,451,833
Notes ..	74,656,250	74,406,750	72,215,000	63,226,466
Deposits ..	5,195,333	4,730,333	5,358,500	6,406,000

## SWISS NATIONAL BANK (25 francs to the £).

	Mar. 30, 1918.	Mar. 23, 1918.	Mar. 15, 1918.	Mar. 31, 1917.
Gold and silver ..	17,059,668	17,062,928	16,970,560	15,751,266
Bills ..	12,296,232	9,266,828	9,127,964	7,109,112
Note circulation ..	27,845,172	25,856,875	25,533,136	21,128,692
Current and deposit accounts ..	4,375,824	4,149,532	3,968,184	3,274,844

## BANK OF NORWAY (18 kroner to the £).

	Mar. 22, 1918.	Mar. 15, 1918.	Mar. 7, 1918.	Mar. 22, 1917.
Gold ..	6,741,000	6,521,000	6,524,000	7,053,000
Balance abroad and Foreign Bills ..	3,619,000	3,247,000	3,252,000	4,177,000
Govt. Securities ..	713,000	713,000	713,000	706,000
Discounts & Loans ..	18,792,000	19,671,000	19,245,000	9,962,000
Notes in Circulation ..	188,300,000	18,270,000	17,852,000	14,766,000
Deposits at notice ..	7,880,000	8,867,000	8,916,000	5,089,000

## BANK OF ITALY (25 lire to the £).

	Feb. 10, 1918.	Jan. 31, 1918.	Jan. 20, 1918.	Feb. 10, 1917.
Total cash ..	43,044,880	44,081,600	42,856,280	42,795,120
Inland Bills ..	29,467,480	27,749,560	28,603,240	20,227,560
Foreign Bills ..	4,426,000	4,423,600	884,520	83,720
Advances ..	22,346,440	22,383,240	20,604,480	15,155,800
Government securities ..	8,806,600	8,815,560	8,938,960	8,834,360
Circulation ..	263,291,560	262,534,720	262,244,120	155,991,600
Deposits at notice ..	35,555,840	34,321,160	36,250,040	19,194,120
Current accounts ..	19,574,560	19,828,000	22,271,560	13,894,080

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	April 9, 1918.		April 11, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	10.00	10.05	10.06	10.09
Paris ..	Cable transfers ..	27.15	27.20	27.15	27.20
..	Three months' bills ..	27.55	27.60	27.55	27.60
Switzerland ..	Cable transfers ..	20.05	20.18	20.05	20.15
..	Three months' bills ..	20.43	20.53	20.40	20.50
Genoa, &c. ..	Cable transfers ..	42.40	42.50	42.30	42.40
Spain ..	Cable transfers ..	18.13	18.23	17.40	17.55
..	Three months' bills ..	61	64	64	65
Lisbon and Oporto ..	Cable transfers ..	28	29	28	29
Copenhagen ..	Cable transfers ..	15.15	15.25	15.30	15.40
Christiania ..	Cable transfers ..	14.90	15.00	15.00	15.10
Stockholm ..	Cable transfers ..	13.90	14.00	14.13	14.23

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22 1/2	27.19 1/2	27.16
Amsterdam, cheques ..	Florins to £1 ..	12.107	10.05	10.68
Italy, sight ..	Lire to £1 ..	25.22 1/2	41.90	42.41
Madrid, sight ..	Pesetas to £1 ..	25.22 1/2	18.20	17.47 1/2
Lisbon, sight ..	Pence to milreis ..	53 1/2 d.	28 d.	29 1/2 d.
Switzerland, sight ..	Francs to £1 ..	25.22 1/2	21.17 1/2	20.12 1/2
Christiania, sight ..	Kroner to £1 ..	18.159	14.82	15.01 1/2
Stockholm, sight ..	Kroner to £1 ..	18.159	13.87 1/2	14.12 1/2
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.17 1/2	15.32 1/2
Petrograd, sight ..	Roubles to £10 ..	94.57	nom.	nom.
Alexandria, sight ..	Piastres to £1 ..	97 1/2	97 1/2	97 1/2
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4 1/2	1/4 1/2
Hong Kong, T.T. ..	Sterling to dollar ..	—	3/8	3/8
Shanghai, T.T. ..	Sterling to tael ..	—	4/4 1/2	4/3 1/2
Singapore, T.T. ..	Sterling to dollar ..	—	2/3 1/2	2/3 1/2
Yokohama, T.T. ..	Sterling to yen ..	24.58 d.	2/1 1/2	2/1 1/2
New York, cable ..	Dollars to £1 ..	4.86 1/2	4.76 1/2	4.76 1/2
Buenos Aires, T.T. ..	Pence to dollar ..	47.58 d.	50 1/2	50 1/2
Valparaiso, 90 days ..	Pence to peso ..	—	15 1/2 d.	15 1/2 d.
Montevideo, T.T. ..	Pence to dollar ..	51 d.	63 d.	64 d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16 d.	13 1/2 d.	13 1/2 d.

## OPEN MARKET DISCOUNT.

	Last week.	This week.
Thirty and sixty day remitted ..	3 1/2 ..	3 1/2 ..
Three months ..	3 1/2 ..	3 1/2 ..
Four months ..	3 1/2 ..	3 1/2 ..
Six months ..	3 1/2 ..	3 1/2 ..
Three months fine inland bills ..	4 1/2 ..	4 1/2 ..
Four months ..	4 1/2 ..	4 1/2 ..
Six months ..	4 1/2 ..	4 1/2 ..

## BANK AND DEPOSIT RATES.

	Last week.	This week.
Bank of England minimum discount rate ..	5 ..	5 ..
" short loan rates ..	— ..	— ..
Bankers' rate on deposits ..	3 ..	3 ..
Bill brokers' deposit rate (call) ..	3 ..	3 ..
" 7 and 14 days' notice ..	3 1/2 ..	3 1/2 ..
Current rates for 7 day loans ..	2 1/2 ..	2 1/2 ..
" for call loans ..	2 1/2 ..	2 1/2 ..

## The Week's Stock Markets.

Very little has been discussed in the City this week except the probable effects of the Man Power Bill which our Junkers are apparently determined to force on the country. To say that the proposals have created profound uneasiness in business circles is to greatly understate the case, and the more they are studied the more unnecessary and futile they appear to be. If only 7 per cent. of the available veterans are to be taken this year, why create all the disturbance which has thrown Lancashire and other industrial centres into a panic? It would be much more sensible to conscript the Old Age pensioners at once, and have done with it; the cost would be much less in the long run, and equally good results would be achieved. Moreover, the reopening of the Irish question in the worst possible shape that could have been conceived on the eve of the report of the Convention, has created alarm among all except a remnant of Die Hards, whose attitude is of the "Damn-the-Consequences" type. It is not a fruitful atmosphere for business, and the reverses we are suffering on the Western Front, none the less galling because they are really unimportant, tend to foster pessimistic views. At the beginning of the week gilt-edged securities showed exceptional strength, but they have fallen back since, and most other departments were almost entirely lifeless. Grand Trunks were noticeably weak on the disappointing monthly statement, and Argentine Rails did not benefit much from another series of excellent traffics, although it is believed that satisfactory shipping arrangements are being made to relieve the congestion of produce lying in the country. We are passing through a dark hour, but there are good reasons to hope that it heralds the dawn.

Dealings on the Stock Exchange have been confined to the marking of round about 2,500 bargains per day, the only occasion on which this number was exceeded being Monday, when the week-end accumulations raised it by the magnificent figure of some 300. At the same time the tone was fairly cheerful, which is all the more surprising considering the uneasiness caused by the Man Power Bill, and the exceedingly strained political situation created by the upsetting of the Irish truce. Things have been going steadily backwards in the last day or two, but so far there has been no appearance of selling pressure, and the declines that have occurred are not usually of much importance. War Loans began with a burst of strength, which carried them up 1/4 to 1/2, but nearly the whole of this gain has since been lost. Indian issues have also given way, and Bank stock dropped a point. Colonial issues were almost entirely neglected, and the changes have been microscopic. In the Foreign market, Spanish Fours, after a bad start, advanced sharply, but Portuguese, Brazilians, Guatemalas, Cuban Ports and Uruguayans have all given way a point or more. One or two Japanese issues have improved a little, and Greek Fours also gained a point.

Home Railways were dull all the way through, and developed weakness towards the close. Nothing happened in the American section, and Canadian Pacifics only moved within the narrowest limits, and, even so, recorded very little

	Last Week	This Week		Last Week	This Week
Consols.....	54 1/2	54 1/2	N.S.W. 4 1/2% 5 yr. bds....	97 1/2	97 1/2
War Loan 3 1/2%.....	100 1/2	100 1/2	" 4 1/2% 1922-7.....	92	92
" 4 1/2% 1920-47.....	93 1/2	93 1/2	" 5% 1921-3.....	97	97
" 4 1/2% 1919-42.....	100 1/2	100 1/2	" 5 1/2% 1920-2.....	98 1/2	98 1/2
India 3%.....	53 1/2	53 1/2	New Zealand 4%, 1929.....	85 1/2	85 1/2
" 3 1/2%.....	62 1/2	62 1/2	Queensland 4%.....	79	79
Australian 5 1/2% 1920-22.....	99	99	" 4 1/2% 1920-5.....	92 1/2	92 1/2
Canada 4% 1940-60.....	80	80	Union of S. Africa 4 1/2%.....	93	93 1/2
" 4 1/2% 1920-5.....	95	95	1920-5.....	92 1/2	92 1/2
N.S.W. 4% 1933.....	82 1/2	82 1/2	Victoria 4 1/2% 1920-5.....	79	79
Argentina 4% 1900.....	68	68	Westn. Aus. 4%.....	92 1/2	92 1/2
Belgian 3%.....	62 1/2	62 1/2	French War Loan, 5%.....	76 1/2	76 1/2
Brazil, 1913.....	68 1/2	68 1/2	Japan 4 1/2% (1st), 1905.....	91 1/2	91 1/2
" 5% 1914.....	82 1/2	82 1/2	" 5% 1907.....	82	82
Chinese 1896.....	87 1/2	87 1/2	Mexican 5%, 1899.....	57	57
" 1912.....	75 1/2	75 1/2	Russia 4%.....	34 1/2	34 1/2
Egypt Unified 4%.....	87	87	" 4 1/2% 1909.....	36	36
Caledonian defd.....	9 1/2	9 1/2	" 5% 1906.....	44	44
Gt. Central prd.....	12 1/2	12 1/2	London and N.-W.....	88	88
" defd.....	6 1/2	6 1/2	London and S.-W. dfd.....	21 1/2	21 1/2
Gt. Eastern.....	34 1/2	34 1/2	Do red. pf. 1914.....	95	95
Gt. Northern dfd.....	34 1/2	34 1/2	Metropolitan.....	20 1/2	20 1/2
Gt. Western.....	82 1/2	82 1/2	Do. 5% pf.....	74 1/2	74 1/2
Lancs. and Yorks.....	63 1/2	63 1/2	Met. District.....	14	14
London Brighton defd.....	53 1/2	53 1/2	Midland dfd.....	55 1/2	55 1/2
London Chatham ord.....	8 1/2	8 1/2	Nth. British dfd.....	13	13
Canadian Pacific.....	158	158	Nth.-Eastern.....	92 1/2	92 1/2
E. Indian Guar. 4 1/2% debts.....	84	84	Sth.-Eastern dfd.....	27 1/2	27 1/2
Grand Trunk ord.....	51	51	Chesapeake.....	59	59
Do. 1st pf.....	19 1/2	19 1/2	Erie.....	19	19
Do. 3rd pf.....	19 1/2	19 1/2	Southern.....	24	24
Antofagasta dfd.....	137	140 1/2	Cent. Argentine ord.....	60	59
Brazil Common.....	5	5	Leopoldina.....	36 1/2	36 1/2
B. A. & Pacific.....	40 1/2	40 1/2	Mexican ord.....	18	18
B. A. Gt. Southern.....	70	70	San Paulo (Brazilian).....	184	184
B. A. Western.....	67	68 1/2	United of Havana.....	74	74
Anglo-South American.....	83 1/2	83 1/2	London City & Midland.....	7 1/2	7 1/2
Bank of Australasia.....	116	116	London County & West.....	14 1/2	14 1/2
Bank of N.S. Wales.....	36	36	London Joint Stock.....	28 1/2	28 1/2
Barclay & Co. "A".....	7	7	Nat. Prov. of Eng. (£104 pd).....	25 1/2	25 1/2
Do. "B".....	11 1/2	11 1/2	Do. (£12 pd).....	29 1/2	29 1/2
Capital & Counties.....	25	25 1/2	Parr's.....	32	32
Chartered of India.....	73 1/2	73 1/2	Standard of S.A.....	11 1/2	11 1/2
Hongkong & Shanghai.....	82	82	Union Discount.....	10 1/2	10 1/2
Lloyds.....	24 1/2	24 1/2	Union & Smiths.....	26 1/2	26 1/2
London & Brazilian.....	25	25	Kynochs.....	38/6	38/6
Armstrong, Whitworth.....	43/1	43/1	Mond Nickel ord.....	37 1/2	38
Birmingham Small Arms.....	62 1/2	62 1/2	South Durham Steel.....	44/6	44/6
Cammell-Laird.....	7	7	Thornycroft.....	40/6	40/6
Cargo Fleet.....	25/6	26/1	Vickers.....	43/1	42/6
Dorman, Long.....	37/6	36/1	Fine Cotton Spinners.....	35/1	35/1
Associated Cement.....	38	38	Forestral Land.....	48/1	48/3
Borax dfd.....	35/6 1/2	35/6 1/2	Furness, Withy.....	65/1	62/6
Bovril.....	20/9	20/9	Harrods Stores.....	2 1/2	2 1/2
Brazil Traction.....	42	42	Hudson's Bay.....	7 1/2	7 1/2
British Amer. Tobacco pf.....	18/6	17/9	Imperial Tobacco 'C' pf.....	33/6	33/6
British Aluminium.....	31/9 1/2	31/9	Lever Bros. "C" pf.....	20/1	20/6
British Oil & Cake.....	31/9	31/9	Lyons, J.....	3 1/2	3 1/2
Brunner, Mond.....	1 1/2	1 1/2	Marconi.....	3 1/2	3 1/2
Castner-Kellner.....	3 1/2	3 1/2	Maypole Dairy dfd.....	17/6	17/1
Coats.....	5 1/2	5 1/2	National Steam Car.....	17/1	17/1
Courtaulds.....	7 1/2	6 1/2	Pears, A. & F.....	1 1/2	1 1/2
Cunard.....	4 1/2	4 1/2	P. & O. dfd.....	337 1/2	336 1/2
Dennis Bros.....	36/6	36/6	Royal Mail.....	122	121
Eastern Telegraph.....	153 1/2	153 1/2	Underground Inc. Bds.....	77 1/2	77
Kasimans.....	9/3 1/2	9/1	North Caucasian.....	1 1/2	1 1/2
English Sewing Cotton.....	55/3	55/6	Roumanian Cons.....	8/1	7/9
Anglo-Egyptian "B".....	34/6	33/1	Shell.....	5 1/2	5 1/2
Baku (ros.).....	1/6	1/6	Spies (10/-).....	5/6	5/6
Burmah.....	6 1/2	6 1/2	Ural Caspian.....	1 1/2	1 1/2
Lobitos.....	1 1/2	1 1/2	Perak 2/-.....	7/1	7/1
Maikop Pipeline.....	2/1	2/1	Port Dickson 2/-.....	3/10 1/2	4/1
Mexican Eagle pf.....	62/1	64/3	Rub. Estates Johore £1.....	39/1	39/1
Allagar 2/-.....	3/1 1/2	3/1 1/2	Rub. Estates Krian 2/-.....	3/6	3/5
Anglo-Java Rub. 2/-.....	6 1/2	6/3	Rubber Trust £1.....	28/3	28/1
Anglo-Malay 2/-.....	14/1 1/2	3/1 1/2	Sampang (Java) 2/-.....	2/4	2/4
Ayer Kuning £1.....	45	45/1	Sapumalkande £1.....	27/1	27/1
Batang Malaka 2/-.....	4/1 1/2	4/1 1/2	Seaport £1.....	26/6	26/6
Bekoh 2/-.....	4/4 1/2	4/4 1/2	Selangor.....	31/3	31/3
Brit. N. Borneo Trust £1.....	16/9	16/9	Sengat 2/-.....	3/1	3/1
Bukit Cloh 2/-.....	4/1 1/2	4/1 1/2	Seremban £1.....	37/6	36/9
Bukit Kajang £1.....	72/6	72/6	Shelford £1.....	35/1	35/1
Bukit Mertajam 2/-.....	4/4 1/2	4/4 1/2	Sialang £1.....	64/1	64/6
Bukit Sembawang 2/-.....	3/3	3/1 1/2	Singapore Para 2/-.....	4/1	4/1
Carey United £1.....	4/1	4/1	Singapore United 2/-.....	3/1	3/1
Ceylon Para 2/-.....	9/3	9/3	Soember Ajoe 2/-.....	2/4 1/2	2/4 1/2
Chersonese.....	3/3	3/1 1/2	Stagbrook £1.....	33/1	33/1
Cheviot 2/-.....	5/7 1/2	5/7 1/2	Straits Bertam 2/-.....	6/3	6/1
Dalkeith 2/-.....	2/9 1/2	2/8 1/2	Sumatra Para 2/-.....	8/3	8/3
Eastern Invest. Trust £1.....	25/9	25/9	Sungei Bahru £1.....	36/3	36/3
Grand Central £1.....	26/6	26/6	Sungei Kapar 2/-.....	10/4 1/2	10/4 1/2
Gula Kalumpung £1.....	35/1	35/1	Sungei Kruet £1.....	49/1	49/1
Highlands £1.....	57/9	57/6	Taipang 2/-.....	4/2	4/1
Java Investment £1.....	26/3	26/1	Tali Ayer £1.....	32/6	32/6
Java Para £1.....	29/6	29/6	Tanjong £1.....	84/1	84/1
Johore Rubber Lands £1.....	32/1	31/9	Tanjong Malim £1.....	30/1	30/1
Kamunin 2/-.....	3/9	3/8	Tebrau £1.....	63/1	63/1
Kinta Kellas 2/-.....	3/10 1/2	3/11 1/2	Telogedjio £1.....	40/9	40/6
Kuala Kubu 2/-.....	2/7 1/2	2/7 1/2	Tempeh 2/-.....	2/7 1/2	2/6 1/2
Labu 2/-.....	9/1	8/1 1/2	United Serdang 2/-.....	10/6	10/3
Langen Java £1.....	37/6	37/6	United Sumatra 2/-.....	8/3	8/3
Linggi 2/-.....	26/3	25/10 1/2	Val d'Or 2/-.....	3/6	3/6
London Asiatic 2/-.....	9/1 1/2	8/9	Vallambrosa 2/-.....	2/1	2/1
Malacca £1.....	5	5	Way Halim 1/8 pd.....	—	—
Malayayan £1.....	36/6	36/9	Gt. Boulder (2/-).....	12/9	12/1
Merlimau 2/-.....	5/4 1/2	5/1	Kyshtim.....	19/6	19/6
Padang Jawa 2/-.....	3/6	3/6	Mashomaland Agency.....	6/6	6/1
Pataling 2/-.....	40/6	40/6	Meyer & Charlton.....	4 1/2	4 1/2
Abbotiakoon (10/-).....	4/1	4/1	Modder "B".....	7 1/2	7 1/2
Bechuanaand Exp.....	7/1	7/1	Do. Deep.....	7 1/2	7 1/2
Brakpan.....	4 1/2	4 1/2	Myore.....	2 1/2	2 1/2
Broken Hill Prop. (8/-).....	67/6	67/6	Rio Mines (5/-).....	2 1/2	2 1/2
Cam & Motor.....	11/1	11/1	Rio Tinto (5/-).....	64	64
Central Mining (£12).....	5 1/2	5 1/2	Russo-Asiatic.....	2 1/2	2 1/2
Chartered.....	15/1 1/2	14/1 1/2	Spring Mines.....	3 1/2	3 1/2
City Deep.....	2 1/2	2 1/2	Tanganyika.....	3 1/2	3 1/2
Cons. Gold Fields.....	33/1	30/1	Tanayik.....	3 1/2	3 1/2
Cons. Langlaagte.....	16/6	16/6	Van Ryn Deep.....	3 1/2	3 1/2
Crown Mines (10/-).....	1 1/2	1 1/2			
De Beers dfd. (£2 10s.).....	12 1/2	12 1/2			
East Rand.....	5/3	5/1			
Geduld.....	1 1/2	1 1/2			
Gov. Areas Mod.....	3 1/2	3 1/2			

business. Trunks, on the other hand, were decidedly flat and gave way persistently, the loss on balance being very substantial. Mexicans were scarcely mentioned, and Argentines, after a certain display of strength, followed the trend of the rest of the market. San Paulos dropped a point.

Bank shares generally were steady, but nothing noticeable occurred except the strength of the Indian division, which is still under the influence of the excellent results obtained by the Chartered Bank. Breweries were utterly stagnant, and almost the only movement of any prominence was a fall of 2 points in Guinness preferred. Egyptian securities were flat with the exception of Salt and Soda shares, which gained a fraction. Iron and Steel shares, as a rule, were weak, but the Birmingham Small Arms showed conspicuous strength, although closing below the best. Other movements were not of much importance, but Otis Steel dropped as much as 5 points. In the Land section Nigers at first obtained a considerable amount of support, but the gain was subsequently lost. Nigers were rather dull, and in the Shipping division Furness, Withy, Prince Line, and P. and O. all gave way. In the Telegraph group Marconis were flat all the way through. Among Miscellaneous Industrials, Courtaulds continued to recede, and are substantially lower on balance, while Coats also were weak, and where changes occurred in other directions they were usually adverse.

Oil shares at first displayed a good deal of animation under the lead of Anglo-Egyptian, Burmahs, and one or two of the other usually prominent shares. Subsequently, however, the tone turned round, and "Shells," Trinidad Leaseholds, North Caucasians, Venezuelan Concessions, and several others all gave way a greater or less extent. Rubber shares have fallen into comparative neglect, and business was on a much more modest scale than has usually been experienced of late. The tone was dull owing to the persistent restrictions of output and the uncertain tone of the market in the commodity. Holders, however, are unwilling to part in the hope that the artificial scarcity which it has attempted to create will allow them either substantial returns on their investments or a substantial profit on realisation.

The scheme announced some time back for the simplification of the capital of Lever Bros., Ltd., and which was withdrawn because sufficient majorities were not present to procure its legal acceptance, has now been brought forward again. Under it all the various issues of £10 preference shares were to be divided into £1 shares and consolidated, the first and "A" preference into first preference, and the "B" and "C" preference into new "A" preference shares. In order to adjust the slight differences in value holders of first preference and "B" shares were originally offered 2s. 6d. in cash per £10 share to tempt them to agree. They did not, and the only change now made is that the cash offer is raised to 5s. The scheme should now be accepted, for we can see no objection to it except that the simplification might have been carried much farther. It must be a great inconvenience to have so many varieties of shares to keep registers for and to deal in on the market. And the £1 share will be much more marketable. It is, therefore, quite likely to command a higher price.

## LONDON PRODUCE MARKETS.

SUGAR.—Market remained without change.

COFFEE.—A subdued tone pervaded this market during the week, consumers apparently being well stocked after recent liberal purchases, but, with no undue pressure to sell, prices moved steadily. In auction, some bold grey Costa Rica sold, 130s. to 133s.; medium sizes, 127s. to 130s. The terminal market continues quite inactive and nominal.

SPICE.—Only quiet trading was in force, but with certain reserve on the part of sellers a steady price-level resulted. Fair black Singapore pepper, on spot, 1s. 4 1/2d.; white ditto, 2s. 2d.; Tellicherry, 1s. 5d.; Muntok, 2s. 2 1/2d. Fair Zanzibar cloves, spot, 2s. 5d. Pimento, 5 1/2d. Ginger sparingly offered. Tapioca firm, quiet. Fair flake, spot, 8d., buyers. Fair Penang seed pearl, quoted, 77s.; medium, 73s. 6d. Fair small sago, 80s., buyers. Japanese farina quiet; and May-July sold, 88s., c.f. and i. terms.

RICE in demand, and there was a steady inquiry for both beans and peas.

ISINGLASS.—Periodical auctions produced an increased quantity, and with importers more willing to meet the market, prices were irregular, and on the average 2s. per lb. lower. Para lump, sold, 15s. 3d. to 16s. 3d.; pale Penang leaf, 15s. to 16s. 3d.; Bombay, 10s. 3d. to 16s.

PEPPERMINT OIL.—Japanese, spot, 4s. Menthol, 14s. 6d.; and camphor, 2 1/2 lb. slabs, 4s. 6d.

SHELLAC.—Spot business quite retail on the basis of 425s. for fair free second orange.

RUBBER market remained quiet, and prices on the week are a shade easier. Plantation standard, spot, crepe, changed hands at 2s. 4 1/2d. to 2s. 4 1/2d.; May-June, 2s. 5d.; July-December, 2s. 6d. to 2s. 6 1/2d., and 2s. 6 1/2d. Ribbed smoked sheet, spot, done, 2s. 4d. to 2s. 3 1/2d. Fine hard Para, spot, quoted, 3s. 0 1/2d.

CORN (Mark Lane).—The serenity of this market remains undisturbed, but steadiness continues the all-round prevailing characteristic. Supplies are still sparingly offered, and dealings have again been mainly confined to the principal grades of Manitoba wheat, No. 1 at 81s. 6d. and No. 2 at 80s. Flour: Canadian export patents quoted at 51s. 9d., landed; English, 44s. 3d. per sack. Maize out of offer at present, and quite nominal. Maize meal, white, quoted at 64s. 6d. Oats: American

white clipped No. 2, 6rs. 6d. to 62s.; English, 47s. 3d. Barley : Californian, 93s., nominal. English, 62s. 9d.

**COTTON** (from our Manchester correspondent).—The market during the past week has been in a very disturbed state. Traders are wondering what will be the condition of the industry in a few months' time if the drastic proposals of the Government with regard to man power are put into operation. An unsettled feeling has prevailed in all quarters, and the majority of buyers and sellers have decided to adopt a waiting policy until the prospects are clearer. Better advices have been received as to the outlook for the American cotton crop, but prices have not been much affected. A considerable demand continues to be experienced in Egyptian cotton. The inquiry in light fabrics such as mull

### CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING APRIL 12, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 14l, 98% polarisation	£ s. d.	£ s. d.	<b>Wool</b> —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'sabr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granulated, first marks	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	New Zealand	nom.	nom.
German Cubes f.o.b.	nom.	nom.	(scoured) Merino	nom.	nom.
French Cubes	nom.	nom.	Greasy Crossbred	nom.	nom.
prompt	nom.	nom.	Cape snow white	nom.	nom.
Crystallised, West India ..	2 6 9	2 6 9	<b>Indiarubber</b> p. lb.		
Best, 88% f.o.b.	nom.	nom.	Plantation, Spot		
<b>Tea</b> —per lb., duty 1/-	s. d. s. d.	s. d. s. d.	Crepe ..	0 2 5	0 2 4½
Indian Pekoe ..	nom.	nom.	<b>Coal</b> —per ton		
Broken ..	nom.	nom.	Durham, best ..	nom.	nom.
Orange ..	nom.	nom.	Seconds ..	nom.	nom.
Broken ..	nom.	nom.	East Hartlepool ..	nom.	nom.
Pekoe Souchong	nom.	nom.	Seconds ..	nom.	nom.
Ceylon Pekoe ..	nom.	nom.	Steams, best ..	32 6	32 6
Broken ..	nom.	nom.	Seconds ..	29 6	29 6
Orange ..	nom.	nom.	<b>Lead</b> —per ton.	£ s. d.	£ s. d.
Broken ..	nom.	nom.	English Pig. ..	nom.	nom.
Pekoe Souchong	nom.	nom.	Foreign soft, net	£ 29½-£ 28½	£ 29½-£ 28½
<b>Cocoa</b> —per cwt., duty 6d. per lb.	d. s. d.	d. s. d.	<b>Quicksilver</b> —per bottle firsthand	nom.	nom.
Trinidad—per cwt.	up to 90 0	up to 90 0	<b>Tin</b> —per ton		
Grenada ..	" 85 0	" 85 0	English Ingots ..	£ 320-£ 323	£ 325-£ 330
West Africa ..	" 65 0	" 65 0	Do, bars ..	£ 321-£ 324	£ 325-£ 331
Ceylon Plantation	" 100 0	" 100 0	Standard cash ..	£ 316	£ 322
Guayaquil ..	" 90 0	" 90 0	Fin Plates, per box	nom.	nom.
<b>Coffee</b> —per cwt., duty 42/- per cwt.			<b>Copper</b> —per ton.		
East India ..	110-0 135-0	110 0 135 0	English, Tough, per ton ..	nom.	nom.
Jamaica ..	77-0 151-0	77 0 151 0	Best Selected ..	£ 119-£ 123	£ 119-£ 123
Costa Rica ..	110-0 137-0	110 0 137 0	Sheets ..	£ 149	£ 149
<b>Provisions</b> —			Standard ..	£ 110-110½	£ 110-110½
Butter, per cwt.			<b>Jute</b> —per ton.		
Australian finest	252/	252/	Native firsts for shipment	nom.	nom.
Argentine ..	252/	252/	<b>Oils</b> —		
Irish Creameries	nom.	nom.	Linseed, per ton ..	£ 58	£ 58
Dutch ditto ..	nom.	nom.	Rape, crude ..	£ 66	£ 66
Russian finest	nom.	nom.	Cott'n Seed, crude	£ 60	£ 60
Paris baskets ..	nom.	nom.	Petroleum Oil, per 8 lbs.	1/7½	1/7½
Danish finest	nom.	nom.	Water White ..	1/8½	1/8½
Brittany rolls—doz. lb. ..	nom.	nom.	Oil Seeds, Linseed	—	—
<b>Bacon</b> —per cwt.			Calcutta—per ton		
Irish ..	172/	172/	Spot	29 15 0	29 15 0
Continental ..	172/	172/	Rape ..	£ 29-10-£ 30	£ 29-10-£ 30
Canadian ..	171/-172/	171/-172/	<b>Iron</b> —per ton		
American ..	171/-180/	171/-180/	Cleveland Cash ..	nom.	nom.
<b>Hams</b> —per cwt.			<b>Tobacco</b> —duty, unmanufactured		
Irish ..	203/	203/	7/4 to 8/0 per lb.		
Canadian ..	162/-165/	162/-165/	Maryland & Ohio ..	nom.	nom.
American ..	125/-165/	125/-165/	per lb. bend ..	nom.	nom.
<b>Cheese</b> —per cwt.			Virginian leaf ..	0 8-2 1	0 8-2 1
Dutch ..	129/6-160/-	129/6-160/-	Kentucky leaf ..	0 7-0 11	0 7-0 11
Canadian ..	nom.	nom.	Latakia ..	2 0-5 0	2 0-5 0
English Cheddar	nom.	nom.	Havana ..	1 6-6 6	1 6-6 6
Wilt's loaf ..	nom.	nom.	Manila ..	nom.	nom.
New Zealand ..	nom.	nom.	<b>Cigars</b> , duty 10/6 per lb. ..	2/ upds.	2/ upds.
<b>Rice</b> —per cwt.	s. d.	s. d.	<b>Timber</b> —Wood.		
Japan ..	41 3	41 3	Pitch Pine ..	300/-400/	300/-400/
Rangoon 2 stars ..	26 3	26 3	Indian Teak ..	380/-700/	380/-700/
<b>Eggs</b> —per 120.			<b>Turpentine</b> —		
English ..	34 0-36 0	34 0-35 0	American Spot ..	124/3	124/3
Irish ..	32 6-33 0	32/	<b>Copra</b> —per ton		
Danish ..	34 0-35 0	33 0-35 0	Malabar ..	46 0 0	46 0 0
<b>Spelter</b> —			Ceylon ..	46 0 0	46 0 0
G.O.B. as to position ..	£ 54-£ 50	£ 54-£ 50	F.M.S. Singapore	45 10 0	45 10 0
<b>Flour</b> —per sack.			F.M. Straits ..	45 10 0	45 10 0
Country Straight					
Runs ex Mill ..	44/3	44/3			

dhooties and jaconets for India has tended to broaden, and some producers have added to their engagements. There are no signs of increased activity in sized goods. Transactions worth mentioning for China have been few and far between. Less activity has shown itself for most of the minor outlets East and West. The home trade continues healthy, but numerous buyers have not been so ready to give out orders to manufacturers. Prices in American yarns have tended to go against buyers, but the turnover has been reduced, partly owing to the small supplies offered by spinners. The quick delivery of certain counts and qualities is now quite impossible. Export yarns have been sold in sorting-up lots for India and France. Prices in Egyptian spinnings continue to advance, and the undercurrent of demand has been encouraging.

### Insurance News.

In spite of the storm of disapproval raised in various quarters by those who considered that the directors of the Friends' Provident Society were making a mistake in buying the shares of the Century Insurance Company, the arrangement is being persisted in by those concerned, and it is now announced that the offer made by the Friends' Provident has been accepted by all but a very small percentage of the Century shareholders, and that holders of a number of the outstanding shares are abroad. The purchase has, therefore, been completed.

Excellent results were achieved by the New Zealand Insurance Company in the year to November 30, the surplus earnings showing an increase of £19,393 at £119,023. Including nett interest, the total income came to £1,207,118. During the past few years very handsome reserves have been set aside for reserves; including £60,000 thus set aside from the past year's profits, the amount so allocated in the four years 1914-1917 comes to £234,500; consequently the directors are now in a position to raise the distribution to 8s. a year, an increase of 2s. a share, the amount carried forward being £40,174, as compared with £71,080 brought in.

An appreciable expansion is shown in the business done by the State Assurance Company, the total nett premium income for 1917 amounting to £373,879, an increase of £39,359. Claims and expenses at £325,853 were £31,526 higher, the surplus, including interest, being £60,210, an increase of £9,974. The available total was £67,707, an increase of £20,475; £5,000 more, or £20,000 in all, is put to investment fluctuation and contingency account, &c., and after raising the total distribution for the year to 20 per cent., as compared with 12½ per cent. for the previous year, the carry-forward is £10,860 more at £31,718.

The cost of the principal fire losses in the United Kingdom during March are estimated at £337,000, a decrease of £17,000 as compared with the corresponding month last year, making the total for the three months to March 31 £1,048,000, an increase of £236,000 when compared with the first three months of 1917.

For 1917 the results attained by the Law Fire Insurance Society were not so satisfactory as in 1916, inasmuch as claims, commission, and expenses increased by £32,120 to £122,164, whereas the premiums were only £7,698 higher at £165,112. Consequently, after reserving 40 per cent. of the premium income for unexpired risks, and adding £3,045, against £3,632, to the present reserve fund, by way of additional reserve, the credit balance, including interest, at £58,979, was £27,475 lower than at the close of 1916.

An increase of £29,901 is shown in the available profits of the Law Union and Rock Insurance Co. for 1917, the profit and loss account balance being £419,827. The dividend is maintained at 8s. per share, £25,000 is put to investment reserve, against nil a year ago, and the balance forward is raised by £5,897 to £295,480. Nett fire premiums at £320,011 were £34,285 more, while claims increased by only £12,207 to £144,035, the loss ratio being actually 1.9 per cent. lower at 45 per cent. of the premiums. Expenses at £133,838 were £11,593 more, and the balance carried to profit and loss account was £60,305, against £62,313 in 1916. Special fire reserves received an addition of £13,714, raising the total to £328,005. An increase of £5,370 in the income of the accident department was accompanied by a reduction of £3,776 in the amount of the claims, &c., and after making provision for unexpired risks an additional £5,351, or £33,957, was transferred to profit and loss account. In the life department policies for £960,826 were issued, the nett business retained being £929,726, showing a substantial increase over 1916 results, when the nett total was £860,950. Claims absorbed £30,815 more at £631,832, and £138,651 was added to the life funds, raising them to £8,355,596. Nett rate of interest earned was £4 7s. 3d. per cent., an increase of 11s. 2d. per cent. Total assets now amount to £10,340,370.

While the number of policies issued by the Metropolitan Life Assurance Society in 1917 increased by 41 to 146, the sum assured slightly decreased, the total being £153,439, against £170,537 nett. Claims by death under 181 policies amounted to £184,674 (of which £14,099 was directly due to the war). The number and amounts expected were 221 policies, assuring £186,218. The claims were heavier than in 1916, when they amounted to £114,657; the mortality was chiefly among the older members, of whom an unusually large number died during the year. A further depreciation in securities had to be met, and £20,500 was written off, of which £15,000 was transferred from the reserve for expenses of management in the valuation account. In various ways the war has cost the society nearly £300,000, a sum which would have been sufficient to increase the rate of abatement of premiums by over 18 per cent. The fact that the directors have been able to maintain the pre-war rate of reduction of premiums justifies their confidence in the financial strength of the society.

The Briton Ferry Chemical and Manure Co., Ltd., is seeking powers to increase the capital by the creation of 50,000 ordinary and 25,000 preference shares of £1 each, in order to provide for the necessary capital expenditure on a projected new fertiliser plant. Treasury sanction to the issue has apparently still to be obtained.

## American Business Notes.

Had space permitted, there is a good deal which might be said about the position of the Finance Trust companies of the United States, and especially those of New York. As it is we cannot now enter into any minute examination of the position of individual companies, and must be content with a brief summary of the main facts in bulk. The most striking fact of all is the development of these trusts from small beginnings to a position of prime importance in the business machinery of America. At the end of 1907, the total liabilities on deposits of the New York and Brooklyn trusts was \$605,653,000. That was about the lowest point reached after the panic of September in that year. On August 22 of the same year the liabilities on deposits was \$946,610,000, or about £190,000,000, and they fell to £121,000,000 in December. But six years later the liabilities were up to \$1,077,045,000, or £215,400,000, and have gone on steadily increasing ever since, until, on November 7 last year, the aggregate liability had risen to over £460,000,000, or \$2,300,742,000.

In the early days of these trusts we had a frank and outspoken disbelief in their soundness. They seemed to us to be mere instruments in the hands of the great financiers, to be used by them in manipulating and controlling the markets, but our greatest fear in regard to their future was the fact that they were entering into competition with banks in conducting ordinary business of a current drawing account banker, and doing so without any cash to speak of. Some of them had little or none in their tills, and none at all in reserve. After a while this perilous position was much improved, and the trusts grew in public estimation as they grew in wealth and in the strength of their cash reserves. When they came to enter the Clearing House the opportunity was taken to standardise their cash requirements. They had to have so much cash in hand before they could become members, and now this again has been changed, not, we fear, wholly for the better, by their joining the Federal Banks system. On November 29, 1916, the New York group of trust companies possessed \$138,302,000 in specie in hand; besides \$14,598,000 of legal tender banks' notes and other currency, so that altogether they had their reserve of \$152,900,000. But by November 14 last year the specie was down to only \$43,494,000, and the legal tenders, &c., to \$13,447,000. This is the result of their coming under the sway of the Federal Reserve Banks. Their cash was transferred to the Federal Reserve Bank of New York, and appears in their accounts as debt of \$146,741,000, due from that bank. How this arrangement will work out it is no use attempting now to forecast or guess. We just note the change.

## The Week in Mines.

There has been little disposition to do business in the Mining markets this week, owing to the new man-power proposals dominating all other considerations. Quotations have consequently shown a tendency to droop, not from any pressure to sell, but from absence of support. There have been a few prominent exceptions to this rule, notably the activity and buoyancy of Cornish tin shares.

## SOUTH AND WEST AFRICANS.

Rand Mining shares show a general decline, partly in consequence of the rather poor returns for last month, which show that the effects of the recent abnormal floods have not yet completely worn off, though a marked improvement is expected this month. New Modders have fallen  $\frac{1}{4}$  to 22 $\frac{1}{2}$ , and Modder B's  $\frac{1}{8}$  to 7 $\frac{1}{2}$  on the decreased profit for March. Falls of  $\frac{1}{4}$  are recorded by Brakpans at 4 $\frac{3}{4}$ , Rand Selections at 4 $\frac{3}{4}$ , and Rand Mines at 2 $\frac{1}{2}$ , while Wolhuters have fallen to 5s. on poor dividend expectations. Springs are  $\frac{1}{8}$  easier at 35 $\frac{1}{2}$ , though it is stated the consideration to be received by this company for facilities to be granted to the Rietfontein West is to be more favourable than was originally contemplated. Diamond descriptions have naturally weakened, De Beers deferreds being quoted at 12 $\frac{1}{2}$ d. In the Rhodesian section, Chartered have been supported at 14s. 9d., and the debentures at 10s. Cam and Motors have spurted 1s. to 11s. 6d., and Globes were bought up to 1 $\frac{1}{2}$ s. on the dividend declaration. Rezendes are back to 4. West Africans have weakened, but business has been practically non-existent.

## COPPER AND MISCELLANEOUS.

Australasian Copper shares have declined, particularly Hampdens and Mount Morgans, which are down to 27s. and 31s. 6d. respectively. The fall is probably due to labour troubles and shipping difficulties. Broken Hills have weakened somewhat; Norths are quoted at 2 31-32, Souths at 2 31-32, and Zincs at 20s. 3d. Proprietarys are better at 67s. 6d. Tin shares have been supported, partly on the rise in the metal to £322 a ton, but as regards Cornish descriptions the buying is based on good developments and the excess profits duty arrangements with the Government. Geevors have risen 4s. 6d. to 27s. 6d., South Croftys 5s. to 50s., and East Pools 2s. 6d. to 32s. 6d. The South Crofty Co. is expected to issue a circular shortly to the shareholders. Among Nigerians, Nigerian Tin Corporations advanced to 1 3-32 in view of the Corporation's holding of Geevors, and Naragutas improved to 7 $\frac{1}{2}$ . Russian descriptions have firmed up slightly on Mr. Leslie Urquhart's speech at the Irtysh meeting. In the Indian group, Ooregums have advanced 1s. 9d. to 20s., on the unexpected maintenance of the dividend at the same level as for 1916. Buying of Kan-bank (Burma) Wolfram shares has lifted the price  $\frac{3}{8}$  to 1 9-32.

## MINING NEWS.

**BROKEN HILL PROPRIETARY.**—The full report for the half-years ended May 31 and November 30, 1917, show that extraordinary rapid progress has been made with the iron and steel works, which form the major portion of the undertaking now. Production in the November half-year was interfered with by a general strike, which lasted about three months, and work was only carried on at the mine for four months out of the six. Nevertheless, the company made a nett profit of £290,881 for the period, as against £269,769 in the May half-year, and £165,429 in the November, 1916, half-year, when work proceeded more smoothly. Production of pig-iron for the past three half-years has been as follows:—November, 1917, 41,351 tons, against 61,043 tons for May, 1917, and 20,061 tons in November, 1916. For steel rails the figures are 25,989, 37,564, 22,090 tons respectively, and for other steel products 16,934, 18,036, and 7,242 tons respectively. For the November half-year £118,100 was distributed in dividends, against £59,050 in the May half-year, while the surplus of liquid assets was increased from £707,291 to £821,513. Reserve funds have been increased by £1,500,000 to £1,910,000, by appropriating the former amount out of the balance of £1,734,965 standing to the credit of profit and loss account. Reserves used in the company's business have been increased from £180,000 to £1,744,000. These figures alone suffice to account for the recent advance in the shares, quite apart from the prospect of the Federal Government taking over the iron and steel works in connection with its shipbuilding programme. It is intended in future to present the reports and accounts yearly instead of half-yearly.

**IRTYSH CORPORATION.**—At a meeting of debenture-holders of this corporation, held this week, Mr. Leslie Urquhart said the board anticipated paying the next half-yearly instalment of debenture interest. He explained that Bolshevism had failed to make any progress in the district where the corporation's properties were situated. The Ekibastus property was practically self-supporting, and at Ridder the expenditure would be about Rs. 25,000 monthly. Mr. Urquhart then proceeded to explain that Trotsky in a speech at Moscow had confessed the failure of Bolshevism, and was appealing to the more stable elements in Russia to combine with him in suppressing the rascals and thieves who were responsible for the disorder now prevailing in Russia. He regarded this as a sign of a coming change in Russia, and spoke quite optimistically of the prospect of foreign interests being eventually recognised in that country. Mr. Urquhart knows Russia intimately, and his views on the situation are therefore based on personal knowledge.

**MAIN COLLIERY.**—The output of coal in 1917 decreased very considerably, the total being only 285,014 tons, as against 574,613 tons in the preceding 18 months, being equal to 383,076 tons per annum. The sum of £9,000, against £35,000, is set aside for depreciation, £10,000 is placed to general reserve, against £25,000, and after bringing in an amount estimated as recoverable on account of excess profits duty provided last year, there is an available balance of £22,308. A final dividend of 3 per cent. brings the total distribution up to 6 per cent., which compares with 10 per cent., and £8,508, against £7,300, is carried forward.

**SHAMVA MINES.**—The report for the quarter ended December 31 shows that the production was £119,545, the profit on working being £38,374. Ore reserves have been increased by 50,000 tons to 1,608,000 tons, valued at 4.4 dwts. Developments on the eastern section continue satisfactory, and have enabled a gross tonnage of 201,000 tons to be developed. In the main section of the mine stoping operations have proved an addition to the strike of some 200 feet at the Prospect and first levels, bringing these to 1,140 feet and 1,320 feet respectively. Working costs show an increase of 3d. per ton, as compared with the previous quarter, due chiefly to the increased price of stores.

## COMPANY RESULTS IN BRIEF.

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re-serves.	Divi-dend.	Carried Forward.
	£	£	£	%	£
Canadian Investment Co. (Dec.)	36,940	18,990	62,000	8	9,890
Do. .... Prev.	33,060	15,610	60,000	8	7,610
James Cartland and Son (Dec.)	—	10,840	15,000	10	10,900
Do. .... Prev.	—	8,660	10,000	5	10,830
Palace Hotel ..... (Dec.)	47,720	1,300	nil	nil	1,300
Do. .... Prev.	41,430	*1,530	nil	nil	—
Pettigrew & Stephens (Feb.)	—	24,440	33,500	12 $\frac{1}{2}$	14,850
Do. .... Prev.	—	23,530	28,500	10	16,000
Shotts Iron Co. .... (Sept.)	—	31,140	200,120	25	46,960
Do. .... Prev.	—	32,200	163,120	30	42,980
Scottish Tube Co. .. (Dec.)	84,360	68,780	45,000	7 $\frac{1}{2}$	15,520
Do. .... Prev.	84,820	48,600	35,000	7 $\frac{1}{2}$	15,580
Western Mansions.. (Dec.)	31,400	5,470	6,500	3	960
Do. .... Prev.	30,720	5,680	5,500	3	1,100

\* Loss.

## DIVIDENDS ANNOUNCED.

Atlas Assurance Co.—For 1917, 8s. per share, of which 3s. per share, less tax, was paid on October 27. The balance will be paid free of tax on and after the 30th inst.

African City Properties Trust.—On the ordinary shares for 1917, of 1s. per share, being at rate of 5 per cent. per annum (less tax); forward £10,640. For 1916 the dividend was 3½ per cent.

Alliance Trust.—At the rate of 19 per cent. per annum, less tax, same as a year ago.

J. and J. Baldwin and Partners.—On the preference share at rate of 5 per cent. per annum for half-year to April 30, to be paid on May 1.

British Westinghouse Electric and Manufacturing Co.—7½ per cent. on preference shares for year ended December 31.

Canadian Explosives.—1½ per cent. on preferred shares for quarter ended March 31, payable April 15.

Central Uruguay Northern Extension Railway Co.—Interim for half-year ended December 31 of 4s. per share, less tax, being at rate of 4 per cent. per annum, the same.

Central Uruguay Railway Co. of Montevideo.—Interim for half-year ended December 31 on 5½ per cent. preference shares.

Central Uruguay Eastern Extension Railway.—Interim for half-year ended December 31 of 4s. per share, less tax, on ordinary shares, being at rate of 4 per cent. per annum, against 2½ per cent.

Dominion Steel Corporation.—No. 25 at rate of 1½ per cent. on the preference shares, payable May 1.

Eley Brothers.—At the rate of 2s., and a bonus at the rate of 1s. per share, less tax. Warrants will be posted on April 29. A year ago was the same.

Globe and Phoenix Gold Mining Co.—Final for 1917 of 1s. 4d. per share, less tax.

Jorehaut Tea Co.—Interim of 5 per cent., free of tax, for year 1917, the same, payable on April 19.

Mayfield Rubber Plantations.—Final, 20 per cent., with \$90,000 forward.

National Bank of Australasia.—On preference and ordinary shares for half-year ended March 31 at rate of 7 per cent. per annum; the same as a year ago.

New Zealand and Australian Land Co.—Interim for year to March 31, 1918, on the ordinary stock of 5 per cent., free of tax, the same as a year ago.

Ooregum Gold Mining Company of India.—Balance for 1917 of 1s. 6d. per share, less tax, on preference and ordinary shares, payable April 27, making a total for the year of 40 per cent. on pref., and 30 per cent. on ord. shares, the same as a year ago.

Peninsula and Oriental Steam Navigation Co.—Interim at rate of 12 per cent. per annum on the deferred stock (free of tax) for half-year ended March 31, the same as a year ago.

Royal Exchange Assurance.—Further 7 per cent., making 12 per cent., less tax, for 1917, the same as for 1916.

Sao Paulo Tramway, Light and Power Co.—2½ per cent. on the common stock, payable May 1, the same as a year ago.

Tekka-Taiping.—1s. per share, less tax, payable on April 20, the same as a year ago.

Tremelbye (Selangor) Rubber Co.—First interim of 15 per cent. (less tax) (against 20 per cent.) on account of the year ending June 30. Warrants will be posted on April 26.

Pettigrew and Stephens.—At the rate of 12½ per cent. per annum, free of tax, for the year (of which there has been already paid an interim dividend of 10 per cent. for the half-year).

United States and South American Investment Trust Co.—At the rate of 6 per cent. per annum for half-year ended April 4, making 5 per cent. for the year, the same as last year.

Walker and Homfrays.—Interim on ordinary shares of 7½ per cent. (actual), tax free, for half-year ended March 31. Last year there was no corresponding interim, but later two sums were paid at the rate of 15 per cent. per annum for the newly extended financial period of 15 months.

## Tea, Oil and Rubber.

We are now beginning to see the effect of the R.G.A. restriction scheme on outputs. Certainly if it is desirable to "rest" the trees this is the best time to do it, but it must be rather alarming to shareholders to see, for instance, that in March Highlands reduced the output from 121,000 lbs. to 46,460, Anglo-Malay from 125,100 lbs. to 74,200, Pataling from 54,600 lbs. to 29,700, London Asiatic from 128,750 lbs. to 70,200, and Grand Centrals from 314,250 lbs. to 230,000. These are fairly drastic cuts, and considerably exceed the 20 per cent. reduction demanded, but that is to a large extent merely a seasonal accident. At the same time shareholders must remember that it costs practically as much to tap a tree for 2 lbs. as for 3 lbs. or more, and expenses must therefore be relatively much higher on the smaller output. Of course, some of the labour force might be dispensed with, but that is the last thing most estate managers would care to try. It is an Alice in Wonderland sort of arrangement, where everything is topsy-turvy, and we cannot pretend to forecast what the result

may be, but as the restrictions on shipments have been relaxed and huge stocks of para are accumulating in Brazil, it is more than probable that the attempt to control the market with a view to creating fictitious prices will end in disaster if it does not first of all dissolve in laughter.

RANGOON PARA RUBBER ESTATES, LTD.—Year to December 31: Output, 362,580 lbs., an increase of 108,500 lbs., and for the current year the estimate is 400,000 lbs. The planted area has increased 17 acres to 2,267 acres, and there are 710 acres in reserve, but no details are given as to the age of the trees. Considerable trouble is still being experienced with "black thread" disease, 59,000 out of 183,000 trees being attacked and having to be rested for about three months. Average price obtained, 2s. 5.09d. against 2s. 9.98d., while the all-in cost was 1s. 7.94d. against 1s. 5.24d. Consequently, although gross receipts increased £7,000 to £43,950, the nett profit was £4,100 less at £13,820, and the dividend is reduced from 7½ per cent. to 6½ per cent., leaving £2,280 to be carried forward against £180 brought in. There is no reserve fund, and £26,900 is repayable to the vendors in respect of guaranteed dividends. Costs are heavy, and it would have been prudent to cut the dividend more severely, especially in view of the "black thread" disease and the fact that the labour force has suffered very much from malarial fever.

TROLAK PLANTATIONS, LTD.—Year to September 30: Output amounted to 332,000 lbs., an increase of 70,000 lbs., but for the current year, under the restriction arrangement, it is estimated at only 267,300 lbs. Average price obtained was 2s. 6d., against 2s. 11d., and the cost, exclusive of depreciation, was 11½d., against 1s. 2½d. Nett profit amounted to £20,200, a decrease of £1,000, and the dividend of 20 per cent. is repeated, leaving £18,985 to be carried forward, subject to excess duty, &c., which last year absorbed about £15,000. The cultivated area is 600 acres, all in bearing, the last 75 acres having been planted in 1911. Average yield is very good, being over 550 lbs. per acre.

SOEMBER AJOE RUBBER ESTATES, LTD.—Year to September 30: Output of rubber, 148,940 lbs., an increase of 48,900 lbs., and of coffee, 1,016 cwt., a decrease of 2,120 cwt. Average price of rubber was 2s. 6.95d., against 2s. 7.43d., and of coffee, 41s. 11d., against 56s. 2d. Details of costs are omitted. Nett profits amounted to £5,820, a decrease of £660, and the dividend is reduced from 10 per cent. to 6 per cent., leaving £1,750 to be carried forward, subject to Netherlands Indies war tax, if any. Interplanted coffee is being cut out, and no improvement in the revenue from this product is anticipated under present war conditions.

CAREY UNITED RUBBER ESTATES, LTD.—Year to September 30: Output, 322,275 lbs., an increase of 105,000 lbs. Average price, 2s. 5.72d., against 2s. 9.22d.; cost, exclusive of depreciation, 1s. 0.07d., against 9.52d. Nett profit, £19,900, practically the same as last year, and the dividend of 10 per cent. is repeated, leaving £7,560, or £2,600 more, to be carried forward. The area under rubber is 3,330 acres, mostly planted in 1912-13, so that only a portion of the trees are in full bearing. For the current year the "restricted" output is estimated at 405,000 lbs. There are 430 acres under coconuts, but the revenue from this source is negligible at present.

AMPAT (SUMATRA) RUBBER ESTATE, LTD.—Year to September 30: Output, 214,970 lbs., an increase of 58,000 lbs.; restricted estimate for current year, 184,000 lbs. Average price, 2s. 6.59d., against 2s. 8.45d.; all-in cost, 1s. 3.53d., against 1s. 1.35d. Gross receipts, £27,400, an increase of £6,200; nett profit £13,170, increase £1,300. The dividend of 25 per cent. is repeated, and £1,000 more at £4,000 is placed to reserve, raising it to £9,000. Carried forward, £2,640, an increase of £1,000. Planted area, 1,076 acres, of which 300 acres have been planted in the past two years, and there are over 2,000 acres in reserve, so that there is plenty of scope for development.

TAMANG RUBBER ESTATES, LTD.—Year to September 30, output 782,000 lbs., an increase of 235,000 lbs., and for the current year the estimate is 900,000 lbs., subject to restriction. Average price realised was 2s. 6.11d., against 2s. 7.68d., but no information is given as to costs. Gross proceeds amounted to £87,500, an increase of £24,000, and the nett profit was £43,300, increase £17,000. Dividend is retained at 17½ per cent., tax free, equal to over 23 per cent., less tax, and £5,000, against £7,500, is set aside for development reserve, leaving £16,250, or £13,350 more, to be carried forward, subject to war taxes. It is stated that the number of trees in tapping was 223,400, an increase of 25,000, and the average yield was 3.70 lbs., against 3.28 lbs., equal to 328 lbs., against 300 lbs., per acre. The company has still a large undeveloped area amounting to some 5,000 acres, and it ought to do well in the future, but the report would be all the better for a few additional details as to cost of production and the age of the trees.

The London Provincial and South-Western Bank, Ltd., announce that their board have appointed Mr. Percy C. Harte as treasurer to the bank. Mr. J. J. Spear will be sole City manager, with Mr. F. J. Smith assistant City manager.

With reference to the Cuban Ports Co. settlement, a decree has now been published by the Cuban Government confirming the terms arranged with Messrs. Sperling and Co., which have already been announced.

## COMPANY MEETINGS.

## LAMPOR AND HOLT, LTD.

## THE GOVERNMENT AND FREIGHT RATES.

The sixth ordinary general meeting of Lampport and Holt, Ltd., was held on Thursday, at the company's office, 36, Lime Street, E.C., Sir Owen Philipps, K.C.M.G., M.P. (the chairman), presiding.

The Secretary (Mr. W. J. Moynihan) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen, the accounts set out the position clearly, and do not call for special comments. The company's paid-up share and debenture capital and reserves now amount to over 3½ millions sterling, and the fleet stands at a moderate figure in the company's books. We earned less profit than in 1916, because the Government took over the remainder of our fleet at Blue Book rates. We have, of course, paid less in excess profits duty, but the Government are receiving the benefit of the great increase they have made in all rates of freight since they took over the control of British shipping.

## THE WAR AND THE COMPANY'S FLEET.

The whole of our resources are engaged, directly or indirectly, in aiding the prosecution of the war; directly, by means of that part of our fleet serving as transports, &c.; indirectly, by our vessels carrying food and other essential commodities for our own and our Allies' military and civil needs. Our time and attention are taken up with managing the business—in conjunction with the Ministry of Shipping—to the utmost national advantage, as called for by the critical days through which we are passing. Much of our normal activity is necessarily suspended, such as the continuous expansion of our various trades, especially on those routes where by enterprise and foresight this company had through many strenuous years created and built up steamship connections which have made the name of Lampport and Holt a household word in far distant parts of the world. Whilst the concentration of our resources and energies, for the time being, upon the one thing that matters—the winning of the war—has inevitably involved considerable sacrifices and the temporary neglect of important trade connections, it was a very fortunate thing, in my opinion, for the Empire and for the Allied cause that we and other great British liner steamship companies had embarked our enterprise and capital in creating shipping facilities serving countries outside the British Empire—such as the link we formed many years ago between the River Plate, Brazil, and North America. This latter trade, as an example, supported a fleet of steamers which have proved of inestimable value to the Allied cause in time of war.

## THE SUGGESTED NATIONALISATION OF BRITISH SHIPPING.

It has been suggested that after the war British shipping should be nationalised and become a State industry or monopoly. Such a course would, I am convinced, lead to the certain loss of our maritime supremacy, which, as an island people, is a vital necessity, if we are to continue to hold the place in the world we have held in the past. And for this reason—that, whilst the nation might possibly with advantage (though even here opinions naturally differ) nationalise railways, gas, electricity, and similar public services, because they are internal, and the Government can easily protect them from outside interference and competition, the sea is, and always will be, open to all the world, so that shipping is in a very different position, and is the very last thing to which the principle of State ownership could be safely applied. This country hitherto has been the great ocean carrier of the world, transporting produce and manufactures cheaply, not only to and from our own shores, but also between one foreign country and another. This position has enabled us in war-time to provide the British Navy with an immense and powerful auxiliary, and to bring overseas troops, munitions, foodstuffs, &c.

## FOREIGN COMPETITION AFTER THE WAR.—THE GERMAN MERCANTILE MARINE.

One thing is certain, and that is that after the war foreign competition will be keener than ever before. Neutrals especially have huge sums in reserve wherewith to build new fleets or to enlarge existing ones, whilst we know that Germany is making preparations on an immense scale to contest our maritime supremacy after the war. The Bill for the restoration of the German mercantile marine, which passed through the Reichstag last November, provided for money grants to shipowners for the construction of new tonnage amounting, on the most moderate computation, to fifty millions sterling. In reply to a suggestion then made that shipping should be nationalised, the German Government stated that "nothing was less suited than shipping to form a Government monopoly, and that the effect of a Government monopoly would be to threaten German trade with the loss of the international possibilities of expansion upon which its greatness has been based."

I therefore anticipate for the British mercantile marine a very acute struggle if it is to hold its own. Can the nation, under such circumstances, look with confidence to doing so if our shipping is to be taken over and administered by a Government Department? I personally hold a high opinion of British Civil servants, but is any Government Department likely to provide for, build up, and maintain, in good years and bad years, often at heavy loss year after year, such services as Lampport and Holt have fought for and held? I do not con-

sider it probable, or even possible. The war has shown the country that many good business men make very second-rate officials, whilst the training of our Civil Service—which service is, I believe, the best in the world—is not the best school for a business man. Therefore, I hope the British shipowners will, so soon as circumstances allow, be permitted to continue, as in the past, to use their experience, initiative, and energy in maintaining, as I believe they can and will, the position in the world's ocean trades which prior to the war they had won.

## THE SUBMARINE AND OUR SHIPPING LOSSES.

The tremendous events of the last few weeks on the Western front have tended somewhat to obscure the equally vital issue of the submarine. We have had a statement of the actual position from the First Lord of the Admiralty, and the country now knows that the losses of our merchant ships are greater than the replacements, so that month by month our tonnage is diminishing, and this at a time when it is more than ever essential to the Allied cause. We should have great difficulty in maintaining our own effort in France unless the submarine is "held" and, if possible, mastered. I still think this can be done if invention is given full scope and adequate encouragement. The Navy has done splendidly in making the existence of enemy submarines a most precarious one. But the balance is still against us, and it is only now that the Government—after repeated warnings from shipowners—has fully realised that we must have ships, more ships, and still more ships.

## LORD PIRRIE AND MERCHANT SHIPBUILDING.

In this connection, as you are aware, our colleague, Lord Pirrie, has recently undertaken the duties of Controller-General of Merchant Shipbuilding. We all admire the courage and patriotism which have led him to assume such heavy responsibilities at a time of life when many men look for less strenuous days. I am confident that the result of the application of his unique experience, skill and driving power will be manifest before long in a great speeding up of the production of merchant ships. Lord Pirrie does not cease to be a director of this company, but naturally his time and attention will be entirely devoted to his new duties, and the board have passed a resolution freeing him from attendance at our board meetings whilst he holds the important position of Controller-General of Merchant Shipbuilding.

## LARGE INTERESTS ACQUIRED.

Notwithstanding the submarine peril, I am pleased to say that the company's fleet is larger now than on August 4, 1914. In addition to more than maintaining our fleet intact, we have during the year acquired a large interest, together with our associated shipping companies, in the Argentine Navigation Co. (Nicolas Mihanovich, Ltd.), with which company one of your managing directors (Mr. Arthur Cook) has been connected for many years. We have also recently acquired a controlling interest in Archibald McMillan and Sons, Ltd., an old-established shipbuilding company at Dumbarton, which has built a number of our cargo steamers in the past. The active management of this business will, I am pleased to say, continue in the able hands of Mr. J. Garrick.

## THE SERVICES OF THE MERCANTILE MARINE.

We all admire the gallantry of our men in France, but the gallantry of the British merchant seaman has also won our admiration, and the country is now beginning to realise the invaluable services rendered to the nation by the mercantile marine. The company's staff have carried on their work under considerable difficulties, and our thanks are also due to them and to our managing directors (Mr. George Melly and Mr. Arthur Cook) for the way in which they have looked after the company's interests in these difficult times. The board, in addition to their usual contributions to the Lampport and Holt Superannuation Fund Association, I have pleasure in stating, have again made a special donation of £10,000 to the fund.

I now beg to move:—"That the report of the directors and the accounts and balance-sheet submitted to this meeting be and the same are hereby received and adopted, and that a dividend of 10 per cent. per annum (less income-tax) for the year ended December 31, 1917, be and the same is hereby declared."

Mr. Arthur Cook seconded the resolution, which was carried unanimously.

The Chairman next proposed the re-election of Mr. Alfred S. Williams as a director of the company.

Mr. George H. Melly seconded the motion, which was unanimously adopted.

On the proposition of Mr. A. H. Bennett, seconded by Mr. Alex. Lee, Messrs. Price, Waterhouse and Co. were re-appointed auditors, and the proceedings then terminated.

## NATIONAL BANK OF INDIA.

The ordinary general meeting of shareholders of the National Bank of India, Ltd., was held on Monday at the Wesleyan Hall, Bishopsgate, Mr. Robert Williamson, the deputy chairman, presiding.

The General Manager (Mr. H. Chalmers) having read the notice convening the meeting and the auditors' certificate,

The Chairman said: Before dealing with the business which has brought us together here this forenoon, I wish to tell you, with much regret, that our chairman, owing to illness, is not able to be with us. Those of you who know Mr. Campbell and remember his activities, extend-

ing over 40 years, in furthering the interests of this institution, to our very great advantage, will, I am sure, appreciate how deeply he himself deplors his enforced absence from this meeting of shareholders. It is the more regrettable, too, because the balance-sheet now before you is the best ever produced in our history, and there is the further point that to-day is the only occasion over that long period of years that he has not been present at these annual gatherings. In looking through the balance-sheet I see there are some items on both sides of the account to which I should make special reference. On the debit side there is a further increase in bills payable, which, as the chairman told you a year ago, are mainly drafts drawn by our branch offices on London, and this increase, as he then explained, is due solely to the irregularity in the arrival of mails from the East, which implies a larger volume of bills on the water. Then, again, we have a marked and favourable change in our deposits from £19,551,978 at the end of 1916 to £24,685,344, or an increase of £5,133,366. Moreover, this increase follows on a similar movement in 1916 over 1915 of £3,100,000. As regards the 1917 figures, I find there is improvement pretty well at all our chief branch offices, where much wealth exists, largely, no doubt, owing to the continued prosperity of local industries and undertakings. On the credit side we have an increase in cash of practically £2,500,000 and of the same amount in bills of exchange, including Treasury bills, and these changes combine to bring up the total of the balance-sheet to £29,716,621, as compared with £24,058,456 at December 31, 1916. In Bombay cotton manufacturing is doing extremely well, notwithstanding the high price of the raw material. A great scheme for generating electricity to supply, amongst other things, motive power to the cotton mills has come into existence after some years of preparation, and paying handsomely, and, finally, the enterprise and push of the Bombay merchants, under the lead of Messrs. Tata, Sons and Co., a few years ago overflowed into Bengal, and there has been established and brought into active operation there an immense iron and steel producing concern, with a huge capital, which is yielding very large profits. As to Calcutta, the profitable character of the jute manufacturing industry, which has been most marked for many years past, continues unabated. I well remember the years when there were difficulties in selling profitably the product of 10,000 looms and the factories were being run on short time. Now I suppose there are approximately 40,000 looms all earning large profits, whilst further extensions are, I believe, in hand. The coal trade is also prosperous, although hampered by scarcity of railway transport facilities, and, of course, shortness of shipping. The war has affected the tea industry, which for many years past has been yielding handsome returns to investors, probably more than any other, in making the realisation of the crops extremely difficult, but this difficulty may lead to the opening up of new outlets for the beverage, to the benefit of all concerned in this important trade. And the same remarks apply to the similar trade carried on in the island of Ceylon. There, however, in addition to tea, a very large area of land is under cultivation in rubber, which has given very fine profits.

Owing to this dreadful war, in which we are still so deeply involved, our business is carried on under very great difficulties, which unfortunately tend to increase rather than diminish. Notwithstanding all the troubles, however, the year 1917 as regards profit is our best in the history of the bank. We made a gross profit of £686,654, compared with £569,692 in 1916, and after deducting management expenses and making provision for bad and doubtful debts and paying bonus to our staff, we have a net profit for the year of £353,139, or £55,666 more than in 1916, to which there falls to be added £106,689 brought forward from our last statement of accounts, so that we have £459,828 at our disposal to-day. The chairman told you a year ago when he was addressing you that you were not to be surprised or disappointed if the results for the year 1917 should show some little falling off compared with 1916, and he gave reasons for saying so. Fortunately the results are much better than we anticipated, but unfortunately the difficulties of which he spoke still exist and have indeed increased. They may be summed up in a few words—short supply of tonnage, the high price of silver and scarcity of rupees, an insufficient supply of India Council bills, making it difficult for the banks to return to the East money brought home from there. And although we ourselves are inclined sometimes to complain that our bank, whose business is concerned in operating solely where alone the silver rupee is current, for we have no branches in the Straits and in China, does not get its proper share of the India Council bills, we must recognise the difficulties of the India Office authorities and be thankful for what they have done and are doing for us. Of course, our first and paramount duty is to finance bills of national importance, and that we are doing to the best of our ability consonant with safety to ourselves. We are also doing our best to meet the legitimate requirements of our old and valued constituents.

You will see from our report how the directors propose to dispose of the profits. An interim dividend aggregating £80,000 for the half-year ending June 30 last has already been paid to you, and we propose now to pay a further like dividend, together with a bonus of 4 per cent. (or 10s. per share), making altogether 20 per cent., and, what is important, free of income-tax. This would be a dividend of 26½ per cent., less income-tax. We also propose to add £100,000 to the reserve fund, bringing up the total to £1,350,000, to place £10,000 to officers' pension fund, to write down our property

account by £10,000, and to carry forward £139,828, or £33,139 more than we brought into the year's accounts. I express the hope that these proposals will have your approval to-day. It is not many years since we were working hard to raise our reserve fund to the level of our increased capital of £1,000,000, and I direct your attention to the fact that with the addition which we are making to it to-day that fund will stand £350,000 in excess of the capital, and whilst doing this we have not failed to write down the value of our securities, to every year write down our property account, continue payments of increasing dividends, continue our contributions to the pension fund, and, lastly, in no year that I can remember have we forgotten a bonus to our staff. It gives me pleasure to say that having in previous years made what I believe to be ample provision for possible losses consequent on the war, and having also written down our investments to prices below their present market value, we had nothing to do in this way as regards the year 1917, and I hope never shall again. With regard to the pension fund, to which, as I have just said, we propose to contribute £10,000, I wish to tell you that last year the board decided that we might make a change in the direction of relieving our staff from further contributions to it, and, accordingly, as and from July 1, 1917, the bank will carry on its own shoulders the maintenance of this fund. Further, we have started as from same date an officers' provident fund, to which both the staff and bank will contribute. Our share, we estimate, will amount to about £10,000 a year, which I am sure the shareholders will not grudge. We are most fortunate in possessing an excellent staff, and these changes are designed to help them to view the future with a brighter outlook, and at the same time to be a recognition of their good work for us. As regards our staff serving in the Army, I much regret to inform you that since the chairman spoke to you at this time last year we have to mourn the loss of 11 fine young fellows killed in fighting, and we tender to their sorrowing relatives our deepest sympathy. This increases the number of those who have been taken from us since the war began to 28. I might interject here that the number we lost was one less than 28 up to Thursday of last week, when I noticed in the *Times* the death of Captain Brand, M.C., one of our ablest young men, the accountant at our office in Colombo, where he was very much liked. Eight of our men have been discharged from the Army, and of the 148 now in the Service, two are prisoners of war, 83 hold commissioned rank (one the rank of acting-major, 10 captains), and 65 are non-commissioned officers and privates. As to distinctions, seven officers have gained the Military Cross, and several men have been mentioned in dispatches. The strain on those of the London staff who for one reason or another remain here at work continues, therefore, to be heavy, but is bravely and cheerfully borne. I am glad to say that the services of our lady assistants continue to be very satisfactory.

Last year Mr. Campbell spoke to you of the great War Loan floated early in 1917, and of its unique success. May I remind you that the Chancellor of the Exchequer's favoured method of now borrowing money is by the means of 5 per cent. National War Bonds, repayable at a premium in five, seven, and 10 years, and the sum so far obtained through that medium has already reached the great total of about £614,000,000? The security is in every respect first class, and, inasmuch as the Government needs contributions of 25 millions or more a week, I ask all our shareholders when they receive their dividend warrants to bear this in mind, and to do their bit, for money is essential to our and our Allies bringing to a victorious conclusion this ghastly war in which we are so heavily engaged.

Mr. Robert Miller seconded the motion, which was carried unanimously.

## CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.

The sixty-fourth ordinary general meeting of the shareholders of the Chartered Bank of India, Australia and China was held on Wednesday on the bank's premises at 38, Bishopsgate, E.C., Sir Montagu Cornish Turner (the chairman) presiding.

Mr. T. H. Whitehead (one of the managers) having read the notice convening the meeting and the report of the auditors,

The Chairman said: The report which I have the pleasure to submit for your approval to-day will doubtless be considered satisfactory in view of the prevailing conditions of stress and trouble under which we have to conduct banking operations. Our chief aim and object has been, in co-operation with other exchange banks, to finance, to the utmost limit of our resources, shipments of national importance from Eastern ports to this country. To this end the Secretary of State and the Government of India (as represented by the Food Commissioners at home and in India) have called upon the services of the exchange banks, who have loyally responded, and, we believe, have earned the approval of those in authority. With this enormous drain on our resources we may not have been able at all times to satisfy the full requirements of our friends and customers in the ordinary course of business, but we have done our best, in spite of lessened Council assistance. We have all recognised that in war times the demands of the nation are of paramount importance and must be met first and foremost. As might be expected, exports from this side to the East and Far East have declined considerably, which, by reducing the demand for bank remittances, have further increased our difficulties and have forced exchange banks to rely more than ever on Council bills for laying down funds on the other side. All engaged in business

—exporters, importers, and dealers—have much to contend with, but we can only look forward to the time when war has ceased and trade has resumed its normal course. I might also refer to the scarcity of tonnage, which restricts operations and is felt at all points alike. That, unfortunately, is a difficulty which is likely to increase rather than to diminish in the next few months. As regards our business in India, it is satisfactory to note that the crop reports up to date are most satisfactory. The area under cultivation in the Punjab has increased; rain, which was needed, has fallen, and at present we may look forward to bumper crops. India, as a whole, is in a state of great prosperity. Her industries are thriving and her revenues are increasing. During the past few months changes have occurred both in the court of directors and in the head office management. Our very esteemed friend and colleague, Sir Henry Cunningham, has thought it right, in the interests of the bank, to resign his seat on the board owing to indifferent health. Sir Henry has been a member of the board for the past 28 years, and, by his courteous conduct, devotion, and unflinching loyalty to the bank has won the friendship and esteem of all his colleagues on the board and of the managerial staff. We part with great regret. Sir Duncan Carmichael has been, subject to your confirmation to-day, elected to the vacant seat on the board. Sir Duncan lately retired from India after a most successful career in the field of commerce. He has ably filled the important post of president of the Bank of Bengal, and also other public offices, both in Bombay and Calcutta. I am confident that Sir Duncan will add considerable strength to the board of the bank. As regards the staff, my first duty must be to refer to the most regrettable and untimely death of our much valued friend and colleague, Mr. Thomas Fraser. It is a distinct loss to the bank, for in Mr. Fraser was combined the theoretical knowledge of an expert with the practical experience of a sound and brilliant exchange banker. His death adds one more name to the roll of those who have suffered from the strain and stress of this terrible war. Mr. W. E. Preston has been appointed to succeed Mr. Fraser as manager, in conjunction with Mr. Whitehead, while Mr. Bruce has been appointed sub-manager at head office. Both gentlemen are well known to our friends and customers, and I am confident that their respective appointments will meet with very general approval. Lastly, Mr. William Hoggan, who has for many years so ably and satisfactorily fulfilled the duties of secretary to this bank, has resigned with a view to enjoying a well-deserved holiday, after a very arduous and strenuous career in the service of the bank. We shall all miss him. Mr. Arthur Hewett has been selected to fill the position of secretary. The excellent work of the staff is reflected in the results shown in our annual report, but I can also with pleasure state that every member of the staff at home and abroad, both male and female, has done his or her best in each particular branch of the work. The services of the staff at home have been specially recognised by grants to meet the increased cost of living, while our foreign staff have, since 1916, received an extra month's salary. These allowances are, of course, in addition to the annual bonus of 10 per cent. granted by the shareholders. Further, owing to war difficulties, it has been found impossible to arrange furlough for our Eastern staff, and the leave of many of them is long overdue. In such cases the directors have compensated these officers by allowing them to draw one-fifth of a year's salary extra for each year that they serve abroad after their furlough becomes due. I am glad to say that the Court of Directors have, in conjunction with the managers, evolved a pension scheme for the staff, which will come into operation forthwith. A deed of trust has been drawn up, and trustees—three directors and three members of the staff—have been appointed to deal with the fund. Shareholders will, I am sure, be glad to have some information as to members of the staff serving in his Majesty's Forces. In all 175 members have joined up—72 have obtained commissions, while 22, I regret to say, have given their lives in the glorious cause of liberty and freedom. All honour to their memory. One officer has received the D.S.O., six have been awarded the Military Cross, and one the D.S.M. I am confident you will agree with me that this record is one of which the Chartered Bank of India may be proud.

The statement of accounts now before you is specially noticeable in the fact that our proposal to add £100,000 to the reserve will bring that fund up to the satisfactory figure of £2,000,000, as compared with our paid-up capital of £1,200,000. It has been the consistent policy of the directors for many years past to add to the reserve, thereby assuring the financial stability of the bank and improving the value of the shares in the market. Further, it is in a measure owing to this consistent policy of husbanding our resources and building up our reserves that we are able to pay the handsome return which shareholders now enjoy. I feel confident that the policy pursued will meet with your hearty approval. Taking the figures of the report issued in 1906, you will find that the reserve fund then stood at £975,000, increased to £1,475,000 in 1907, partly by the addition of the premium on the new shares issued in that year, and gradually increased year by year up to the present figure. Turning to our balance-sheet, we have every reason to congratulate ourselves on steadily expanding figures, pointing to healthy development all along the line. Our totals now aggregate £36,126,432 12s. 1d., as against £33,390,841 14s. 11d. at December 31 last year, an increase of £2,735,590 17s. 2d., and even these figures would, in the ordinary course, have shown considerable increase had our complete returns not been delayed by the shipping difficulties. Our current and fixed deposit accounts, now amounting to £28,042,148 18s. 7d., an increase of £5,338,052 12s. 9d.,

evidence the continued confidence our home and Eastern friends place in the stability of the bank. On the other side of the account our cash in hand amounted to £8,694,145 6s. 11d., an increase of £3,053,253 7s. 3d., showing a proportion of cash to deposit liabilities of over 30 per cent. Our policy is to keep as liquid a position as possible. Our bills discounted and loans also show satisfactory progress at £10,143,108 10s. 1d., against £9,601,277 5s. 10d. Bills of exchange, including Treasury bills, amounting to £4,337,903 5s. 1d., require explanation. Owing to the serious delays in arrival of the mails, we found ourselves in the awkward predicament of either having to delay our accounts or of resorting to our old method of grouping the "en route" items under a separate heading. We considered it advisable to follow the latter course rather than delay the payment of our dividend, and in this we feel sure we have your hearty approval. The result of this is the reintroduction, temporarily, into the balance-sheet of an item, "Balance of head office and inter-branch remittances, drafts, &c., in transit, £6,446,493 6s. 10d." Since the issue of our balance-sheet the necessary details have come to hand, showing that the above item was practically accounted for by bills receivable en route for £10,040,000, less bills payable en route for £3,590,000. It will be evident, therefore, adding these amounts to the figures appearing in the balance-sheet opposite the respective bills payable and bill of exchange items, that the expansion in our business under these headings has been very marked indeed.

Turning to our profit and loss account, our nett profit for the 12 months was £402,795 13s. 1d., against £381,259 17s. 10d. in the previous year, and after placing £100,000 to reserve fund, adding £25,000 to officers' superannuation fund, and writing £40,000 off premises account (which latter item we considered necessary in view of our having had to acquire new premises at certain points to meet our increasing business), we recommend a final dividend at the rate of 14 per cent. per annum, together with a bonus of £1 per share, equal to 19 per cent. per annum, free of income-tax, and carry forward £167,261 3s. 3d., against £157,465 10s. 2d. brought in. While our profits have so largely expanded our expenses have but naturally, under present abnormal conditions, increased also, but it is satisfactory to know that 30 per cent. of that increase is due entirely to the higher rates of exchange ruling in the East. With these remarks, gentlemen, I beg to move:—"That the report now presented, together with the balance-sheet and profit and loss account, be approved and adopted."

Sir Alfred Dent, K.C.M.G., seconded the resolution, which was carried unanimously.

## METROPOLITAN LIFE ASSURANCE SOCIETY.

The ordinary general meeting of the Metropolitan Life Assurance Society was held on Thursday, at the City Terminus Hotel, Cannon Street, Major-General Sir Ivor Philipps, D.S.O., M.P., presiding.

The Chairman stated that the new business during the year 1917 consisted of 146 policies for £153,439, producing new annual premiums of £5,264. In 1916 they issued 105 policies, assuring, after deduction of re-assurances, £170,537. In present circumstances, these figures would not, he thought, be considered unsatisfactory. In a mutual society such as theirs, employing no agents, and paying no commission, new business could only be obtained by the co-operation of the members, directors, and staff, and he therefore appealed to them to continue to take every opportunity of recommending the Metropolitan to their friends. The claims by death amounted under 181 policies to £184,674, of which £14,099 in respect of 24 policies was directly due to the war. The number and amount expected according to the table of mortality used in the valuations were 221 policies assuring £186,218. The mortality had been chiefly among their older members, of whom an unusually large number had died during the year. The expenses of management were slightly more than in 1916, amounting to 7.1 per cent. of the premium income. The gross rate of interest earned on the whole of the society's funds was £4 14s. 1d. per cent., being a slight increase over the rate for 1916. After allowing for a special repayment of income-tax received during the year, the interest yield after deduction of tax was £3 13s. 4d. per cent., or an increase of 1s. 6d. per cent. over the rate for 1916. The valuation of their Stock Exchange securities on the basis of the market prices on December 31 last disclosed a further depreciation, and fully to meet this £20,500 had been written off the book value of these investments. In common with all other life assurance companies, the society had lost heavily through the war in various ways, but principally through the depreciation of securities, increased income-tax, and loss due to deaths among policyholders on active service. In these three ways the war had cost the society nearly £300,000—a sum which would have been sufficient to increase the rate of abatement of premiums by over 18 per cent. The fact that they had been able, in spite of such adverse circumstances, to maintain the pre-war rate of reduction of premiums justified their confidence in the financial strength of the society. After warmly commending the services of the staff, especially referring to those of Mr. Bernard Woods (the secretary), Mr. Henry J. Baker (the actuary), and of Mr. Hanmer (the accountant), the chairman concluded by moving the adoption of the report and accounts.

Mr. John Bowring Wimble seconded the motion, which was carried unanimously.

## RIO TINTO.

The forty-fifth ordinary general meeting of the shareholders of the Rio Tinto Company, Ltd., was held on Wednesday at the offices, 3, Lombard Street, E.C., Sir Charles W. Fielding, K.B.E., chairman of the board, presiding.

The Secretary (Mr. J. Gordon Macleod) read the notice convening the meeting and the auditors' certificate.

The Chairman: In submitting the report and accounts for the past year, I have only to make a very few remarks. The various mining operations in Spain were carried out during the year 1917 on the lines of our established programme, altered only in so far as exigencies of circumstances that arose from time to time made such alterations necessary. The production of copper during 1917 was carried on in Spain by the usual wet and dry processes, but certain improvements and economies have been introduced. Naturally, with other concerns the world over, we have suffered from a shortage of supplies and the dearthness of materials, but during the year under review, I am glad to say, we were able to carry on the necessary operations. The enhanced cost of food in Spain and elsewhere made it desirable that some addition should be made to wages and salaries, and at the same time the company has done everything it could to facilitate the supplies of bread and other necessities in our mining towns at the lowest possible costs. The improvements in the housing and social conditions of the workpeople mentioned last year have also been carried on during the period under review. As to the immediate future, I cannot speak with any certainty. Supplies of fuel, iron, and other materials essential to our operations are very insecure, and, when obtained, are at extravagant prices; exchange, also, is very much against us. Consequently, although copper is still at a high value, the costs of production are enormously enhanced and the profits adversely affected and uncertain. As to the more distant future, the high rates of freight and the high prices obtainable for copper and sulphur have naturally brought into local use mineral which in ordinary times could not be produced in competition with our materials. We believe, however, that our production will maintain its position in the world's markets when we again emerge from the aftermath of the war, and we believe that holders of shares may then look forward to the return of our old and prosperous conditions. I will now propose: "That the report and accounts for the year 1917, which have been submitted, be now adopted and passed."

Mr. J. M. Macdonald (director) seconded the motion, which was put to the meeting and carried unanimously.

## What Balance Sheets Tell.

## MERCANTILE BANK OF INDIA, LTD.

In 1916, no doubt partly owing to the acquisition of the Bank of Mauritius, Ltd., gross profits advanced £61,000, and this is followed by a gain of £74,000 last year, raising the total to £352,150. Including a trifle more brought in, the nett balance shows an increase of £43,500 at £208,180, and in addition to the usual dividend of 12 per cent., a bonus of 2 per cent. (new) is recommended. Reserve again gets £50,000, raising it to £650,000, against an issued capital of £562,000, and £11,000, against £5,000, is placed to officers' pension fund, while once more £10,000 is written off bank premises. These appropriations leave £58,430, or £26,000 more, to be carried forward. Note circulation increased £23,000 to £127,400, current and deposit accounts have risen £1,250,000, to £9,812,000, bills payable £220,000 to £1,140,000, and acceptances £62,000 to £411,000. Cash balances have increased £245,000 to £2,271,000, investments £200,000 to £1,024,000, bills receivable £870,000 to £4,327,000, and loans, &c., £44,000 to £3,760,000. The balance-sheet totals £12,808,000, an increase of £1,540,000, and the progress made is very satisfactory.

## WESTERN UNION TELEGRAPH CO.

Last year produced by far the largest business this big combine ever had to handle, the volume of traffic increasing 140 per cent. over 1910 and 66 per cent. over 1914. Gross operating receipts amounted to \$76,995,000, an increase of 15 million dollars, or 24.3 per cent. more than in 1916, but expenses, including depreciation, advanced 13 millions, or 26.1 per cent., and the nett income after paying fixed charges was only \$800,000 higher at \$14,365,000. The ratio of expenses to receipts rose from 80.4 per cent. to 81.5 per cent., and as the charge for Government messages (which has greatly increased) is only 40 per cent. of the commercial rate, it is pointed out that this part of the business is conducted at considerably less than the cost of operation. Nevertheless, the dividend is raised from 6 per cent. to 7 per cent., and the surplus carried forward is \$4,700,000 higher at \$29,250,000. During the year \$5,200,000 was spent on additions and betterments to plant and equipment, raising the total to 153 millions, and new offices are being erected in Chicago at an approximate cost of \$1,500,000. Current assets increased \$7,700,000 to \$35,066,000, and current liabilities \$6,600,000 to \$14,170,000. To give an idea of the extent of the organisation, it may be mentioned that the company owns or controls 199,470 miles of pole line, 923,200 miles of iron wire, 676,200 miles of copper wire, 2,875 miles of land cables, and 22,915 miles of ocean cables, while there are no fewer than 25,460 offices in operation.

## LONDON NITRATE CO., LTD.

For the year to June 30 last the trading profit was £57,430, an increase of £1,800, but income-tax required £4,200 more, and after again writing off £10,000 for depreciation, and repeating

the dividend of 3s. per share the carry forward is about the same at £8,560, because on this occasion nothing has to be written off for depreciation of investments, for which £2,500 had to be provided last year. As previously announced the Santa Laura grounds were purchased from the Chilean Government during the year, and the expenditure on them appears in the balance-sheet at £105,140, raising the total of the property account to £260,400. This is doubtless the main reason for the increase of £113,000 to £165,000 in sundry creditors, necessitating an increase of £40,000 in the share capital, and an increase in the borrowing powers to £200,000. Meantime, however, the transaction is being financed by the company's bankers until after the conclusion of the war.

## AMERICAN INVESTMENT TRUST CO., LTD.

For the year to March 15 the revenue amounted to £88,750, a decrease of £2,740, which is more than accounted for by increased income-tax, and the nett profit after providing for debenture interest was a corresponding amount lower at £52,830. However, a larger amount was brought in, and the dividend of 8 per cent. on the deferred stock, less tax, requires a smaller amount, so that the carry forward is increased by £4,000 to £26,650. Nett profit on realisation of investments was £3,900, against £6,600, and this has been applied in writing down securities, leaving the capital reserve at £208,700. Investments now stand at £2,365,000, an increase of £12,000 during the year. They include half-a-million in the 5 per cent. War Loan.

## FOREIGN, AMERICAN, AND GENERAL INVESTMENTS TRUST CO., LTD.

Income for the year to March 15 amounted to £78,440, a decrease of £2,780, but this is due to the higher rate of income-tax deducted, and not to any decline in the actual revenue from investments. After paying debenture interest and other charges the nett profit is £2,600 lower at £58,150, but a larger amount was brought in, and when provision is made for the dividend of 5 per cent. on the deferred stock, the carry forward is £2,000 up at £20,350. Sales and redemptions of securities resulted in a balance profit of £10,560, which has been applied in writing down securities, leaving the capital reserve at £125,800. Investments stand at £2,173,000, an increase of £5,000.

## BRITISH AND FOREIGN TRUST, LTD.

In the year ended January 15 the revenue from investments amounted to £55,900, an increase of £1,900, but income-tax required more, and after paying debenture interest, the nett profit is a little smaller at £23,830. However, the nett amount realised on the sale of securities was £3,330, against £180, and only £1,670, against £4,820, has to be charged against revenue to make up the usual £5,000 written off the cost of investments, so that after again paying 4 per cent. on the ordinary stock, the balance forward is increased by £3,000 to £9,950. Investments stand at £1,010,000, a decrease of £13,000, and the cash in hand is £10,000 less at £6,750.

## ELECTRO BLEACH AND BY-PRODUCTS, LTD.

The 1915 accounts of this company were complicated by the fact that profits were struck after providing excess duty for two years, and they showed a reduction of £6,000 at £19,500, but they were augmented by the transfer of £4,000 from excess duty reserve, and a dividend of 7 per cent. was paid. For the past year they were £25,900 after providing for excess duty, and as the balance of preliminary expenses (£5,300) was written off a year ago there is a very substantial increase in the balance available. Therefore, the directors raise the dividend from 7 per cent. to 10 per cent., and place £6,000 to reserve, leaving £1,670 or a little more to be carried forward. It is only a young company, four years old, but seems to be progressing satisfactorily.

## OILFIELDS PRODUCTION.

Anglo-Egyptian.—Week ended March 31:—Gemsah, 21 tons (last 21 tons); Hurghada, 5,603 tons (last 8,422 tons).

British Burmah Petroleum.—Total crude oil by this company and Rangoon Oil Co. was 81,596 barrels for March.

Kern River Oilfields.—128,416 barrels, or 18,345 tons, during March, including 73,372 barrels from properties of St. Helens Petroleum Co., Ltd.

Trinidad Leaseholds.—11,100 tons during March (Forest Reserve Field). Actual January production, as confirmed by mail, was 9,600 tons.

Trinidad Oil and Transport.—Crude oil March (Barrackpore Field), 2,208 tons, against 3,218 tons. Total three months to date, 12,533 tons, against 12,768 tons.

Ural Caspian.—Week ended March 7, 2,180 tons. Previous report received was for week ended January 24. Oil for six weeks, January 24 to March 7, shows an increase of 641,600 poods. Average fuel consumption is 16,000 poods weekly (96,000 poods), so that production for period has been approximately 737,600 poods, or 123,000 poods weekly, which is about normal.

To fill the vacancies caused by the deaths of Mr. James Eckersley and Mr. George Reynolds Davies the board of Williams Deacon's Bank, Ltd., have elected Mr. Percy Ashworth, of Bolton, and Sir Alan John Sykes, Baronet, M.P., of Cheshire, to be directors of the bank.

## INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.				GROSS TRAFFIC TO DATE.			
	Week ending	Amount	In. or dec. on last year.	Week	Amount	In. or dec. on last year.	Week	Amount
Assam Bengal	Feb. 2	157,724	+ 29,252	1	24,64,026	+ 1,86,313	1	24,64,026
Barsi	" 9	16,300	+ 8,500	1	7,19,800	+ 2,19,300	1	7,19,800
Bengal & N.W.	Jan. 26	5,01,600	+ 71,130	1	63,93,753	+ 6,60,312	1	63,93,753
Bengal Nagpur	Feb. 9	9,89,000	+ 91,000	1	4,63,85,932	+ 35,11,016	1	4,63,85,932
Bombay, Baroda	Mar. 30	20,57,000	+ 2,63,000	1	3,88,39,000	+ 3,56,000	1	3,88,39,000
Birma	Feb. 2	5,34,328	+ 3,359	1	1,79,42,632	+ 23,106	1	1,79,42,632
Delhi Umballa	Mar. 23	1,04,000	+ 18,024	1	22,22,486	+ 2,99,499	1	22,22,486
East Indian	" 30	21,15,000	+ 2,46,000	1	6,02,19,000	+ 11,45,000	1	6,02,19,000
Gt. Indian Penin.	" 31	34,86,200	+ 7,95,900	1	5,96,55,554	+ 38,99,234	1	5,96,55,554
Luoknow-Bareilly	Jan. 26	54,359	+ 7,216	1	8,20,169	+ 83,175	1	8,20,169
Madras and S.								
Mahratta	Feb. 9	10,60,000	+ 766	1	1,90,57,643	+ 9,78,003	1	1,90,57,643
Nizam's Gd. (Broad)	" 2	1,96,742	+ 40,860	1	23,41,723	+ 42,280	1	23,41,723
" (Metre)	" 2	1,23,720	+ 11,775	1	15,51,324	+ 38,895	1	15,51,324
Robilkund and								
Kumaon	Jan. 26	36,701	+ 2,295	1	700,330	+ 57,477	1	700,330
South Indian	Feb. 9	6,68,223	+ 55,068	1	1,22,56,027	+ 9,08,470	1	1,22,56,027

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Week	Amount	In. or dec. on last year.	Week	Amount
Dublin United	Mar. 1	7,305	+ 1,364	1	61,814	+ 11,088	1	61,814
Hastings and Dist.	" 18	1,093	+ 121	1	10,521	+ 840	1	10,521
Isle of Thanet	" 16	194	+ 55	1	4,110	+ 1,843	1	4,110
Lancashire United	Apr. 3	3,794	+ 2,052	1	34,946	+ 11,581	1	34,946
Provincial	Mar. 2	2,604	+ 593	1	56,898	+ 9,730	1	56,898
Yorks. (Wst. Rdn.)	Apr. 7	3,167	+ 1,229	1	33,604	+ 8,397	1	33,604

\* From Oct. 1. † From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last year.	Week	Amount	In. or dec. on last year.	Week	Amount
Alabama Power	Feb. 8	127,420	+ 26,091	12	345,887	+ 327,163	12	345,887
Anglo-Argentine	Apr. 8	57,588	+ 9,678	1	762,495	+ 54,032	1	762,495
Auckland Electric	Oct. 26	22,308	+ 880	1	92,118	+ 7,832	1	92,118
Brazilian Traction	Feb. 8	M3,565,000	+ M320,000	2	M7,261,000	+ M626,000	2	M7,261,000
Brisbane Elec. Inv.	" 8	32,009	+ 2,269	2	66,509	+ 3,689	2	66,509
British Columbia	" 8	131,940	+ 30,260	7	902,899	+ 131,034	7	902,899
B. A. Lacroze	" 8	34,397	+ 1,580	8	303,775	+ 1,239	8	303,775
Burmah Electric	" 5	Rs. 22,985	+ Rs. 73	1	157,522	+ Rs. 217	1	157,522
Calcutta	Apr. 6	Rs. 72,404	+ Rs. 4,047	1	Rs. 931,239	+ Rs. 47,718	1	Rs. 931,239
Carthagenia and								
Herreras	Feb. 6	4,031	+ 808	1	8,042	+ 837	1	8,042
Cordoba Light								
P. & T.	Jan. 12	12,845	+ 413	10	134,966	+ 641	10	134,966
Hongkong	Feb. 16	18,149	+ 5,635	1	94,318	+ 102	1	94,318
La Plata	Mar. 6	5,347	+ 819	3	14,803	+ 1,867	3	14,803
Lima	Feb. 1	41,913	+ 7,685	2	85,449	+ 14,380	2	85,449
Madras Electric	Mar. 31	Rs. 48,284	+ Rs. 12,949	1	Rs. 237,008	+ Rs. 33,569	1	Rs. 237,008
Manila Electric	Aug. 8	65,467	+ 4,607	8	547,492	+ 70,625	8	547,492
Mexico	Nov. 5	215,256	+ 108,669	1	215,256	+ 108,669	1	215,256
Rangoon	Mar. 8	5,955	+ 271	1	16,978	+ 1,514	1	16,978
Singapore Electric	Dec. 29	13,201	+ 1,173	1	668,805	+ 111,901	1	668,805
Toronto	Feb. 11	433,447	+ 7,769	2	911,109	+ 9,908	2	911,109
United of Monte V.	Mar. 3	36,659	+ 4,680	5	172,333	+ 14,941	5	172,333
Vera Cruz	Feb. 8	42,200	+ 6,300	2	84,200	+ 19,300	2	84,200
Winnipeg	" 8	71,493	+ 7,107	2	150,195	+ 16,837	2	150,195

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

## COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Week	Amount	In. or dec. on last year.	Week	Amount
Alcoy and Gandia	Apr. 6	Ps. 8,000	+ 800	1	Ps. 128,900	+ Ps. 11,470	1	Ps. 128,900
Antofagasta (Chili)	Mar. 31	40,450	+ 2,050	1	516,405	+ 37,105	1	516,405
Arauco	Feb. 12	12,500	+ 2,500	1	26,500	+ 4,500	1	26,500
Argentine N.E.	Apr. 1	10,100	+ 3,300	1	334,800	+ 67,398	1	334,800
Bilbao R. and Canta	Feb. 2	2,953	+ 655	1	8,062	+ 433	1	8,062
Bolivar	" 2	9,500	+ 639	8	89,236	+ 19,230	8	89,236
Brazil	Jan. 1	M5,202,000	+ M107,049	1	M5,202,000	+ M107,049	1	M5,202,000
Brazil Gt. Southern	Nov. 1	M14,405,000	+ M850	1	M471,527	+ M51,057	1	M471,527
B. Ayres & Pacific	Apr. 6	158,000	+ 80,000	1	3,583,000	+ 131,000	1	3,583,000
Do. Central	Feb. 1	31,429	+ 10,739	8	210,790	+ 18,654	8	210,790
Do. Gt. South'n	Apr. 7	129,000	+ 34,000	1	4,394,795	+ 134,549	1	4,394,795
Do. Western	7	71,000	+ 36,000	1	1,949,000	+ 56,000	1	1,949,000
Central Argentine	" 6	179,000	+ 104,800	1	4,265,200	+ 56,600	1	4,265,200
C. Ur'g'ay of Mts V.	" 6	21,869	+ 7,610	1	731,818	+ 207,435	1	731,818
Do. East'n Ex.	" 6	5,184	+ 930	1	199,161	+ 7,483	1	199,161
Do. North'n Ex.	" 6	4,149	+ 1,474	1	128,375	+ 32,865	1	128,375
Do. West'n Ex.	" 6	2,818	+ 1,255	1	69,314	+ 14,987	1	69,314
Cordoba Central	Feb. 16	42,200	+ 15,850	1	1,192,550	+ 22,630	1	1,192,550
Costa Rica	" 16	2,662	+ 5,215	1	91,579	+ 80,443	1	91,579
Cuban Central	Apr. 6	35,173	+ 4,391	1	775,919	+ 146,195	1	775,919
Dorada Extension	Feb. 1	7,400	+ 1,400	2	15,700	+ 2,300	2	15,700
Egyptian Delta	" 10	8,720	+ 1,433	1	249,329	+ 58,753	1	249,329
Entre Rios	Apr. 6	20,800	+ 8,000	1	607,500	+ 134,500	1	607,500
French Santa Fe	Jan. 1	147,488	+ 55,713	1	147,488	+ 55,713	1	147,488
Gt. South. of Spain	Mar. 23	Pa. 30,253	+ Ps. 65,613	1	Pa. 304,716	+ Ps. 792,536	1	Pa. 304,716
Gt. West. of Brazil	Apr. 6	16,200	+ 5,900	1	262,800	+ 76,950	1	262,800
Havana Central	Mar. 30	11,591	+ 3,769	1	337,339	+ 68,731	1	337,339
Inter. of C. Amer.	Feb. 6	24,247	+ 9,386	1	47,671	+ 17,585	1	47,671
La Guaira and Car.	" 6	5,500	+ 4,000	1	19,250	+ 8,250	1	19,250
Leopoldina	Apr. 6	38,342	+ 13,737	1	449,512	+ 126,437	1	449,512
Midland Uruguay	" 6	14,894	+ 156	1	119,814	+ 4,266	1	119,814
Mogiana	Dec. 1	M2,342,000	+ M534,708	1	M2404,100	+ M812,420	1	M2404,100
N. W. of Uruguay	Mar. 1	23,500	+ 5,258	9	237,096	+ 16,015	9	237,096
Nitrate	Apr. 31	31,062	+ 5,020	1	173,726	+ 13,154	1	173,726
Paraguay Central	Apr. 6	2,680	+ 250	1	114,480	+ 14,110	1	114,480
Paulista	Dec. 1	M3,461,000	+ M752,617	12	M34115,000	+ M2188,775	12	M34115,000
Peruvian Corp'n	Mar. 1	S1,119,530	+ S102,530	9	S9,322,560	+ S102,018	9	S9,322,560
Salvador	" 30	83,511	+ 74	1	864,593	+ 85,479	1	864,593
State of Bahia S.W.	" 30	M47,000	+ M20,000	3	M337,000	+ M53,000	3	M337,000
S. Paulo (Brazilian)	Apr. 7	31,295	+ 15,966	1	464,739	+ 160,995	1	464,739
Sorocabana	Jan. 1	M1,952,000	+ M199,995	1	M1,952,000	+ M199,995	1	M1,952,000
Taitai	Mar. 1	20,392	+ 119	7	224,678	+ 57,023	7	224,678
United of Havana	Apr. 6	81,493	+ 24,922	1	2,200,267	+ 548,544	1	2,200,267
West'n of Havana	" 6	14,383	+ 5,791	1	346,832	+ 97,476	1	346,832
Zafra and Huella	Feb. 1	11,570	+ 1,610	1	22,493	+ 2,392	1	22,493

\* Months. † From Jan. 1. ‡ From July 1. c Net. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Week	Amount	In. or dec. on last year.	Week	Amount
Betra	Dec. 6	49,448	+ 1,842	3	173,777	+ 6,532	3	173,777
Canadian Northern	Mar. 31	\$1,248,700	+ \$101,900	1	\$30,699,400	+ \$603,500	1	\$30,699,400
Canadian Pacific	Apr. 7	\$2,984,000	+ \$154,000	1	\$35,613,000	+ \$1,094,000	1	\$35,613,000
Gr. Trk. Main Line	" 7	275,717	+ 28,011	1	2,341,632	+ 81,164	1	2,341,632
Gr. Trk. Western	" 7	41,527	+ 2,959	1	436,141	+ 10,956	1	436,141
Detroit G. H. & M.	" 7	12,062	+ 1,479	1	148,934	+ 11,666	1	148,934
Gr. Trk. Pac. Prairie Sc.	Mar. 31	50,401	+ 23,402	1	309,040	+ 97,271	1	309,040
Mashonaland	Nov. 1	56,698	+ 1,486	1	56,698	+ 1,486	1	56,698
Mid. of West'n. Aus.	Jan. 1	9,296	+ 790	7	52,517	+ 4,605	7	52,517
New Cape Central	Feb. 16	2,563	+ 556	1	16,354	+ 2,695	1	16,354
Rhodesia	Dec. 6	79,220	+ 2,472	3	269,405	+ 11,925	3	269,405

\* Months. † July 1. ‡ Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME	NETT EARNINGS FOR MONTH.				NETT EARNINGS TO DATE.			
	Month.	Amount.	In. or Dec. on last year	No. of Mths.	Amount.	In. or Dec. on last year		
		Dols.	Dols.		Dols.	Dols.		
Atchafson T. & S. Fé	Jan.	1,912,000	+ 1,688,900	12	47,829,000	+ 1,248,000		
Atlantic Coast Line	"	1,075,000	+ 212,000	12	12,014,000	+ 607,000		
Baltimore & Ohio ..	"	1,852,000	+ 1,165,000	12	30,589,000	+ 3,425,000		
Canadian Northern	Feb.	b 480,400	+ 598,630	8	2,279,700	+ 4,606,700		
Canadian Pacific ..	"	591,000	+ 1,395,000	2	1,759,000	+ 2,659,000		
Chesapeake & Ohio	Jan.	b 81,000	+ 1,334,000	12	14,099,000	+ 1,400,000		
Chicago & N. W. ..	"	b 785,000	+ 2,797,000	12	27,015,000	+ 3,634,000		
Chicago Burl. & Q. .	Nov.	1,642,000	+ 2,031,000	11	31,281,000	+ 3,956,000		
Chicago G. W. ..	Jan.	b 10,000	+ 322,000	12	3,876,000	+ 1,006,000		
Chicago Mil. & S. P.	"	b 628,000	+ 2,290,000	12	21,967,000	+ 9,360,000		
Chicago, Rock I. & P.	"	80,000	+ 1,288,000	12	17,823,000	+ 2,953,000		
Colorado & Southern	Dec		+ 11,000	11	5,320,000	+ 590,000		
Cuba ..	Jan.	454,171	+ 245,735	7	5,320,444	+ 398,030		
Delaware & Hud. . .	"	3,600	+ 720,000	12	5,686,000	+ 2,124,000		
Denver & Rio Gran.	"	415,000	+ 232,000	12	7,448,000	+ 1,963,000		
Erie ..	Dec.	507,000	+ 1,848,000	12	10,538,000	+ 5,277,000		
Gr. Tr. Main Line. .	Feb.	b 241,700	+ 1,219,400	12	b 4,409,700	+ 6,601,550		
Grand Trunk Westn	"	b 64,400	+ 1,287,000	12	4,790,300	+ 1,664,500		
Detroit G. H. & Mil.	"	b 113,100	+ 1,390,000	12	1,281,000	+ 1,675,000		
Gr. Northern ..	Dec.	1,165,000	+ 1,401,000	12	22,987,000	+ 6,179,000		
Illinois Central ..	Jan.	b 477,000	+ 2,034,000	12	18,636,000	+ 1,847,000		
Kansas City Southn.	"	294,000	+ 80,000	12	4,495,000	+ 569,000		
Lehigh Valley ..	"	b 986,000	+ 1,346,000	12	9,403,000	+ 2,876,000		
Louisville & Nashv.	"	622,000	+ 1,264,000	12	17,761,000	+ 2,090,800		
Minn. S. P. (Soo) ..	Dec.	357,000	+ 297,000	12	9,331,000	+ 3,648,000		
Miss. K. & Texas ..	Jan.	125,000	+ 280,000	12	8,215,000	+ 2,667,000		
Missouri Pacific ..	Nov.	1,690,000	+ 321,000	5	9,425,000	+ 1,920,000		
New York Cent. & H.	Jan.	b 1,149,000	+ 4,776,000	12	52,218,000	+ 120,630,000		
N. Y. N. Haven & H.	Dec.	1,182,000	+ 870,000	12	23,815,000	+ 2,425,000		
New York Ont. & W.	Jan.	b 7,000	+ 125,000	12	2,228,000	+ 97,000		
Norfolk & Western.	"	223,000	+ 1,467,000	12	19,654,000	+ 3,808,000		
Northern Pacific ..	"	803,000	+ 1,424,000	12	27,423,000	+ 4,110,000		
Pennsylvania East								
and West Lines. . .	"	5,940,000	+ 1,107,200	1	5,940,000	+ 1,107,200		
Phil. and Reading ..	"	b 1,299,000	+ 1,898,000	11	14,877,000	+ 6,626,000		
Reading ..	"	577,933	+ 5,826	11	9,806,000	+ 212,860		
St. Louis & San F.	Dec.	1,245,000	+ 244,000	6	9,576,000	+ 632,000		
Seaboard Air Line.	"	673,000	+ 206,000	12	8,628,000	+ 24,000		
Southern ..	Jan.	1,191,000	+ 833,000	7	15,944,000	+ 1,255,000		
Southern Pacific ..	"	—	+ 536,000	12	59,785,000	+ 7,953,000		
Union Pacific ..	"	—	+ 72,000	12	44,942,000	+ 3,155,800		
Wabash ..	"	b 316,000	+ 1,016,000	12	12,003,000	+ 844,000		

# CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA.

Head Office:  
38, BISHOPSGATE, LONDON.

INCORPORATED BY ROYAL CHARTER.

Paid-up Capital, in 60,000 Shares of £20 each ... £1,200,000  
Reserve Fund ... £2,000,000

## Court of Directors.

SIR MONTAGU CORNISH TURNER, *Chairman*.  
SIR DUNCAN CARMICHAEL.  
THOMAS CUTHBERTSON, Esq.  
SIR ALFRED DENT, K.C.M.G.  
WILLIAM HENRY NEVILLE GOSCHEN, Esq.  
The RT. HON. LORD GEORGE HAMILTON, G.C.S.I.  
WILLIAM FOOT MITCHELL, Esq.  
LEWIS ALEXANDER WALLACE, Esq.

## Managers.

T. H. WHITEHEAD. | W. E. PRESTON.

## Sub-Manager.

J. S. BRUCE.

## Auditors.

DAVID CHARLES WILSON, F.C.A.  
HENRY CROUGHTON KNIGHT STILEMAN, F.C.A.

## Bankers.

THE BANK OF ENGLAND.  
THE LONDON CITY & MIDLAND BANK, LIMITED.  
THE LONDON COUNTY WESTMINSTER & PARR'S  
BANK, LIMITED.  
THE NATIONAL PROVINCIAL AND UNION BANK  
OF ENGLAND, LIMITED.  
THE NATIONAL BANK OF SCOTLAND, LIMITED.

## Agencies and Branches.

AMRITSAR.	HONGKONG.	PENANG.
BANGKOK.	ILOILO.	PUKET.
BATAVIA.	IPOH.	RANGOON.
BOMBAY.	KARACHI.	SAIGON.
CALCUTTA.	KLANG.	SEREMBAN.
CANTON.	KOBE.	SHANGHAI.
CEBU.	KUALA LUMPUR.	SINGAPORE.
COLOMBO.	MADRAS.	SOURABAYA.
DELHI.	MANILA.	TAIPEING (F.M.S.)
FOOCHOW.	MEDAN.	TAVOY.
HAIPHONG.	NEW YORK.	TIENTSIN.
HANKOW.	PEKING.	YOKOHAMA.

## DIRECTORS' REPORT.

(Presented at the Sixty-fourth Ordinary General Meeting,  
10th April, 1918.)

The Directors have now to submit to the Shareholders the Balance-sheet and Profit and Loss Account of the Bank for the year ended 31st December last.

These show a net profit, after providing for all bad and doubtful debts, of £560,261 3s. 3d., inclusive of £157,465 10s. 2d. brought forward from the previous year. The Interim Dividend at the rate of Fourteen per cent. per annum paid in September last absorbed £84,000. The amount now available is therefore £476,261 3s. 3d., and the Directors propose to pay a Final Dividend at the rate of Fourteen per cent. per annum, together with a Bonus of One Pound per share, making nineteen per cent. per annum for the whole year, free of Income Tax; to add £100,000 to the Reserve Fund, which will then stand at £2,000,000; to add £25,000 to the Officers' Superannuation Fund; to write off Premises Account £40,000, and to carry forward the balance of £167,261 3s. 3d.

A Resolution will be proposed that the fees of the Directors be increased to £10,000 per annum. The amount was fixed at £6,000 in 1906, and the business of the Bank has been very greatly increased since that date.

The Directors have to announce with regret the retirement of their esteemed colleague, Sir Henry Stewart Cunningham, K.C.I.E., who for 28 years rendered valued service to the Bank as a member of the Board.

Sir Duncan Carmichael, of Messrs. Gray, Dawes, and Co., London, has been elected a Director, and the Shareholders are now invited to confirm his election.

The Right Hon. Lord George Hamilton, G.C.S.I., and Mr. William Foot Mitchell, the Directors who now retire by rotation, present themselves for re-election.

The Auditors, Mr. David Charles Wilson, F.C.A., and Mr. Henry Croughton Knight Stileman, F.C.A., again tender their services.

The Dividend and Bonus will be payable on and after Wednesday, the 17th April.

By Order of the Board,

A. S. HEWETT, Secretary.

LIABILITIES AND ASSETS, 31st DECEMBER, 1917.			
To Capital, 60,000 Shares of £20 each, paid up	£1,200,000	0	0
„ Reserve Fund	1,900,000	0	0
„ Notes in Circulation	925,991	16	1
„ Current and Other Accounts, including Provision for Bad and Doubtful Debts and Contingencies	19,349,345	14	8
„ Fixed Deposits	8,692,803	3	11
„ Bills Payable— Drafts on demand and at short sight on Head Office and Branches	£552,811	1	11
Drafts on London and Foreign Bankers against security, per contra	30,549	14	9
	583,360	16	8
„ Acceptances on Account of Customers	1,255,976	4	3
„ Loans Payable, against Security, per contra	532,500	0	0
„ Due to Agents and Correspondents	31,292	3	7
„ Sundry Liabilities, including Rebates and Exchange Adjustments	1,178,901	9	8
„ Profit and Loss	476,261	3	3
Liability on Bills of Exchange re-discounted, £6,150,453 14s. 4d., of which £5,518,488 12s. 10d. has run off at 25th March, 1918.	£36,126,432	12	1
Outstanding Forward Exchange Contracts for Purchase and Sale of Bills and Telegraphic Transfers, etc., £12,356,483 2s. 11d.			
By Cash in hand and at Bankers	£8,694,145	6	11
„ Bullion on Hand and in Transit	45,228	17	11
„ Government and Other Securities	3,325,977	6	10
„ Security lodged against Note Issue and Government Deposits	1,014,000	0	0
„ Bills of Exchange, including Treasury Bills	4,337,903	5	1
„ Bills Discounted and Loans	10,143,108	10	1
„ Liability of Customers for Acceptances, per contra	1,255,976	4	3
„ Due by Agents and Correspondents	221,146	1	11
„ Sundry Assets	125,493	13	2
„ Bank Premises and Furniture at the Head and Office Branches	516,959	19	1
„ Balance of Head Office and Inter-Branch Remittances, Drafts, etc., in Transit	6,446,493	6	10
	£36,126,432	12	1

## PROFIT AND LOSS ACCOUNT

Dr.	For the year ended 31st December, 1917.		
To Interim Dividend at 30th June, 1917	£84,000	0	0
„ Balance proposed to be dealt with as follows:—			
Dividend, at the rate of 14 per cent. per annum, for the half-year to date	£84,000	0	0
Bonus of £1 per share	60,000	0	0
Reserve Fund	100,000	0	0
Officers' Superannuation Fund	25,000	0	0
Bank Premises	40,000	0	0
Carried forward to Profit and Loss New Account	167,261	3	3
	476,261	3	3
	£560,261	3	3

Cr.			
By Balance at 31st December, 1916	£427,465	10	2
Less Dividend for half-year to 31st December, 1916	£84,000	0	0
Bonus of 12/- per share	36,000	0	0
Reserve Fund	100,000	0	0
Officers' Superannuation Fund	20,000	0	0
Bank Premises	30,000	0	0
	270,000	0	0
„ Gross Profits for the year, after providing for bad and doubtful debts, Excess Profits Duty and Bonus to the Staff	£923,040	7	2
Less:—			
Expenses of Management and General Charges at Head Office and Branches	520,244	14	1
	402,795	13	1
	£560,261	3	3

T. CUTHBERTSON,  
W. FOOT MITCHELL, } *Directors*.  
L. A. WALLACE.  
T. H. WHITEHEAD, } *Managers*.  
W. E. PRESTON.  
CHAS. R. HYDE, } *Accountants*.  
S. JONES.

London, 27th March, 1918.

Examined and found correct, according to the Books, Vouchers, and Securities at the Head Office, and to the Certified Returns made from the several Branches, subject to there being no direct verification of certain Continental Balances which, under present conditions, cannot be obtained, and to the remark that full details and confirmation of the Inter-Branch transactions in transit at 31st December, 1917, have not yet come to hand.

D. C. WILSON,  
H. C. K. STILEMAN, } *Auditors*.

# The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

Vol. XLI.—No. 1,059.]  
NEW SERIES.

[Registered as a  
Newspaper.]

SATURDAY, APRIL 20, 1918.

[Price 6d.]

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## CANADA. THE DOMINION BANK.

Head Office, TORONTO.

Total Assets - - \$109,436,000.

SIR EDMUND B. OSLER, President.

W. D. MATTHEWS, Vice-President.

C. A. BOGERT, General Manager.

London Branch, 73, CORNHILL, E.C. 3.

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.  
General Banking business transacted. Information furnished regarding Canadian matters.

## ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

PAID-UP CAPITAL .. £2,000,000

REST AND UNDIVIDED PROFITS .. 914,968

DEPOSITS .. 26,177,865

Head Office: ST. ANDREW SQUARE, EDINBURGH.

Cashier and General Manager, A. K. WRIGHT. Secretary, J. B. ADSHEAD.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager. ALEX. DICK, Deputy-Manager.

Glasgow Office: EXCHANGE SQUARE.

A. DENNISTOUN, Agent. THOMAS LILLIE, Sub-Agent.

167 Branches throughout Scotland.

Banking Business of every description transacted. Accounts opened and Agency business undertaken for Foreign and Colonial Banks and other financial establishments. Drafts, Circular Notes, and Letters of Credit issued—available throughout the world. Cable transfers are also made. Deposits received at interest repayable at call or at notice. Correspondence invited.

## THE WESTERN AUSTRALIAN BANK.

Established 1847.

Paid-up Capital .. £250,000 0 0 25,000 Shares of £10 each.

Reserve Fund .. £270,000 0 0 Reserve Profits .. £16,088

Reserved liability of Shareholders £280,000.

Drafts issued. Remittances cabled. Bills negotiated or collected. Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents, The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

## THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - TAIPEH, FORMOSA.

BRANCHES—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hongkong, Hankow, Shanghai, Singapore, Swatow, Soerabaya, Samarang, Yokohama, and principal towns in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital .. .. Yen 48,000,000  
Capital Paid Up .. .. Yen 42,000,000  
Reserve Fund .. .. Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Bombay.	Honolulu.	Newchwang.	Shanghai.
Calcutta.	Hong Kong.	New York.	Shimonoseki.
Changchun.	Kobe.	Osaka.	Singapore.
Dairen (Dalny).	Los Angeles.	Peking.	Sydney.
Fengtien (Mukden).	Lyons.	Rangoon.	Tientsin.
Hankow.	Manila.	San Francisco.	Tokyo.
Harbin.	Nagasaki.	Seattle.	Tsinanfu.
			Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

## THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital .. £1,000,000.	Subscribed Capital .. £225,000
Paid-up Capital .. .. £500,000	
Reserve Fund .. .. 540,000	
	£1,040,000
Uncalled Capital .. .. 125,000	
Reserve Liability of Shareholders .. .. 625,000	
	£1,790,000

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

## BANKS.

# THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	...	£1,500,000
Capital Issued	...	1,125,000
Capital Paid Up	...	562,500
Reserve Fund (Undivided Profits)	...	708,432

## Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS  
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

# THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital	£4,000,000
Paid-up Capital	1,800,000
Reserve Fund	2,000,000

## BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahía Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, São Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILE—Valparaíso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

# THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71, Old Broad Street, E.C. 3.

Subscribed Capital	£1,276,747	10	0
Paid up Capital	669,685	0	0
Reserve Fund and Undivided Profits	375,680	11	8
Reserve Liability of Proprietors	606,962	10	0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

# ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office—38, Lombard Street, E.C. 3.

Subscribed Capital	£1,078,875	0	0
Paid-up Capital	539,437	10	0
Further Liability of Proprietors	539,437	10	0
Reserve Fund	500,000	0	0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION, Manager.

# BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, Queen Victoria Street, London, E.C. 4.

AUTHORISED CAPITAL	£5,500,000
SUBSCRIBED CAPITAL	

Four per Cent. Guaranteed Stock	£529,988
"A" Preference Shares issued to New Zealand Government	500,000
"B" Preference Shares issued to New Zealand Government	250,000
Ordinary Shares	1,500,000

Reserve Fund and Undivided Profits	£2,246,595
------------------------------------	------------

Negotiates and collects Bills of Exchange.  
Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

## BANKS.

# BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital	£3,904,860
Reserve Fund	2,875,000
Reserve Liability of Proprietors	3,904,860
	£10,684,720

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.

H. L. M. TRITTON, Esq.

WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager.

J. S. CAMPBELL, Secretary.

HALKERSTONE MELDUM, Assistant Manager.

DAVID GEDDIE, Accountant.

The Bank has 331 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

# THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £2,000,000; together £4,000,000

Reserve Liability of Proprietors 4,000,000

Total Capital and Reserves £8,000,000

HEAD OFFICE - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

## BONDS CANCELLED.

# IMPERIAL JAPANESE GOVERNMENT

4½ PER CENT. STERLING LOANS OF 1905.

The Yokohama Specie Bank, Limited, London, announces that £160,000 4½ per cent. Sterling Bonds of the 1st Series, and £220,000 4½ per cent. Sterling Bonds of the 2nd Series, have been purchased on behalf of the Imperial Japanese Government for the purpose of cancellation, and the said Bonds are now cancelled.

The quantities and denominations of the Bonds so cancelled are the following:—

FIRST SERIES—	SECOND SERIES—
20 of £500	525 of £200
320 of £200	804 of £100
860 of £100	1,730 of £20

London, 16th April, 1918.

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# The Investors' Review.

Vol. XLI.—No. 1,059.  
New Series.

SATURDAY, APRIL 20, 1918.

(Registered as a Newspaper.) Price 6d.

## PUBLISHER'S NOTICES.

The *Investors' Review* is a Subscription Journal and will be delivered to subscribers in London by the first post, or sent to the country and abroad by the first mail, on Saturday Morning on the following terms:—

One Year, £1 5s. 0d. Six Months, 12s. 6d. Three Months, 6s. 6d.

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postage 6d. extra. Bound Volumes 17s. 6d., or 18s. 6d. post free.

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"Investors' Review,"

Norfolk House, Norfolk Street,  
London, W.C.

Telephone No.:  
Gerrard 9132.

Telegraphic Address:  
"Unveiling, London."

*The Editor cannot undertake to return rejected communications.*

*Letters from correspondents must, in every case be authenticated by the name and address of the writer.*

*The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and he cannot accept responsibility for statements made therein.*

## ANSWERS TO QUERIES.

**One Reply to One Question—One Shilling.** Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

**Telegrams** advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

**Private letters** in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

## Passing Events.

Mr. George, we fear, has not increased the public confidence in his Falstaff regiment of a Government by his latest changes in the personnel. Something deeper and more drastic would be required to revive trust in the War Cabinet than the accession to it of Mr. Austen Chamberlain, painstaking and honest as that politician is. But perhaps he may have been taken in more to try to bring some order into the spending of the public money than to help in elaborating plans for carrying on the war, behind which seem too often to lie motives of political strategy at home. And is Viscount Milner likely to inspire enthusiasm as Secretary of State for War? What is there about Lord Milner which can stir loyal feelings of support in any patriot's bosom? As for Lord Derby, the champion recruiter of his day, and the bluff, blundering John Bull who has muddled in so many capacities since the war began, is he really the best man to send to Paris? Perhaps the Prime Minister may think that it does not matter who goes to Paris as representative of his Majesty King George V., since "George I." of Wales can run across and confer with French ministers, give them breakfasts, and lunch or dine with them any day in the week. So, after all, perhaps, it does not matter much, as long as the worthy politicians permit the war to continue.

In one sense the continued retreat of our troops in Flanders has been a sort of political godsend to the present Government, and the Prime Minister's strategy in this field appears to have justified itself, for the new Man-Power Bill went through the House of Commons on Tuesday with very little change. It is regarded as an emergency measure, and was carried by a majority of 198 in a House of 404. The only important change was the removal of liability to serve from men in holy orders, or regular ministers of any religious denomination, an omission which we regret for the sake of those ministers themselves and of their continued utility. It is not improbable that the Irish will obtain, or have to submit to, Home Rule also under stress of the present emergency, for Mr. George was quick to see that unless he moved promptly and with resolution, we might have something very like an armed rebellion to contend with in Ireland in the very middle of our life-and-death conflict in Belgium and French Flanders if conscription

were enforced by the alien overlord. So the Prime Minister pledged himself to place Home Rule on the Statute Book before conscription is applied to the Irish population. American opinion has contributed to the decision as well as our own military difficulties, for America only admits that conscription can be legitimately applied provided self-government is given to Ireland, or, as Mr. George put it, offered to Ireland. It is therefore going to be offered, and under the stress of defeat fears the offer may probably be accepted. Even Sir Edward Carson submits. It is essentially just to face the difficulty in this way, and it is also quite legitimate political tactics, for if a Liberal measure of Home Rule is placed on the Statute Book within the next week or two it will be impossible for the Ulster malcontents or the Sinn Féin malcontents, for any body of the disgruntled indeed, to resist it without laying themselves open to the charge of disloyalty. "You won't have Home Rule because you hate conscription," the taunt will then become, and it will sting to shame and submission. When confronted with this dilemma we hope and believe that Ulster shrewdness and common sense will cease its faction fighting and loyally join the rest of Ireland in doing its best for the common freedom. Perhaps at bottom the most difficult problem to solve will be the financial one, but by behaving with generosity even that may be surmounted with little delay.

Passed at the gallop through the Commons, the Lords tackled the Bill at once, and made no amendments in it worth speaking about. What there were came back to the Commons and were accepted, and the Bill finally received the Royal Assent—became law—on Wednesday night, just ten days after the measure had been introduced in the Commons. Speedy work! We hope it will prove to be work well done and necessary. Will the George Ministry exercise equal diligence in dealing with the unredeemed pledges given to Ireland? We should be relieved in mind could we answer "Yes," but fear the answer must be a shake of the head. The George Ministry has many electioneering and other worries besides mere war to occupy it and draw it away from the path of honour and duty. But it could, perhaps, find time to enlighten us on another point—the exemption of the clergy, to wit. From the Archbishop of Canterbury downwards, the chiefs of the Anglican Church have repudiated all responsibility

for the demand for this special, and degrading, treatment. They, like their Presbyterian brethren in Scotland, are willing and ready to stand in the line or the trench with their fellow citizens, and have made no claim for exemption. Why has it been thrust upon them? We cannot guess. A malignant spirit says, "By the Welsh Baptists," but we cannot believe that. Mr. George, perhaps, will explain. Must do so, indeed, for the injury done to the Churches has been deadly.

The duration of the war has made us now and then disposed to fear that when it is over the Germans will be too completely stripped of everything except the goods they have stolen from the countries invaded to be able to furnish the Allies with any substantial indemnity, even if they prove able to pay for the restoration of property destroyed in Belgium, Northern France, Serbia, Poland, Russia, Finland, and elsewhere. It is rather cheering, therefore, to be told from Berlin that the new German taxes are going to yield a splendid revenue. The new spirits monopoly is expected to produce £42,500,000 per annum, additional taxes on beer £17,000,000, on wines £5,000,000, on champagne £1,000,000, and even from mineral waters and lemonade £2,500,000 is expected. Then on coffee, tea, cocoa, and chocolate the fresh taxation is said to be good for £3,750,000, and another £6,250,000 is expected from increased postal and telegraph rates. As for the war profits tax, it is put at £30,000,000 for the fourth year of the fighting, and even the Bourse, through increases in stamp duty on bills of exchange, is to furnish another £120,000. Above all, an extension of the tax on the "turnover" of businesses is put down for £50,000,000. Thus in these various ways the increased taxation to be levied on the hungry and, save for munition work, idle German population is this year booked to yield in all £158,120,000. This, if correct, shows an unexpected capacity in the people to pay their debts, so we must have no scruple about putting all the items into the bill.

An official appeal for more energy in subscription is appended this week to the return of the week's sales of National War Bonds and other forms of debt by Mr. George Sutton, the expert advertising agent who has this business in hand. The appeal is quite in order and seasonable, for money is not coming in satisfactorily, not at all to the measure of our necessities. For the first 13 days of the new fiscal year, that is up to Saturday last, only £28,215,000 in all has been encashed as proceeds of the sales of Bank of England National War Bonds, new series. Up to the end of the preceding week sales of the Post Office issue of National War Bonds have to be added, as also the amount netted by the sale of War Savings Certificates for the same six days, and this would add about £2,190,000 to the above total, but in all little more than £30,000,000 has in these ways been raised by the various forms of debt within the current fiscal year. In the same 13 days £27,211,000 came in from taxes and State monopolies. In all, therefore, about £58,000,000 has been provided from debts towards the cost of the war and the administration, but within the same period the expenditure has been £85,000,000, so that the revenue is short of the amount required by something like £27,000,000, all of which deficiency has to be provided either by the banks direct or by the cosmopolitan money market which centres in London, that is to say either by trafficking in Treasury bills, or by borrowing at call under temporary advances.

And this sort of dependence has gone on for so long that the Treasury bill debt is still, in spite of all the advertising and whipping up of Tank exhibitions, business weeks, and so forth, little short of £1,000,000,000. Well may the man in charge of the taps plead with the public. He has an increasingly uphill job, and the revelations of the Comptroller and Auditor-General on the Ministry of Munitions accounts, dealt with in another article, are anything but helpful to the main-

tenance of a spirit of patriotic self-sacrifice in lending. Against this, however, we must now insist upon the imminence of our peril in Flanders. It is a real peril, warning us that calculations of profit alone are no longer seasonable, and we hope all other considerations but this, of the imminence of our danger, will be cast aside. Already, with many people, it is becoming much less a question of sound and profitable investments than of the nation's continued independent existence as a free State in a progressive empire, and the more that is realised, the more easy should it be for the Government to finance the war to a successful finish. We therefore venture to hint to the advertising agents employed by the Treasury that they might do wisely in leaning with greater insistence upon the urgency of self-denying sacrifice, and the duty it lays upon the patriot to give his all to the cause of the nation and of mankind. Try appeals to patriotism as a stimulus, in other words, for the sentiment is by no means so apathetic amongst the people as it sometimes may seem to be.

Last week's expenditure was astonishingly modest, only £27,443,000 all told. Of this, £26,264,000 was paid out on "supply," or an average of only £3,752,000 per diem, and the total only £3,920,000 per diem. The week before, however, the expenditure was £43,160,000, or £6,167,000 per diem, so that it is by no means to be inferred that economy is now taking the place of waste in the public expenditure. This £27,000,000 odd, moreover, by no means represented the entire turnover of the week, for the Government, in addition, had to repay £70,720,000 of due Treasury bills, and disbursed £1,000,000 as "depreciation" to sustain market prices—not a large amount, in view of the depression prevailing at the moment, but still an additional sucker. Also £1,126,000 of War Loan and Exchequer bonds are entered as paid off, which probably means that this amount has been converted into National War Bonds. Altogether, therefore, the expenditure was £100,548,000, towards which the taxes and subscriptions to new debt contributed only £55,500,000, so £68,193,000 of new Treasury bills had to be issued, and £4,500,000 more was obtained on temporary advances. In this way, and with £16,704,000 paid in as proceeds of National War Bond sales and £1,700,000 received from sales of War Savings Certificates, the gross revenue of the week was raised to £101,994,000, or £1,446,000 in excess of expenditure. Accordingly the Exchequer balances were increased by this overplus to £17,676,000. Out of the total revenue of £10,827,000, various forms of income-tax, including excess profits tax and super-tax, provided £7,808,000, income-tax of all kinds having furnished £3,883,000 and excess profits duty £3,992,000. And now for the Budget. "What do you think Mr. Law will propose in the way of fresh taxation?" Oh, if he is indeed a man of courage and insight, he will make an effort to get money from all sources, direct and indirect; but, above all, endeavour to plant firmly the foundations of the nation's strength on *real* wealth, on the land and its yield, on unearned increment, "abolishing all exceptions" in finance as in man-service. And perhaps the courage of a gloom-charged hour may goad him to take the plunge. If not—farewell, Mr. Law.

Gold production is declining in Australia and New Zealand. For 1917 the preliminary information is that only 1,733,607 fine ozs. were produced, or 214,220 ozs. less than in 1916. The value is down £909,095 to £7,363,890, but this figure is to some extent an estimate, because at the time when it was made public it was not known exactly what the New Zealand output had been. It is, however, taken in the official return as practically identical with the yield for the preceding year, and on the whole the totals show a continuous decline almost without a break since the beginning of the present century. In 1901 the weight of gold mined in Australia was 3,297,228 fine ozs., worth £14,005,732. The output rose in the succeeding year, and in 1903

was 3,836,095 ozs., valued at £16,294,684. That was the high water-mark of the output, and every year since then there has been a decline. By the end of the first decade the output had fallen to 2,720,000 ozs. and the value to £11,554,000, and last year the weight was 1,451,103 ozs., and last year the weight—for Australia alone, be it remembered—was 1,451,103 ozs., and the value £6,164,000. For the whole 17 years the value of the gold mined in Australia has been £201,971,640. New Zealand has followed much the same path on its more modest scale. Its highest output this century was in 1906, when 534,617 ozs. were produced, worth £2,271,000. This was the highest of five good years, the lowest of which gave 459,406 ozs., and since 1906 there has been no output of more than 472,465 ozs., which was the figure for 1909. Two years later, 1911 gave an output exceeding 400,000 ozs., when for the last time, as it happened, the total was 427,385 ozs. It dropped in the succeeding year to less than 311,000 ozs. For the past two years the weight has not reached 300,000 ozs. For 1916 it was 282,319 ozs., and for 1917 is estimated to have been 282,504 ozs. Altogether, New Zealand has furnished £29,639,903 new gold to the world in the past 17 years, but doubtless one of these days fresh discoveries will be made if the world displays that hunger for gold which has consumed it, one may say, ever since the Californian discoveries away in the first half of last century. And now it is a world smothered in paper.

Profits of Australian banks have not been so good since the war began as they were in the years 1913-14. A table going back to 1909, published by the *Australasian Insurance and Banking Record*, gives us at a glance the progress of these banks in profit-yielding capacity. It does not include the Commonwealth Bank of Australia, but other banks transacting business in Australia and New Zealand are all embraced in the return. It shows that the total nett profits of these banks was £908,000 in 1899, and rose to £3,267,507 in 1914. Expansion was progressive, and almost without a halt or recoil for all save the latest three of the twenty years covered by the return. And it is once more worthy of remark that the banks seem to have become more conservative in the distribution of their profits as time went on. In 1899 72.68 per cent. of the profits was distributed in dividends, but that figure was never approached again until 1915, when 70.35 per cent. of the nett profits was handed as dividend to the shareholders. In 1916 the proportion rose to 71.35 per cent., but last year it was brought down again to rather less than 68 per cent. In the intervening years the proportion of profits given to the shareholders as dividend varied from 63 per cent. down to less than 54 per cent. This means that throughout the period the controllers of these important banks, 21 in number, have been solicitous, directly and indirectly, to strengthen their reserves, and it is well to emphasise that policy, because adherence to it must have done much to fortify the banks and enable them to recover from the troubles of 1893 and to give them strength now to bear the strain of the war. Last year profits came to £3,192,127, and only £2,170,117 of this was distributed as dividends. No dividends were increased, but in some cases the former rate was paid on a rather larger amount of share capital. On the capital alone the average rate the banks were able to distribute was 9.581 per cent. last year, and on the capital and reserve funds, taken together, the return was 5.626 per cent.

If evidence were required of the improved condition of affairs at the Cape it would be found in the report of the Standard Bank of South Africa, Ltd., for the past year. The accounts are presented in a slightly different form, but the nett profits come out £42,000 larger at £406,700, in addition to which £13,000 more was brought in, and only £10,000, against £80,000, has to be written off for investment depreciation. Consequently the shareholders are to get a bonus of 1s. 4d. as well as the usual dividend of 14s., or 14 per cent., and the carry forward is doubled at £204,000. The reserve fund remains at two millions,

against a paid-up capital of £1,548,000. Deposit and current accounts have increased £7,600,000 to £32,980,000, notes in circulation £600,000 to £2,155,000, and customers' bills for collection £825,000 to £3,953,000. Cash balances have risen £1,600,000 to £7,792,000, bills of exchange purchased £3,400,000 to £7,865,000, and loans, &c., three millions to £19,264,000. Investments are a little higher at £3,767,000, and the total of the balance-sheet is fully nine millions up at £44,230,000, so that everything looks as healthy as could be desired.

In spite of rather adverse conditions, the London and Brazilian Bank, Ltd., was able to hold its own bravely in the year to January 31. Gross profits increased £70,000 to £571,500, while expenses were only £33,000 higher, and with a slightly larger balance brought in there is £39,000 more for disposal at £537,400. After repeating the dividend and bonus of 16 per cent., £25,000 is written off premises and £12,000 is allocated as a bonus of 7½ per cent. to the staff (both new items), leaving £300,400, or £1,500 more, to be carried forward. Current and deposit accounts have risen £766,000 to £9,368,000, but bills payable are £920,000 down at £2,618,000. Cash in hand has fallen £580,000 to £4,365,000, bills receivable are £1,025,000 lower at £1,955,000, and remittances in transit £250,000 at £1,168,000, but discounts and advances have increased £1,665,000 to £8,125,000. The nett result of the changes leaves the total of the balance-sheet practically unaltered at £19,228,000. At £1,400,000 the reserve fund exceeds the paid-up capital by £150,000.

We dealt fully a few weeks ago with the position and prospects of the Grank Trunk Railway Co. of Canada, and need now only give a summary of the past year's figures. Gross receipts amounted to £10,725,000, an increase of £906,000. Passengers yielded £121,500 less, but freight and other receipts brought in £1,027,000 more. Unfortunately expenditure advanced no less than £1,775,000 to £9,003,000, the ratio to receipts rising from 73.60 per cent. to 83.94 per cent. With rather more nett revenue credits, the total income is £2,269,000, or £832,000 less than in 1916, and unfortunately fixed charges required £340,000 more, the deficit on the Detroit, Grand Haven section showing an increase of £103,000, while the Grank Trunk Western has to be paid £95,000, whereas a year ago it brought £119,000 to credit. Last year £400,000 was set aside for contingencies, and the full dividends were paid on the guaranteed and preference stocks. This time nothing whatever can be distributed on these issues, the surplus after meeting charges being only £26,300, against £802,300. This, added to the amount brought in, makes £46,300, which is carried forward. Authority has been obtained to raise rates 15 per cent. as from March 15, but until expenses can be reduced to a more moderate figure (and they show a tendency to increase rather than diminish) the outlook cannot be regarded as particularly brilliant.

Although a firm of produce merchants like Joseph Travers and Sons, Ltd., must have experienced great difficulties in carrying on their business owing to restrictions on imports and other disabilities, the year ended January 31 was a very good one. Trading profits, after providing for excess duty, amounted to £156,700, and with the balance brought in the total available is £182,400. After paying debenture interest and setting aside £100,000 for reserves and depreciation, it is proposed to pay a bonus of 5 per cent. in addition to the dividend of 10 per cent., and the balance remaining is £1,000 larger at £25,150. It is a fine old business, which has always enjoyed an excellent reputation, and we are glad to see that it is doing well in these trying times. Last year the chairman stated that the profits represented only about 2 per cent. on the overturn, which is certainly not excessive, and no question of "profiteering" arises in this case.

In spite of increased taxation the United States and South-American Investment Trust Co., Ltd., managed to secure £2,700 more nett revenue in the year to April 4, the total being £70,900. Including £10,000 brought in and deducting debenture interest, there is a balance of £55,950, out of which 5 per cent. is again paid on the ordinary stock and £5,000 is set aside to write down certain securities. There then remains £13,450 to be carried forward. Owing to the abnormal conditions resulting from the war it has not been practicable to make a trustworthy valuation of investments. Particulars of purchases and sales during the year are furnished, as well as a complete list of the securities held. Nett changes in the balance-sheet are unimportant, and investments stand in the books at £1,826,000, or just about the same as last time.

Substantially better results were obtained by the Mazawattee Tea Co., Ltd., in the year to December 21. Trading profits amounted to £50,100, an increase of £15,000, and with £6,000 more brought in the balance, after providing for debenture and other charges, is £22,200 up at £63,100. This allows of the payment of two years' arrears of preference dividend, absorbing £26,400, and leaving £36,700 to be carried forward. There are still two years of arrears, and it will be seen that they might have been cleared off by reducing the balance forward, but in view of the uncertain outlook, it is prudent policy to keep a substantial amount in hand. Investments have been written down by £8,720, and now stand at the market value. Except that stocks show an increase of £45,000 at £184,000, while debtors are £41,000 lower at £144,000, changes in the balance-sheet are unimportant.

Although the mining industry in South Africa has not been particularly prosperous of late, the New Transvaal Chemical Co., Ltd., continues to make substantial progress. In the year to June 30 last the profits, including £2,260 brought forward, amounted to £76,400, an increase of £11,000, which follows a gain of £28,000 in the previous 12 months. After writing off £7,750 for depreciation, about the same as last time, the dividend of 20 per cent. is repeated, and the carry forward is increased to £11,100. During the year 24,000 shares have been issued, raising the capital to £534,900. Creditors have risen £60,000 to £128,000, and bankers' advances are £47,000 up at £175,000. Cash balances are rather smaller, but investments have increased £73,000 to £553,000, and stocks £86,000 to £159,000. Everything looks healthy, but while conditions are so favourable it would be prudent to establish the nucleus of a reserve fund.

It seems that there are something like 70,000 tons of German and Austrian shipping lying idle in Argentine ports. Argentina is, so far, a neutral country in this war, and cannot use these ships, nor can it allow the Allies to seize them for their use. So, as there are very few neutral or Allied vessels available, the produce with which Argentina is now loaded up cannot be exported. The Germans have given not a few provocations to the Argentine Government to assert itself and range alongside Brazil and the United States of North America, but nothing has been done. Therefore the economic development of the republic is being stifled. How long is that going to last?

Mr. Robert Wallace, Professor of Agriculture and Rural Economy in the University of Edinburgh, has addressed an open letter to the Prime Minister on the English and Scottish Education Bills. In this letter he urges a postponement of these measures until after the war, as well as their effective recasting. He holds them to be legislation "dangerous to the stability of the Empire and subversive to the soundest canons of education." The language is strong, and sometimes, perhaps, even a little fierce, but Mr. Wallace will find many sympathisers with his point of view, especially

amongst Scotsmen who were educated before modern theories and conditions came to prevail over the education of the young, only 25 per cent. of whom are probably capable of literary intellectual training. The fundamental purpose underlying all school education "ought to be to fit the individual for the business of life," says Mr. Wallace, and he is unquestionably right in adding that our education fails in attaining that object because it scatters and wastes its forces in so many directions. From the point of view of practical life, the English Education Bill now hung up in order that a "Man-Power" Bill may be, in hot haste, raced into law, is, it has all along seemed to us, an aristocratic, or at least an academic, affair, involving enormous charges upon the revenue which we shall be in no position to meet, so Mr. Wallace need not be too anxious. Circumstances will force the country to fall back on simpler methods and to follow a less ambitious programme. The number of subjects which are embraced even now in the current system of education, and which are supposed to be taught to the pupils of even our board schools, demonstrates the unpractical character of those at the head of educational affairs. And the worst of it is that in all the schemes, as in current usages, there is never any attempt to reduce, still less to obliterate, the hard and fast lines drawn between the classes by accidents of birth or, still worse, by length of purse. Our great public schools do not exist for the purpose of educating the young of the wealthy. They exist to nurture class exclusiveness, and success in such purpose is much more easily attained by devoting the minds of the pupils to "sports" than by really teaching them what might, if they had the brain power and the necessity to exercise it, make them useful members of the community. But post-war exigencies are going to change much, even, perhaps, to appropriate for practical uses many educational endowments now misapplied.

We are getting interesting glimpses of what a "German peace" means in the fragments of news which come from Russia and Rumania. No sooner was the mocking treaty of peace signed between Prussian officials and sundry irresponsible Russian anarchists than Germany began a new war of conquest. The Russian armies had been destroyed by neglect, betrayal, and corruption; the first Government substituted for that of the Tsar had been swept away by German agents with the help of anarchists and revolutionaries, and the way thus cleared for the German troops to renew their plundering. They have not only been advancing into the interior of Russia, winning their way there in spite of resistance now and then strenuous, and into Finland, where they had to fight three days for Helsingfors, but now it is announced that Livonia and Esthonia are to be annexed to Germany. The Kaiser announces this consummation of his ambitions in that quarter in these words:—"I heartily thank God for allowing me and my armies to be the instrument of the liberation of the Baltic Provinces and for enabling me to place on a safe basis the future of the old country created by German labour." This is his way of putting it. What the people of the annexed territories will think of it little time, we hope, may be needed to show. Germany has not yet quite annexed Little Russia or Ukraina, nor have the Hohenzollern Kaiser's hordes been able to strip the country of much food, because the food is not there; but the preliminaries to absorption go on, and Germany is busy revealing to the world with what contempt her masters regard any treaty. Look at the contempt thrown upon the one just concluded with Rumania. Hardly was the ink of the signatures dry when it was notified to the fettered and gagged Rumanian Government that German troops intend to remain in the, for the moment, submerged kingdom for years to come. Perhaps as excuse for committing this fraud, a levy of £16,000,000—not £400,000,000, as the newspapers count it—has been made upon the Rumanian population by way of "indemnity." All

this is most useful as object-lessons to us in the West. But the day of retribution draws inexorably nearer. Russia is already turning on her betrayer and oppressor, and as she turns she must be helped.

An Indian correspondent in Karachi has voiced in the *Times* a complaint about the inadequacy of the share taken by India in the burdens of the war. He is not the first to complain. It has become suddenly fashionable to regard India as a rich country. The war may be said to have brought us back in this respect to the old days of the Indian nabob, when it was popularly supposed that the wealth of the peninsula was inexhaustible. Only in modern days have students of the country's circumstances come to realise that India is a poor country, that the bulk of its population is probably amongst the poorest of the world, but that lesson never sunk very deep in the popular mind, and therefore the proclamation of its wealth now being made falls on willing ears. "The country is bursting with prosperity," says this correspondent, "and the great towns are so gorged with money paid out by the Military Department that dangerous orgies of trade speculation have frequently succeeded each other." Surely, then, this is a case for the tax-collectors' energies to be exercised with effect, and when we are told that during the current year India is providing only £15,000,000, and Great Britain £73,000,000, of the war expenditure laid upon India, we know what the inference is to be. India must submit to further taxation, something must be done to check the rise in prices, and it is clearly wrong for nearly five-sixths of the £120,000,000 of military expenditure in India to be laid upon the British taxpayer. We fear there is trouble coming in India if a message of this kind is to be taken as a measure of our understanding of the real economic position of that dependency. True enough, certain sections of the community are flushed with wealth, product of war-engendered credit; true also that India has had several good harvests in succession, and that high prices have been obtained by the cultivators, so that they also are probably better off than usual; but these passing changes in the fortunes of the people do not indicate substantial increases in wealth among the masses. If India were really becoming rich, why is its population unable to subscribe forthwith the whole of that £100,000,000 loan which the British rulers have offered as India's contribution to the cost of the war? We shall probably have demands for fresh taxation in India, and in our extremity these demands will be listened to, endorsed by Parliament here, and forced upon the British-Indian administration by the Home Government. There will be trouble in India if that should happen. For the war is bringing far-reaching changes in the relation of the United Kingdom to every one of its colonies and dependencies.

A complete translation of Prince Lichnowsky's Memorandum on his Mission to London, 1912-1914, has been published by Messrs. Cassell, with a preface from the pen of Professor Gilbert Murray, and it is to be had at any bookstall, or in any bookseller's shop, for 6d. nett. On the Continent, especially in the two heaven-abandoned empires, Prince Lichnowsky's revelations have made a tremendous sensation, at least, the newspapers tell us that they have; but here they have not caused much stir, because for us they really contain nothing new. We were aware from the first, and all the lying of the Prussians notwithstanding, that Viscount Grey laboured to the utmost to maintain peace, laboured mistakenly as it has turned out, because, even if peace had been patched up in 1914, it could only have led to the slow destruction of our civilisation as surely as war is doing, though not so swiftly. For the entire Teutonic peoples were mad and longing for war as being the sum of human good. The memorandum is, however, well worth reading and preserving, for it opportunely enforces the warning to have nothing to do with the dominant military castes of either the Habsburg or Hohenzollern empire. Both are equally untrustworthy, equally cruel and rapacious in war as in

peace. Their very existence is a monstrous lie. It is interesting, in a secondary degree, to note how the Prince was, in his simplicity, used as a tool by the cunning knaves in Berlin, and more interesting still to observe how a loyal-minded man could be deceived and led wherever they chose by his masters. Prince Lichnowsky's estimate of Viscount Grey and Mr. Asquith, and of other members of the British Government and Government officials with whom he came in contact, is also worth noting and preserving, because there is no German venom in anything the Prince says. But then he is a Pole, not a Prussian, and that may account for much. A Prussian would not have been able to sum up the sociability of the English aristocracy or governing classes as this Pole has done. "The Briton," he says, "loathes a bore, a schemer, and a prig; he likes a good fellow. Social adaptability nowhere plays a greater rôle than in England. A hospitable house, with pleasant hosts, is worth more than the most profound scientific knowledge; a savant with provincial manners and small means would gain no influence, in spite of all his learning." In this last judgment we think the Prince wrong, but his general appreciation of our social groups among the privileged classes is something that no mere Prussian could have attained to. Another interesting portion of the pamphlet deals with the fate of those treaties of amity and loyal co-operation which the Prince sought to conclude between his country and the British Empire; and Professor Murray does well to insist upon the significance of his failure in the interesting preface he writes. Lichnowsky dreamt of England and Germany working together for the common good, for the advancement of their legitimate interests in the East and elsewhere. He sought to bring about an agreement over the Bagdad Railway, and treaties were actually drawn up on this and other explosive points in the long rivalry, but they were never ratified by Germany, and never meant to be. The German people, led like silly sheep by the designing and greedy Prussian,

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were eager for war, so eager that at the end of nearly four years of exhausting strife they do not seem yet to have made up their minds that they have had enough of it; that war is ruin and self-annihilation for those who wage it to steal.

Two Indian gold mining reports are to hand this week, the Ooregum and Nundydroog. It is rather surprising to find that, despite the shortage of labour and the difficulty and expense of getting mining materials, the Ooregum should actually have established a fresh record of gold production in 1917. The output amounted to £384,717 as compared with £368,289. This was due to a further improvement in the yield, and the profit was £2,934 larger at £170,282. It is proposed to pay a final dividend of 1s. 6d. per share on both classes of shares, bringing the total distributions up to 40 per cent. on the preference shares and 30 per cent. on the ordinary, the same as for 1916. In future it is proposed to pay dividends half-yearly. The working costs show a reduction of £1,689, the total cost per ton being 2d. lower at 25s. 8½d., due to a lesser quantity of tailings treated and a reduced amount of development work. The reserve insurance and contingency funds have been increased by £6,000 to £94,243, and £25,000 against £26,000 has been written off profits for depreciation. Reserves of ore have been reduced from 421,000 tons to 414,783 tons, and the present position is such as to necessitate the milling of a slightly lower grade of ore, so that a reduction both in output and profit is to be expected this year. On the other hand, the Nundydroog produced last year £3,438 less, the total being £337,348. This decrease was due to a falling off in the tonnage treated. Extraction improved from 93.35 to 96.1 per cent., and a further advance is expected this year. Working costs were £9,814 larger, so that the profit was £13,011 less at £141,558. A final dividend of 1s. 2d. per share, less tax, is proposed, making the total distribution 3s. 4d. instead of 3s. 6d. per share, leaving £3,085 to be carried forward. Like the Ooregum, this company has also decided to pay dividends half-yearly in future. Reserves of ore have been reduced by 14,500 tons to 202,800 tons. Capital expenditure amounting to £37,502 has been charged against profits. Experiments have proved that the accumulated slime at the mines on the Kolar field can be used in making bricks, crucibles, &c., suitable for mining purposes. A company, called the Kolar Brickmaking Co., has been formed, with a capital of £10,000, to carry on this novel enterprise.

### Auditor-General on War Waste.

Two extremely interesting reports have recently been issued by the Comptroller and Auditor-General (Mr. H. J. Gibson) dealing with the accounts of the Army and the Ministry of Munitions, and a perusal of the documents leaves a feeling of almost stupefying depression. War conditions must, in the nature of things, be wasteful, and we have a well-deserved reputation for the stupidest sort of prodigality in military expenditure. That has been sufficiently serious in some of our minor campaigns, but with the enormous sums involved in the present world upheaval, every pound mis-spent helps to retard the normal progress of our civilisation. In the reports before us we get merely a hint of the many millions that must have been uselessly squandered during the past four years. Even Mr. Gibson cannot probe things to the bottom; over and over again he states that his staff could only deal with "test-examinations" of what appeared to be the more flagrant items, and if a strict audit could be made of the whole of our war expenditure we are certain the results would be very much more appalling than the illustrative examples which he has been able to dig out, bad as they are. They all point to the same conclusion, that the present system of guarding the nation's finances is fundamentally bad and utterly futile. One of the chief functions of the House of Commons is the control of expenditure, and we now

pay the Members £400 a year to attend to their duties. But only a few take a living interest in financial questions, and they are regarded as "cranks," which, unfortunately, is sometimes the case. Is it too much to expect that this attitude should be altered? Cannot some scheme be devised by which every competent member shall work on one or more committees constantly supervising the accounts of the various departments and sub-departments, which have multiplied like rabbits in the past few years? It is perfectly obvious that the Audit Department has broken down from sheer physical inability to tackle the inextricable mess of bungling incompetence presented to it for unravelment, and we have not the slightest doubt that Mr. Gibson would welcome any scheme which would make his duties at the same time more efficient and less arduous. Something of the kind will have to be done, but we suppose it will be another case of the stable door being locked after the steed is stolen.

On the whole, the Army comes through the ordeal of the audit better than might have been expected under the circumstances. It is stated that officers dealing with Army funds have not generally derived any personal pecuniary advantage from their financial irregularities, and we may take great comfort from that, considering the temptations placed in their way and the impossibility for any ordinary human being keeping within the bonds of War Office red-tape. The accounting failure is ascribed to the exigencies of active service, to inability of Pay Offices to deal with accounts promptly, to some extravagance on the part of inexperienced officers, but primarily to the failure of company and other officers to keep and render proper accounts, largely owing to the complexity of Army Regulations and to lack of accounting experience among officers of the new armies. Sir Wm. Plender, himself, might fail to get a "first" under these conditions, and what better could be expected from the students, clerks, and citizens who have stepped into the breach? It is therefore satisfactory to learn that the Treasury is pressing the War Office to consent to the appointment of a small committee to consider the simplification of the whole system of Army pay, allowances, &c., but "the matter is still the subject of correspondence between the Departments," and we must leave it at that for the present, merely expressing a pious, if not very sanguine, hope that something will come of the recommendation. Here it may be useful to show how the 630 millions spent on the Army in 1916-17 were allocated, and the figures for the previous year are given for comparison:—

	Gross Expenditure, 1916-17.	Gross Expenditure, 1915-16.
	£	£
Army Pay, &c. . . . .	144,916,273	107,278,449
Medical Establishment: Pay, &c. . . .	9,868,827	7,971,882
Special Reserve . . . . .	39,331	54,887
Territorial Forces . . . . .	1,537,319	1,683,051
Establishment for Military Education .	214,452	212,580
Quartering, Transport, and Remounts .	99,010,800	97,656,805
Supplies and Clothing . . . . .	265,241,358	216,703,890
Ordnance Department, &c. . . . .	39,754,868	50,134,813
Armaments and Aviation . . . . .	26,758,972	23,346,537
Works and Buildings . . . . .	27,601,870	28,636,327
Miscellaneous Services . . . . .	1,746,866	1,505,155
War Office . . . . .	1,378,623	955,703
Half-pay, Retired Pay, &c., Officers, &c.	3,770,147	3,188,847
Pensions, &c., for Men, &c. . . . .	7,675,365	3,674,485
Civil Superannuation, &c. . . . .	107,987	123,448
Balances Irrecoverable . . . . .	240,400	60,689
	629,863,458	543,187,548

Most of the increase must be attributed to the expansion of the Army in the period under review. Regimental pay, &c., required 115 millions, against 87 millions, and separation allowances amounted to 78 millions, against 53 millions, while provisions cost 106½ against 80½ millions. We need not go deeply into the other details, but may mention that in addition to the £240,000 shown as cash balances irrecoverable, £475,000 of stores, &c., disappeared. The total is large, but the percentage is not excessive. Only £3,800 in cash was lost through fraud or gross negligence, but £150,000 of stores, &c., came under

the same category. On the other hand, £237,000 in cash and £325,000 in stores came under the heading of military losses or accidents, and we are not disposed to cavil at the amount, although it by no means discloses the whole story, but merely what the Auditor-General has been able to trace. Under existing conditions it is perhaps just as well to draw a curtain over the rest. Among losses owing to gross negligence are included £59,300 for a vessel sunk in the Red Sea, £24,300 for a tug lost in a gale off the Isle of Man owing to the master disobeying sailing instructions, and £28,800 for stores lost in a fire supposed to be due to incendiarism. Losses by actual fraud are comparatively trifling. In the other category we find £89,500 for deficiencies of supplies due to inaccurate accounting during a period of great pressure, £23,500 lost in a fire the origin of which could not be accurately determined, and £137,000 lost through the fall of Kut-el-Amara. Repeatedly the reasons given for deficiencies are extreme pressure of work and the inexperience of officers, which may be regarded as perfectly valid excuses. When the items are examined (and there are 17 pages of them) the indictment is not nearly so serious as it appears at first glance, and with simplified methods it is pretty certain that the losses could be reduced to a minimum.

In the case of the Ministry of Munitions allowance must be made for the fact that the Department was hurriedly organised, and a large proportion of the staff had to be drawn from anywhere and everywhere. But when every excuse of that kind has been made the record of muddling and waste is appalling. The expenditure of the Ministry in the year 1916-17 amounted to £522,400,000, of which £1,177,000 was for headquarters and branch offices, £8,728,000 for inspection, research and store departments, £2,085,000 for housing schemes, and £510,000,000 for guns, munitions, and miscellaneous supplies. The Auditor-General states that it was only possible for his Department to provide trained officers for the audit of the Ministry's accounts to an extent very limited relatively to the mass of transactions, and it was therefore necessary to work on the principle of maintaining a general surveillance, and addressing more detailed test examinations to sections which appeared the most immediately important. It was admitted in evidence given before the Committee of Public Accounts last year that the accounts of certain branches of the Ministry were in urgent need of improvement, and it is reassuring to learn that great improvements have now been effected, particularly in the direction of increased accuracy and promptitude in recording current transactions, and further changes are in progress with a view to placing the accounting system on a sounder basis. Investigation into the earlier records of the Ministry has been greatly hampered owing to documents having been mislaid—most probably "snowed under" masses of unnecessary detail and useless forms, while sums running into many millions were gaily squandered without the remotest regard to business principles. An aspect of the Ministry accounts which has been continuously unsatisfactory is the frequency and amount of duplicate payments to contractors in respect of the same supply. The most frequent source of error is payment being authorised on a duplicate invoice, the original having already been paid; but other cases are equally disquieting, including one large payment both by the Ministry and by a local committee. Assurances have been given that steps are being taken to guard against the recurrence of such incidents, but it is reported that only recently a contractor was paid twice a sum of £111,360, and on calling the attention of the Department to the fact, he received a further sum of £21,540, which also had been previously paid. And all the time he was indebted to the Department for a very considerable amount in respect of materials supplied!

It would be possible to fill several columns with instances of the grossest laxity or carelessness, but we must be content to quote a few of the more prominent examples. For some months no steps were taken to recover £230,000 advanced to a firm under a contract which was afterwards cancelled. An advance of

£250,000 to the same firm had not been charged in the contract ledger, while two other advances amounting to £750,000 had been posted twice in the same ledger. In another case overpayments to the amount of £718,000 had been made to a firm which was paid full price for certain articles, although large quantities of components had been supplied to it. Investigation showed that payments to the firm continued even after the claim for refund had been preferred, and only £209,000 had been recovered, leaving £509,000 owing. Another firm received advances amounting to £874,000, which were repayable with interest by deduction of 60 per cent. from the bills for manufactured articles, but the firm's bills for large amounts were paid without deduction, and even after the principle was adjusted no charge was made for interest. In March, 1916, the Ministry decided to reduce the price of a certain type of shell from 20s. to 12s. 6d., and one firm had offered in the previous month to accept 14s. 8d. But the new tender form was not returned, and large quantities of shell continued to be sent in till February, 1917, and paid for at the £1 rate. In another case the contract ledger recorded payments of £1,400,000 only, although £4,700,000 had actually been paid. The greater part of the deliveries, valued at over £4,000,000, was handed over to another firm under an assembling contract, but no charge was entered in the ledger against this firm, nor were any steps taken to secure the return of the goods supplied. The Auditor-General grimly remarks: "In May last I asked for explanation and further information, but I have not yet received a reply."

As an illustration of the excessive profits which contractors were allowed to make, the case may be cited of a firm to which £13,000 was advanced towards the cost of plant required, and it was agreed to pay 36s. per 100 for filling gaines. The price was to cover the first 100,000 delivered, after which it was to be revised and the material for filling was to be delivered free of charge at the works. The Auditor-General found that up to the beginning of December last the firm in question had delivered over 4,000,000 gaines at the original price, while other contractors were supplying similar goods at 14s., 14s. 3d., and 17s. 6d. per 100. Again, for certain wagons and limbers the work was ultimately given to sub-contractors who had been working for armament firms. The only firm among the latter who tendered for the contract quoted £100 in excess of the accepted figure. In another case, some 3,000,000 complete rounds of 18-pounder ammunition were ordered to be broken up owing to defects, but it was found impossible to locate the fault in such a way as to justify a claim against the suppliers. What may have been lost by stupidity in embarking on hopeless experiments can only be conjectured, but a case is cited where £57,000 was spent on converting a plant for the manufacture of toluol at an estimated cost of 5s. per gallon, whereas it actually came out at 47s. 6d., and the most favourable revised estimate was 26s. for this process, while the Department was actually purchasing the material at 3s. 4½d. per gallon. And so the indictment goes on, almost every step showing a lack of capacity which would be incredible outside Bedlam.

A fruitful source of loss is the "free" issue of materials to contractors. Vast quantities of materials

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**A GREAT NATIONAL  
DISTRIBUTION**  
THE  
**PRUDENTIAL**  
Paid to its Policyholders in 1917 over  
**£9,700,000**  
or over **£31,000** for each Working Day.

and components of immense value have been handed out for assembling or manufacturing operations, and in many cases the supplies in various stages of manufacture have been passed from contractor to contractor. No adequate record, however, has been kept of the issues from the Ministry's stocks or of the movements between contractors, and it is impossible to estimate what this absence of system—the A.B.C. of accounting—has cost the country, but it must run into scores of millions. As an illustration of what happens, we may mention that of £47,000,000 worth of raw materials shipped from America during the period to March 31, 1917, the disposal of £3,000,000 had not been traced in December last. Admittedly, there are difficulties where the conversion of values under different contracts comes into play, but not even a rough and ready system of stock checking, which would avoid the most serious wastage, seems to have been devised, and we are told that not much progress has been made in this direction by the internal audit department of the Ministry. Again, huge sums have been advanced to contractors, and no adequate arrangements have been made for repayment or for the charging of interest where that is due. In one case, £6,900,000 was advanced to a firm, but after £2,100,000 was recovered repayments ceased. The precise condition of affairs is not clearly defined either in the books of the company or those of the Ministry, and pending further investigation the question of repayment is left in abeyance. Interest on loans seems to have been treated as a negligible quantity, and in the case of one firm nothing was claimed in respect of loans for £4,500,000 until over twelve months had elapsed, and the amount due (£232,000) was not settled for another month.

Capital expenditure also appears to have been regarded as an elastic item of no importance. A filling factory estimated to cost £264,000 ran to £1,153,000 by the end of March, 1917, and another estimated at £663,000 cost £2,200,000, while further expenditure on these and other smaller concerns of a similar character has occurred since. Cases of that kind are too numerous to mention. With regard to the explosion at Silvertown, it is stated that as a result of an inspection, conditions were found to exist which were a contributory cause of danger in earlier cases of accident, and improvements were in the course of being carried out when the explosion occurred. Very heavy expenditure in this connection, we are told, will be brought to account in subsequent years. It is a dismal record from start to finish, and it is the more disturbing because over and over again we find that the Auditor-General has to report that "no reply to my communications has been received." It looks as though the Ministry is not only incompetent at managing its business, but resents every effort to get it on to reasonably sound lines. How much might have been saved if it had taken the ordinary precautions that a private firm would have regarded as elementary? Ah, well it might be 30, 40, or 50 per cent., but we have no means of estimating an approximately accurate figure.

The Royal Bank of Australia, Ltd., has appointed Mr. Alfred Ernest Bright, of the firm of Messrs. Gibbs, Bright and Co., to be one of the head office, Melbourne, directors, vice Sir William H. Irvine, who recently resigned on being appointed Chief Justice of Victoria.

In their usual fashion the Prussians are laying out the future of the Balkans just as if their victory was complete and all war at an end. Bulgaria has been demanding Salonika as part of the price to be paid her for destroying her population in fighting the Hohenzollern battle in South-Eastern Europe; but she has been told that this wish cannot be fulfilled, because in the event of England refusing to surrender Cyprus, Malta, Gibraltar, Egypt and the occupied districts of Palestine and Mesopotamia, Salonika is to be made a free harbour and naval base of the Central Powers, while being left nominally in Greek possession. Does William Hohenzollern expect to see his brother-in-law back in Athens soon? Other territorial questions that involve conflict of greeds between Bulgaria, Turkey, Germany and Austria, including the so-called free route to Constanza and a free port, are said to be among the thorny Balkan problems that Herr Helfferich is expected to solve, and we may leave him alone at his job. It will probably leave him among the unemployed soon.

## Our Foreign Trade in March.

Conditions last month in regard to our overseas commerce were much the same as those to which we have become accustomed recently. There has again been a huge advance in imports (the total of which for a single month has only once been exceeded), largely owing to the rise in prices, while the shrinkage in exports continues to a rather alarming extent, and the total, including re-exports, is the smallest recorded since 1915. If a reasonable allowance is made for higher prices, the contraction in the volume of our foreign trade begins to look serious, but it is an inevitable result of the prolongation of the war, and what cannot be cured must be endured. Appended is our usual summary of the figures for the month and the year to date:—

	March, 1918.	Compared with 1917.	Compared with 1916.
	£	£	£
Imports .....	107,235,460	+ 26,089,590	+ 21,119,591
Exports .....	36,002,315	— 8,108,816	— 1,595,804
Re-exports.....	3,191,527	— 4,377,980	— 5,619,970

### THREE MONTHS.

Imports .....	305,186,481	+ 62,625,829	+ 76,894,232
Exports .....	116,767,731	— 11,491,428	+ 6,076,663
Re-exports.....	9,122,329	— 15,870,247	— 17,049,136
Excess of imports .....	179,296,421	+ 89,987,504	+ 87,866,705

Imports of food, &c., increased £7,236,000, or about 20 per cent. We received a million (8½ per cent.) less grain and flour, but meat imports show an increase of £4,080,000, or 50 per cent., and other non-dutiable foodstuffs advanced £2,760,000, or nearly 30 per cent., while dutiable articles (mainly sugar and tea) rose £698,000. In view of the rapid decline in tobacco stocks, to which we have called attention for the last few months, it is satisfactory to find that the imports increased £740,000, or 340 per cent., but thanks to the amazing wisdom of our mandarins, we are not allowed to know what this represents in bulk. Awkward questions might be raised when the forthcoming advance in prices takes effect. Of raw materials, we imported over eleven millions more, although rubber shows a decrease of fully two millions. Timber increased two millions to £2,847,000, and the quantity rose from 43,600 to 153,800 loads. Raw cotton almost doubled in price at £13,876,000, but the amount was only 7 per cent. larger at 1,398,000 centals. Wool increased over 60 per cent. in value and 35 per cent. in quantity, and oil seeds, nuts, &c., advanced £800,000, or 14 per cent. Paper-making materials rose £705,000, or 225 per cent., and the increase in quantity was relatively even larger, but the unfortunate consumer is not yet allowed to derive any benefit from the improvement. As regards manufactured articles, the increase is £7,700,000, or 60 per cent., mainly owing to miscellaneous purchases on Government account. Metals other than iron and steel rose over a million, and there was an increase of £1,140,000 in chemicals, dyes, &c., but leather fell £920,000, and there were small declines under most of the other headings.

Apart from trifling increases in chemical manures and salt, every important item in the export list shows more or less heavy decreases in quantity, and even as regards values the advances are few and far between. Shipments of food and drink fell off £1,200,000, mainly in respect of spirits, beer, and biscuits. Raw materials dropped £853,000, coal falling 13 per cent. in amount and 7 per cent. in value, wool over 70 per cent., and oil seeds, &c., 40 per cent. Articles wholly or mainly manufactured declined £5,600,000, and the only important gain was in cotton piece goods, which fell 32 per cent. in quantity, but advanced 8 per cent. in price. Iron and steel dropped 50 per cent. in quantity and 40 per cent. in value, and exports of machinery also lost 40 per cent. Woollen materials dropped 45 per cent. in amount, but only 16 per cent. in value, while worsted 50 per cent. and 28 per cent. respectively. Altogether it is rather a dismal record, and the figures for the quarter, which give us a wider view of the position, are not much more reassuring. The

gap between imports and exports steadily widens, and for the past three months it amounts to nearly 180 millions, or at the rate of over 700 millions per annum. That is a heavy bill to meet by some means or other, and the threatened further disorganisation of business under the Man-Power Bill will not tend to help matters. Nothing in the bonded warehouse account is of much interest, except a further drop in the stock of tobacco, which has been reduced to 114,430,000 lbs., against 238,300,000 lbs. at the end of March last year. Stocks of tea are a little higher at 93,140,000 lbs., or rather larger than a year ago, and with 121,148,000 gallons of home-made spirit in bond there is no fear of a shortage except such as is artificially created.

### American Business Notes.

That it should be permanent ground for rejoicing we are not sure, but for the time being no words are too emphatic in characterisation of the stupendous prosperity of the United States Steel Corporation. In the language of the New York *Commercial Chronicle*, its report for the year 1917 is "marvellous," and what it would have been had not President Wilson interfered to put a stop to the soaring flight of prices we cannot even imagine. The taxes paid, federal and other, including those imposed by the entry of the United States into the war, amounted to no less than \$233,465,435, or £46,700,000. There is not another corporation of any kind in the world that could have stood a levy of that magnitude and remained solvent, but the great steel combination of the United States not only found these taxes, but had enough money over to meet debt charges, the full 7 per cent. on its preferred stock, and to pay 18 per cent. in all on its ordinary stock, viz., 5 per cent. of regular dividend, 12 per cent. of extra dividend, and 1 per cent. of "charity" dividend contributed by it to the United States Red Cross organisation. All this was done, and \$107,505,437 were left over as surplus undivided. During the year, moreover, the expenditure made by the subsidiary companies of the corporation on additions and extensions was \$117,977,000 nett, but of that only \$29,785,000 was charged to income. Of the surplus just mentioned, however, \$55,000,000 was taken to meet expenditures in various directions, and only \$52,545,000 added to the surplus already accumulated. The company also remains exceptionally strong in cash and deposit money, the increase on the year having been nearly £9,000,000, or over \$44,000,000, and the aggregate, including United States Liberty Loan bonds and Treasury certificates, was \$233,047,000 at the end of the year. The investments were thus about equal to the amount paid in taxation. It is altogether a most remarkable record, the more so as the redemption of the corporation's debt goes on regularly, and at good speed. That is to say, the nett decrease in the bonded, debenture and mortgage debts of the corporation was \$16,759,188 last year. The amount of steel produced, however, was less than in 1917, its blast furnaces having turned out only 15,652,928 tons compared with 17,607,637 tons in 1916. In steel ingots also the quantity produced fell off from 20,910,589 tons to 20,285,061 tons, but in money value the increase in the business was 41.3 per cent., the total overturn rising from \$853,264,000 to \$1,205,882,000. "As indicating the effects of rising prices," the *Chronicle* puts it, "along with the larger business on the entire operations of the Steel Corporation, the aggregate gross receipts, including gross sales and earnings for 1917, were \$1,683,963,000." For 1914 the aggregate was only \$558,415,000, and for 1916 it was only \$1,231,474,000.

When we come to the record of the total output of steel for the whole of the United States, the impression left after an examination of the United States Steel Corporation figures is only heightened. According to the American Iron and Steel Institute, last year 38,647,397 tons of iron were produced in the Republic. This is 787,400 tons less than the output of 1916, but as recently as 1914 the total was only 23,332,244 tons. Last year's demand, however, was no smaller than the previous year's; on the contrary, it was heavier; but the war had begun to produce scarcity of labour, and that in turn tended to restrict output. In war directions, however, there were also compensations, as is proved by the return relating to the articles exported. In all forms the weight of iron and steel exported in 1917 was 6,440,867 tons, and going back to 1914 the total exported was only 1,638,829 tons. All descriptions of iron and steel goods were not wanted in the same feverish haste or magnitude as in the earlier year, but pig-iron, sheets and plates, hoops, bands and scrolls, &c., went out of the country in larger quantities, and somewhat balanced decreases in other directions. It was in the prices, however, that the magnitude was most marked. In January pig-iron was quoted at \$31 per ton; in July it reached \$55, or over £11, but on September 22 the Government fixed it at \$33 not only for domestic consumers, but for the Allies as well. Steel billets were sold at \$60 in the beginning of last year, or about double that of January, 1916, and rose at one time to \$100. No wonder the Government interfered. In October last the War Industries Board and the Steel Producers agreed and fixed the maximum at \$47.50 per ton. And so on throughout.

The subscriptions to the third Liberty Loan in the United States are proceeding on the same generous scale which marked

previous efforts to raise money. It was £600,000,000 that the Washington Treasury asked for, and already the subscriptions have exceeded £1,000,000,000. Meanwhile it seems to be turning out that the secretary to the Treasury's estimate of total expenditure for the current year has erred on the side of excess, and widely erred. The official estimate was for an outlay of \$18,775,919,000 (or £3,755,000,000), but up to the end of February, that is at the end of the eight months of the fiscal year, the total expenditure only amounted to \$7,304,851,000 (or £1,461,000,000), and it is highly improbable that the remaining four months will take another \$11,000,000,000; indeed, it is calculated that the total outlay for the year ending June 30 next may not exceed \$13,000,000,000, or \$5,775,000,000 less than the estimate. This is good news; nevertheless, in view of the United States' estimate that the war is still going to be a long one, all the additional money and more will be wanted next year for the exhaustion of the Allies here grows apace and will have to be supplemented by the wealth of America in order that they may be able to take an effective part in the war to its triumphant conclusion.

Last year the Norfolk and Western Railway earned nett \$23,182,000, or about \$3,000,000 less than in 1916, but the dividend on the common stock was raised by  $\frac{1}{4}$  per cent. to 8 per cent. for the year. Three years ago it was only 6 per cent.

The Chicago and North-Western Railway paid 7 per cent., as usual, on its common stock, and had \$5,265,000 left over compared with \$9,270,000 for 1916.

The dividend on the Chicago, St. Paul, Minneapolis and Omaha Railway was brought down to 5 per cent. for last year, as against 7 per cent. in previous years. This decrease corresponded to the reduction in nett revenue, which was only \$4,299,000 compared with \$6,186,000 for 1916, but that was an exceptionally prosperous year.

Prosperity would seem to have attended the operations of the Cities Service Co. of New York in 1917. Its nett income was \$25,454,000 compared with \$19,144,000 for 1916, and with only \$7,516,000 for 1914. Between 1914 and 1917, however, interest charges had risen from \$3,069,000 to \$5,977,000, and it now takes \$3,944,000 to pay the preferred dividend compared with \$621,000 four years before. During the year the common stock got 6 per cent. in cash and 6 per cent. in stock by way of dividend. At the end of last year the surplus belonging to this stock had risen to \$15,534,000, and besides that apparently \$13,899,000 had been reinvested, raising the total amount of profits thus dealt with to \$28,393,000. "Property values," says the report, "are thus being built up out of earnings at the rate of over \$1,000,000 a month." The company now serves a population of 913,000, and last year produced 11,675,505 barrels of oil.

A Reuter telegram from Melbourne, dated April 11, tells us that war regulations have been issued permitting anyone, with the consent of the Federal Treasurer, to establish and conduct lotteries to raise money for war loans.

The French Government, said the Chancellor of the Exchequer, in replying to Mr. Holt, raised £182,320,000 in 1916, £219,560,000 in 1917, and expects to raise in the current year £314,760,000. "It must be remembered," Mr. Law went on, "that owing to the invasion of France and to the occupation by the enemy of some of the most prosperous parts of the country, a large part of the normal revenue disappeared in consequence of the war." The effort of France is, in other words, quite as striking as anything that we ourselves or the United States have yet done.

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CAPITAL SUBSCRIBED	- £31,304,200
CAPITAL PAID UP	- 5,008,672
RESERVE FUND	- 4,000,000
DEPOSITS, &c. (Dec., 1917)	174,697,945
ADVANCES, &c. do.	61,466,709

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ESTABLISHED 1824.

ASSETS exceed £11,000,000.

FIRE (INCLUDING LOSS OF PROFITS), LIFE, ACCIDENT, ILLNESS, ANNUITIES, PENSIONS, LEASEHOLD, BURGLARY, CLASS BREAKAGE, TRANSIT OF SECURITIES, FIDELITY, PROPERTY OWNERS' LIABILITIES, HORSE DRIVING ACCIDENTS, MOTOR CAR RISKS, THIRD PARTY, EMPLOYERS' LIABILITY AND MARINE INSURANCES EFFECTED ON THE MOST FAVOURABLE TERMS.

Edinburgh: 35, St. Andrew Square.

London: 5, Walbrook, E.C. 4, and 4, St. James' St., S.W. 1.

## PHENIX ASSURANCE COMPANY LIMITED.

ESTABLISHED 1782.

Head Office: PHENIX HOUSE, KING WILLIAM STREET, LONDON, E.C. 4.

Total Assets Exceed £17,000,000.

Claims Paid Exceed £100,000,000.

Chairman—Rt. Hon. LORD GEORGE HAMILTON, P.C., G.C.S.I.

FIRE. LIFE. ACCIDENT. MARINE.

Loss of Profits following Fire, Workmen's Compensation, Fidelity Guarantee, Burglary, Trustee and Executor, &c.

Prospectuses and Proposal Forms may be obtained on application to any of the Branch Offices or Agencies, or to the Head Office.

General Manager - SIR GERALD H. RYAN.

In these days, when wide circulation of papers through the post is impossible, we rely on newspaper advertisement to remind our friends that we look to them to do what they can to make the merits of the Society known in their own circles.

The Clerical's strong  $2\frac{1}{2}$  per cent. Valuation, unbroken Bonus record, and attractive rates of premium, carry great weight with everyone who is selecting an office in which to assure his life in these hazardous times. — A. D. BESANT, General Manager and Actuary, Clerical, Medical and General Life Assurance Society, 15, St. James's Square, S.W. 1, London.

## The Investors' Review.

### Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from  $5\frac{1}{2}$  per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Banking credit in the open market has become increasingly plentiful during the week, and although seven-day loans are *pro forma* still quoted in some places at  $3\frac{1}{4}$  per cent., that rate applies only to "old" money, and 3 per cent. or less is the quotation for new. Call money is often 2 per cent., and sometimes not placeable at that, thanks partly to the amount of credit floating in the market belonging to Scotch banks. Discount, however, has not followed the short loan market, and the demand for three and four months' bank bills has been on the increase. Even for short-dated paper there is a keen inquiry, which tends to put the price against buyers. On the whole, however, we can make no change in the rates quoted, which range from  $3\frac{1}{2}$  for 60-day to  $3\frac{1}{2}$ – $\frac{1}{2}$  per cent. for six months' remitted bills.

The Bank return explains why money should be so abundant and cheap. Compared with the preceding week, other deposits have risen £6,038,000, and now stand at £138,232,000. The money thus poured out on the market has been provided by increases of £1,445,000 in Government, and £3,881,000 in other securities, also by an increase of £557,000 in the reserve, which has been entirely provided by the increase of £561,000 in the coin and bullion, the total stock of which is £60,997,000, or £5,933,000 above the figure of 12 months since, an increase which should be emphasised because it is comforting at the present time when the strain on the market tends to increase. Owing to the increase in the liabilities of the Bank under deposits the proportion of reserve to these liabilities has receded  $\frac{1}{4}$  to  $17\frac{3}{4}$  per cent., which is 2 per cent. below the figure of 12 months ago.

A sensational fall in the Spanish exchange, followed by an appreciable recovery, has been the dominant incident in the foreign exchange market this week. The rate for sterling fell from 17.03½ pesetas to 15.90 at one time, but then recovered to 18.05. The heavy fall was not due to sales of sterling in Spain, but to indiscriminate buying of pesetas here by persons wishing to remit to Spain. The fall has been out of propor-

tion to the actual amount of business transacted, and some very adverse criticism has been passed upon the thoughtless action of those who are responsible for this decline. It ought not to be impossible to adjust the demand to the supply through the medium of the Exchange Committee without causing violent movements, because these heavy falls do not increase the supply of pesetas, but merely make it more expensive for us to pay for our imports from Spain. Barcelona is 1.31 pesetas lower at 17.12. Christiania at 14.97½ kr., and Stockholm at 13.97½ kr., are a little in our favour, but Copenhagen is  $\frac{1}{2}$  lower at 15.17½ kr. The pound sterling will now purchase rather less than 10 Dutch florins, and only 20 Swiss francs, though the Swiss credit for Great Britain, we learn, has now been definitely arranged.

The development of New York as an international monetary centre, brought about by its increased money power due to conditions created by the war, has reached a stage of very considerable interest to this market. It is understood that negotiations are proceeding for the establishment of a discount house with a capital of \$10,000,000. A number of banking firms are associated in the enterprise, including Messrs. Morgans and the Guaranty Trust Co. It is intended to offer participation to other banking houses. The Foreign Trade Banking Corporation has already been formed with a capital of \$2,000,000, to undertake the discount business. These two organisations are the first discount companies to be formed in the United States. That they will tend to attract business which hitherto has come to London is inevitable, but nothing is to be gained by frowning upon it. It rather emphasises the advantage of the arrangement entered into between the London Provincial and South-Western Bank and the Irving National Bank, by which each will represent the other in their respective countries. Last year the Bank of England and the Federal Reserve Board made a similar arrangement, and much may be gained by co-operation on these lines. The London Provincial and South-Western has also entered into a working arrangement with the British Bank of South America, which should help to strengthen our financial position in that quarter.

Under the scheme for the absorption of the Northern Crown Bank of Winnipeg by the Royal Bank of London, the Northern Crown shareholders will receive \$200 per \$100 share, partly in cash and partly in Royal Bank stock. This arrangement will involve the issue of 10,883 \$100 Royal Bank shares, and a cash payment of \$576,970, the total consideration having a cash value of \$2,862,400.

Baron Sakatini is in Peking studying the question of Chinese currency reform. He has decided to recommend China to adopt a gold standard, beginning by accumulating a gold reserve in the Consortium banks. Proposals to borrow \$20,000,000 from Japan for this purpose are now under discussion. It seems rather curious that this proposal should be made at this juncture, since China is scoring heavily just now from the increased value of silver in terms of gold.

The Yokohama Specie Bank, Ltd., announces that £160,000  $4\frac{1}{2}$  per cent. Sterling bonds of the first series, and £220,000  $4\frac{1}{2}$  per cent. Sterling bonds of the second series, of 1905, have been purchased on behalf of the Imperial Japanese Government, for the purpose of cancellation.

### SILVER.

Silver has continued all the week to rise in price, and to-day advanced a further  $\frac{1}{4}$ d. to 47½d. For several days it remained at 47½d. per oz., a price which Messrs. Mocatta state in their circular does not appear unreasonable. They base their opinion upon the fact that 46½d. per oz. in London is equivalent to \$1 per oz. fine in New York. The China exchange, the circular goes on, has hardly responded to this recent rise, and competition from that quarter is not expected at present. In India, Messrs. Montagu tell us, the currency reserve in silver coin and bullion continues to recede, and was 35 lacs lower on April 7 at 1.044 lacs. Gold coin and bullion in India has also gone down almost 200 lacs between the last return in March and the first in April. In Shanghai the stock on the 17th inst. consisted of 32,250,000 ozs. in sycee and \$14,700,000. This shows an increase of 320,000 ozs., but there is no change in the stock of dollars.

### BANK OF ENGLAND

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, April 17, 1918.

#### ISSUE DEPARTMENT.

		£		£
Notes Issued	.. ..	78,762,790	Government Debt..	.. .. 11,015,100
			Other Securities ..	.. .. 7,434,900
			Gold Coin and Bullion ..	.. .. 60,312,790
			Silver Bullion ..	.. .. —
		£78,762,790		£78,762,790

#### BANKING DEPARTMENT.

		£			£
Proprietors' Capital	..	14,553,000	Government Securities	..	58,312,832
Res ..	..	3,073,686	Other Securities	..	105,950,822
Public Deposits (including			Notes	..	30,877,795
Eschequer, Savings			Gold and Silver Coin	..	684,416
Banks, Commissioners					
of National Debt, and					
Dividend Accounts)	..	99,951,682			
Other Deposits	..	138,231,685			
Seven Day and other Bills		15,812			
		£195,825,865			£195,825,865

Dated April 18, 1918.

J. G. NAIRNE, Chief Cashier.

## BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. April 18.		April 10, 1918.	April 17, 1918.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,130,027	Rest ..	3,107,031	3,073,686	—	33,345
54,768,321	Pub. Deposits ..	40,077,734	39,951,682	—	126,052
124,538,598	Other do. ..	132,193,895	138,231,685	6,037,790	—
31,523	7 Day Bills ..	11,580	15,812	4,232	—
	Assets.			Decrease.	Increase.
37,574,695	Gov. Securities.	56,868,332	58,312,832	—	1,444,500
424,043,796	Other do. ..	102,069,443	105,950,822	—	3,881,379
33,317,500	Total Reserve ..	31,005,465	31,562,211	—	556,746
				6,042,022	6,042,022
				Increase	Decrease.
£		£	£	£	£
38,111,715	Note Circulation	47,880,705	47,884,995	4,290	—
55,064,693	Coin and Bullion	60,436,170	60,997,206	556,746	—
197 p.c.	Proportion ..	18 p.c.	17'7 p.c.	—	3 p.c.
5 "	Bank Rate ..	5 "	5 "	—	—

## LONDON BANKERS' CLEARING.

Date.	1918.	1917.	Increase.	Decrease.
	£	£	£	£
January	2,073,224,000	1,865,125,000	208,099,000	—
February	1,605,654,000	1,779,524,000	—	173,870,000
March	1,784,836,000	1,492,825,000	292,011,000	—
April 3	324,156,000	389,347,000	—	65,191,000
" 10	401,307,000	253,111,000	148,196,000	—
" 17	358,580,000	396,311,000	—	37,731,000
Total ..	6,547,757,000	6,038,769,000	648,306,000	276,792,000

## CURRENCY NOTES.

Return of Currency Notes for the week ended April 17, 1918.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes ..	3,357,641	3,051,078	168,507,160
10s. notes ..	1,098,871	1,307,979	38,162,935
Note certificates ..	610,000	—	26,410,000
Previous total ..	8'2,192,022	649,819,383	—
	887,258,535	654,178,440	233,080,095

Ratio of gold held against notes, this week, 13.79 p.c.; last week, 13.80 p.c.

## PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended April 13.)

REVENUE.	EXPENDITURE.
£	£
Customs ..	1,320,000
Excise ..	482,000
Estate, &c., Duties ..	431,000
Stamps ..	146,000
Land Tax and House Duty	50,000
Property and Income Tax	3,866,000
Excess Profits Tax ..	3,992,000
Land Values ..	10,000
Post Office ..	500,000
Crown Lands ..	—
Sundry Loans ..	—
Miscellaneous ..	30,000
Bullion advances repaid ..	70,000
For Treasury Bills for Supply	68,193,000
3% Exchequer Bonds, 1930	—
5% Exchequer Bonds, 1924 ..	—
6% Exchequer Bonds, 1920 ..	—
National War Bonds ..	16,704,000
War Savings Certificates ..	1,700,000
4% War Loan, 1929-1942	—
5% War Loan, 1929-1947	—
Other Debts created under	—
War Loan Act, 1915, and	—
Finance Act, 1916 ..	—
Telegraph Money Act, 1913	—
Under Post Office-Rly. Act,	—
1913 ..	—
Under Military Works Act,	—
1897-1903 ..	—
Under Public Buildings ..	—
Under Housing Act ..	—
Repayment of Advance for	—
Interest on Exchequer	—
Bonds ..	—
China Indemnity ..	—
East Africa Loan repay-	—
ments ..	—
Suez Canal Drawn Shares ..	—
Ways and Means Advances	4,500,000
Decrease in Exchequer	—
balances ..	—
£101,994,000	£101,994,000

Excluding sales through banks which have not yet been brought to account.

## NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	April 13, 1918.	April 6, 1918.	Mar. 30, 1918.	April 14, 1917.
	£	£	£	£
Loans ..	872,890,000	861,102,000	867,370,000	734,818,000
Reserve held in own Vaults ..	3,478,000	3,438,000	3,462,000	99,268,000
Reserve held in Fed. Res. Bk.	105,174,000	107,534,000	103,688,000	45,592,000
Cash in own Vaults ..	21,085,000	20,600,000	20,596,000	—
Reserve held in Other Depos.	1,670,000	1,788,000	1,576,000	112,268,000
Net Demand Deposits ..	750,858,000	751,764,000	748,040,000	748,582,000
Net Time Deposits ..	36,422,000	37,094,000	37,218,000	38,616,000
Circulation ..	7,180,000	7,168,000	7,136,000	5,732,000
Excess Lawful Reserve ..	10,430,000	12,746,000	9,200,000	29,852,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

## FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Mar. 22, 1918.	Mar. 15, 1918.	Mar. 23, 1917.
	£	£	£
Gold coin and certificates ..	94,105,800	95,504,200	70,147,200
Gold Settlement Fund ..	75,973,200	74,501,600	41,856,200
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks	180,579,000	180,505,800	112,003,400
Gold with Federal Res. Agent	175,761,000	173,925,600	69,093,800
Gold Redemption Fund ..	4,222,800	4,217,200	503,800
Total gold reserves ..	360,562,800	358,648,600	182,411,000
Legal tender notes, silver, &c.	11,011,600	11,790,000	2,133,000
Total reserves ..	372,474,400	370,438,600	184,544,000
Bills discounted—Members ..	108,623,800	103,496,800	3,694,000
Bills bought in open market	65,760,000	64,640,000	17,550,600
Total bills on hand ..	174,399,800	168,146,400	21,254,200
U.S. Gov. long-term sec. ..	12,207,800	13,676,600	5,835,000
U.S. Gov. short-term sec. ..	45,207,200	38,796,000	3,763,600
All other earning assets ..	848,000	803,000	3,174,200
Total earning assets ..	232,662,800	221,427,000	34,047,000
Due from other Fed. Res. bks—n.	1,760,200	2,321,800	659,600
Uncollected items ..	73,564,200	71,470,400	29,151,400
Total deducts. from gross dep.	75,384,400	73,751,200	20,911,000
5% Red. Fund ag Fed. Res. bknts	107,400	107,400	80,000
All other resources ..	110,000	290,400	1,114,000
Total resources ..	683,679,000	666,014,600	249,596,000
Capital paid in ..	14,804,200	14,777,200	11,211,400
Surplus ..	226,800	226,800	—
Government deposits ..	18,301,000	14,404,600	3,910,400
Due to members—Res. account	296,005,000	279,599,400	142,223,400
Collection items ..	45,823,000	46,441,400	22,756,800
Other debts inc. For Govt. crds	16,350,200	16,207,600	—
Total gross deposits ..	376,479,200	366,655,000	168,920,600
F.R. notes in actual circula't'n	285,901,800	281,245,600	69,360,800
F.R. bk nts in circn—not liab.	1,595,600	1,600,000	—
All other liab. in for Gov crds	1,673,400	1,510,000	103,200
Total liabilities ..	680,679,000	666,014,600	249,906,000
Gold res. ag nett deposit liab.	59.6%	61.6%	80.5%
Gold res ag F.R. nts in act circ	63.0%	63.3%	101.5%
Ratio of gold res to nett dep.	—	—	—
and F.R. nts liabilities combin	—	—	—
Ratio of total res. to nett	61.4%	62.5%	87.5%
deposit and F.R. note lia-	—	—	—
bilities combin ed ..	63.4%	64.5%	88.5%

## NEW YORK STATE BANKS &amp; TRUST COMPANIES (dollar at 4s.).

	April 13, 1918.	April 6, 1918.	Mar. 30, 1918.	April 14, 1917.
	£	£	£	£
Loans ..	152,304,000	150,662,000	150,482,000	150,872,000
Specie ..	3,044,000	3,014,000	2,928,000	13,804,000
Deposits ..	142,370,000	142,012,000	141,254,000	170,684,000
Legal Tenders	13,340,000	13,610,000	13,810,000	2,354,000

## BANK OF FRANCE (25 francs to the £).

	April 11, 1918.	April 4, 1918.	Mar. 28, 1918.	April 12, 1917.
	£	£	£	£
Gold in hand ..	135,568,080	133,516,680	133,457,480	130,987,000
Silver in hand ..	10,205,320	10,198,640	10,217,000	10,384,240
Bills discounted ..	63,330,640	72,667,640	53,128,710	19,722,720
Advances ..	45,142,920	44,557,440	44,114,280	47,279,950
Note circulation ..	1,043,471,360	1,033,915,360	1,007,173,120	753,765,080
Public deposits ..	2,287,360	3,356,480	1,891,000	3,641,920
Private deposits ..	131,874,200	125,013,760	112,342,280	100,414,840
Foreign Bills ..	462,000	485,040	371,320	98,880

Proportion between bullion and circulation 21.51 per cent., against 21.78 per cent. last week. Advances to the State £501,000,000, increase £12,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £19,136,120, decrease £30,960, and at the branches £24,716,880, decrease £71,320.

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	April 6, 1918.	Mar. 30, 1918.	Mar. 23, 1918.	April 7, 1917.
	£	£	£	£
Total Coin & Bullion	126,375,750	126,343,800	126,305,500	127,402,750
Treasury Notes ..	76,077,950	76,937,950	66,957,150	17,571,800
Bills discounted ..	710,137,950	801,714,950	673,455,150	497,080,350
Advances ..	209,150	323,100	259,050	411,250
Note circulation ..	595,852,300	598,890,350	569,060,350	477,943,300
Deposits ..	379,745,150	451,478,450	356,455,300	240,996,450

Clearing House return during March £459,815,355, against £420,879,905 in February.

## BANK OF SPAIN (25 pesetas to the £).

	April 6, 1918.	Mar. 30, 1918.	Mar. 23, 1918.	April 7, 1917.
	£	£	£	£
Gold ..	80,570,477	81,291,950	79,948,941	54,776,237
Silver ..	28,127,516	28,341,013	28,241,379	29,870,570
Foreign Bills ..	3,582,045	3,547,729	3,502,844	3,468,580
Discounts and Short Bills ..	137,643,132	30,354,127	30,420,521	43,163,676
Treasury Account, &c. ..	24,963,401	25,080,765	25,014,821	25,403,099
Notes in Circulation ..	116,024,147	114,123,403	114,017,169	95,941,823
Current Accounts, Deposits	34,823,592	33,864,460	33,766,316	28,969,141
Dividends, Interests, &c. ..	2,241,986	1,595,533	1,495,893	2,093,105
Government Securities ..	4,283,847	6,083,213	5,858,916	19,691,610

## BANK OF SWEDEN (18 kroner to the £).

	Mar. 30, 1918.	Mar. 22, 1918.	Mar. 16, 1918.	Mar. 31, 1917.
	£	£	£	£
Gold ..	14,337,000	13,599,000	13,049,000	10,731,000
Balance abroad and	—	—	—	—
Foreign Bills ..	7,306,000	7,287,000	7,193,000	8,092,700
Swedish and Foreign	—	—	—	—
Govt. Securities ..	3,920,000	3,937,000	3,959,000	3,199,000
Discounts and Loans	15,844,000	14,755,000	14,705,000	9,689,000
Notes in circulation ..	35,037,000	32,173,000	32,756,000	21,379,000
Deposits at notice ..	7,062,000	8,138,000	6,971,000	7,436,000

## NETHERLANDS BANK (12 Florins to the £).

	Apr. 13, 1918.	April 6, 1918.	Mar. 30, 1918.	April 14, 1917.
	£	£	£	£
Gold and Silver ..	61,440,666	60,711,583	60,789,000	49,761,000
Bills and Advances ..	14,181,313	9,651,583	10,611,160	15,451,833
Note circulation ..	74,761,000	74,656,250	74,406,750	63,216,416
Deposits ..	6,124,083	5,195,333	4,730,333	6,406,000

## SWISS NATIONAL BANK (25 francs to the £).

	April 6, 1918.	Mar. 30, 1918.	Mar. 23, 1918.	April 7, 1917.
Gold and silver ..	17,141,492	17,059,668	17,062,928	15,729,052
Bills ..	12,651,992	12,296,232	9,266,828	7,421,248
Note circulation ..	27,349,676	27,825,172	23,856,875	20,832,772
Current and deposit accounts ..	5,220,336	4,375,824	4,149,532	3,678,668

## BANK OF NORWAY (18 kroner to the £).

	Mar. 30, 1918.	Mar. 23, 1918.	Mar. 15, 1918.	Mar. 31, 1917.
Gold ..	6,739,000	6,741,000	6,521,000	7,227,000
Balance abroad and Foreign Bills ..	3,340,000	3,619,000	3,247,000	4,228,000
Gov't Securities ..	713,000	713,000	713,000	706,000
Discounts & Loans ..	18,473,000	18,792,000	19,672,000	11,130,000
Notes in Circulation ..	19,255,000	188,303,000	18,270,000	15,468,000
Deposits at notice ..	6,834,000	7,880,000	8,867,000	5,697,000

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	April 16, 1918.		April 18, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	9.97	10.02	9.97	10.02
Paris ..	Cable transfers ..	27.15	27.20	27.14	27.19
	Three months' bills ..	27.55	27.60	27.55	27.60
Switzerland ..	Cable transfers ..	20.08	20.18	20.03	20.13
	Three months' bills ..	20.43	20.53	20.30	20.48
Genoa, &c. ..	Cable transfers ..	42.30	42.40	42.30	42.40
Spain ..	Cable transfers ..	16.00	16.15	18.00	18.23
	Three months' bills ..	69	70	61½	62½
Lisbon and Oporto ..	Cable transfers ..	28½	29½	28½	29½
Copenhagen ..	Cable transfers ..	15.22	15.32	15.20	15.30
Christiania ..	Cable transfers ..	15.00	15.10	15.05	15.15
Stockholm ..	Cable transfers ..	14.00	14.10	14.03	14.13

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22½	27.16	27.16½
Amsterdam, cheques ..	Florins to £1 ..	12.107	10.08	10.01
Italy, sight ..	Lire to £1 ..	25.22½	42.41	42.52
Madrid, sight ..	Pesetas to £1 ..	25.22½	17.47½	17.60
Lisbon, sight ..	Pence to milreis ..	53½d.	29½d.	29d.
Switzerland, sight ..	Francs to £1 ..	25.22½	20.12½	20.12½
Christiania, sight ..	Kroner to £1 ..	18.159	15.01½	15.06½
Stockholm, sight ..	Kroner to £1 ..	18.159	14.12½	14.05½
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.32½	15.24½
Petrograd, sight ..	Roubles to £10 ..	94.57	nom.	nom.
Alexandria, sight ..	Piastres to £1 ..	97½	97½	97½
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/5½
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/4½	1/5½
Hong Kong, T.T. ..	Sterling to dollar ..	—	3/10	3/12
Shanghai, T.T. ..	Sterling to tael ..	—	4/3½	4/5½
Singapore, T.T. ..	Sterling to dollar ..	—	2/3½	2/3½
Yokohama, T.T. ..	Sterling to yen ..	24.58d.	2/1½	2/2½
New York, cable ..	Dollars to £1 ..	4.86½	4.76½	4.76½
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	50½d.	51½d.
Valparaiso, 90 days ..	Pence to peso ..	—	15½d.	15½d.
Montevideo, T.T. ..	Pence to dollar ..	51d.	64½d.	64½d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13½d.	13½d.

## OPEN MARKET DISCOUNT.

	Last week.	This week.
	Per cent.	Per cent.
Thirty and sixty day remitted ..	3½	3½
Three months ..	3½	3½
Four months ..	3½	3½
Six months ..	3½	3½
Three months fine inland bills ..	4½	4½
Four months ..	4½	4½
Six months ..	4½	4½

## BANK AND DEPOSIT RATES.

	Last week.	This week.
	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
" short loan rates ..	—	—
Bankers' rate on deposits ..	3	3
Bill brokers' deposit rate (call) ..	3	3
" 7 and 14 days' notice ..	3½	3½
Current rates for 7 day loans ..	3½	3½
" for call loans ..	2½-3	2½-3

## The Week's Stock Markets.

It has been a trying week from various points of view, what with uncertainties about the political situation at home and anxieties with regard to the military developments on the Western front. If we ever become momentarily depressed it is always much more in connection with the former than the latter, where the real work of slaying the brutish Hun goes on mercilessly, even when certain yards and miles of front have to be conceded to his wild-boar rushes. But the atmosphere is not exactly favourable to business, either of a speculative or investment kind, and it is not surprising that the tone in nearly all sections of the market has been somewhat depressed. We have been passing through a very difficult time, and the end of it is not in sight, but as the darkest hour generally precedes the dawn, we may have good hope that the prospect will soon become much brighter. For the present, we can only exercise patience and let prices take care of themselves until the immediate danger is past. Keep cool and keep cheerful—we shall win through in spite of our domestic worries. And it is of good augury that gilt-edged securities have been the best market of all in these distressing days.

Everything in the Stock Exchange has been on a rather subdued basis this week, but towards the end there was an inclination to take a more cheerful view of the outlook owing to the improvement in the military situation. Dealings have been on an extremely small scale, even the week-end accumulation

	Last Week.	This Week.		Last Week.	This Week.
Consols ..	54½	55½	N.S.W. 5%, 1921-3 ..	97	97
War Loan 3½% ..	86½	86	" 5%, 1920-2 ..	98½	98½
" 4½% ..	101	101	New Zealand 4½%, 1929 ..	85	84½
" 5% 1929-47 ..	94½	94½	Queensland 4½%, 1920-5 ..	92½	92½
" 4%, 1919-42 ..	100½	100½	Union of S. Africa 4½% ..	93½	93½
India 3% ..	53½	54	1920-5 ..	92½	92½
" 3½% ..	62½	62½	Victoria 4½%, 1920-5 ..	79	79
Australian 5½%, 1920-22 ..	99	99½	Westn. Aus. 4% ..	92½	92½
Canada 4%, 1940-60 ..	80	80			
" 4½%, 1920-5 ..	95	95½			
Belgian 3% ..	62½	62½	Japan 4½% (1st), 1905 ..	92	92
Brazil, 1913 ..	67½	67	" 5%, 1907 ..	82	83
" 5%, 1914 ..	82½	83	Mexican 5%, 1899 ..	57	57
Chinese 1896 ..	87	88	Russia 4% ..	34½	34½
" 1912 ..	75	75	" 4½%, 1909 ..	36	35
Egypt Unified 4% ..	87	87	" 5%, 1906 ..	44	42½
French War Loan, 5% ..	76	75½			
Caledonian defd. ..	87	87	London and N.-W. ..	88	87½
Gt. Central pld. ..	122	122	London and S.-W. defd. ..	21½	21½
" defd. ..	64	64	Metropolitan ..	20½	20½
Gt. Eastern ..	34	33½	Mel. District ..	14	14
Gt. Northern defd. ..	141	138	Midland defd. ..	55½	54½
Gt. Western ..	82½	81½	Nth. British defd. ..	13	12½
Lancs. and Yorks. ..	63½	63½	Nth. Eastern ..	92	92½
London Brighton defd. ..	53½	53½	Sth.-Eastern defd. ..	27½	26½
London Chatham ord. ..	8	8			
Canadian Pacific ..	158	158	Chesapeake ..	59	56
E. Indian Guar. 4½% debts. ..	84	84	Erie ..	19	18½
Grand Trunk ord. ..	88	88	Southern ..	24	23½
Do. 1st pf. ..	50	50			
Do. 3rd pf. ..	182	182			
Antofagasta defd. ..	140½	142	Leopoldina ..	36½	36
B. A. & Pacific ..	402	41	Mexican ord. ..	18	17
B. A. Gt. Southern ..	70	68½	San Paulo (Brazilian) ..	184	182
B. A. Western ..	68½	68	United of Havana ..	74	72½
Cent. Argentine ord. ..	59	58½			
Anglo-South American ..	82½	82½	London & Brazilian ..	25	25
Bank of Australasia ..	116	117	London City & Midland ..	7½	7½
Bank of N.S. Wales ..	36	36	London County & Westm. ..	14½	14½
Barclay & Co. "A" ..	7	7½	London Joint Stock ..	28½	28½
Do. "B" ..	112	12	Nat. Prov. of Eng. (10½ pd) ..	25½	25
Capital & Counties ..	25½	25½	Do. (12½ pd) ..	29½	29½
Chartered of India ..	73½	73½	Standard of S.A. ..	11½	11½
Hongkong & Shanghai ..	82	82	Union Discount ..	10½	10½
Lloyds ..	242	242			
Armstrong, Whitworth ..	43½	42½	Kynochs ..	38½	35½
Birmingham Small Arms ..	62½	59	Moat Nickel ord. ..	38	32
Cammell-Laird ..	62	58	South Durham Steel ..	44½	44½
Cargo Fleet ..	26½	26½	Thornycroft ..	40	40½
Dorman, Long ..	36½	34	Vickers ..	42½	41
Associated Cement ..	38	37½	Fine Cotton Spinners ..	35½	33½
Borax defd. ..	35½	35½	Forestral Land ..	48½	47½
Bovril ..	20½	21	Furness, Withy ..	62½	60½
Brazil Tracton ..	42	40½	Harrods Stores ..	2½	2½
British Amer. Tobacco pf. ..	17½	17½	Hudson's Bay ..	7½	7½
British Aluminium ..	31½	31	Imperial Tobacco "C" pf. ..	33½	33½
British Oil & Cake ..	31½	30½	Lever Bros. "C" pf. ..	20½	20½
Brunner, Mond ..	148	148	Lyons, J. ..	3½	3½
Castner-Kellner ..	38	34	Marconi ..	3½	2½
Coats ..	52	52	Maypole Dairy defd. ..	17½	16½
Courtaulds ..	64½	68	National Steam Car ..	17½	17½
Cunard ..	47½	4	Pears, A. & F. ..	12	12
Dennis Bros. ..	36½	35½	P. & O. defd. ..	33½	33½
Eastern Telegraph ..	153½	153½	Royal Mail ..	121	120
Eastmans ..	9	9	Underground Inc. Bds. ..	77	76
English Sewing Cotton ..	55½	53½			
Anglo-Egyptian "B" ..	33½	33½	North Caucasian ..	8½	8½
Baku (ros.) ..	1/6	1/6	Roumanian Cons. ..	7½	7½
Burmah ..	68	68	Shell ..	5½	5½
Lobitos ..	12½	12	Spies (10/-) ..	5	5½
Maikop Pipeline ..	2	2	Ural Caspian ..	12	12
Mexican Eagle pf. ..	64½	61½			
Allagar 2/- ..	3/1½	3/1½	Perak 2/- ..	7½	7
Anglo-Java Rub. 2/- ..	6/3	6	Port Dickson 2/- ..	4½	4½
Anglo-Malay 2/- ..	13/10½	13/9	Rub. Estates Krian 2/- ..	3/5	3/5
Ayer Kuning 1/- ..	45	44	Rubber Trust 1/- ..	2/6	2/6
Bekoh 2/- ..	4/4½	4/4½	Sampang (Java) 2/- ..	2/4	2/4
Brit. N. Borneo Trust 1/- ..	16/9	16/9	Sapumalkande 1/- ..	—	—
Bukit Cloh 2/- ..	4/10½	4/10½	Seaport 1/- ..	26/6	25/9
Bukit Mertajam 2/- ..	4/4½	4/3	Sengat 2/- ..	3/1	2/11
Bukit Sembawang 2/- ..	3/1½	3/1½	Seremban 1/- ..	36/9	36/9
Carey United 1/- ..	4/1	39/6	Sialang 1/- ..	64/6	62/6
Chersonese ..	3/1½	3/1½	Singapore Para 2/- ..	4/1	4/1
Cheviot 2/- ..	5/7½	5/6	Singapore United 2/- ..	3/1	2/10½
Dalkeith 2/- ..	2/8½	2/7½	Patallang 2/- ..	4/6	4/6
Grand Central 1/- ..	2/6	2/6	Straits Bertam 2/- ..	6/1	6/1
Highlands 1/- ..	57/6	57/6	Sumatra Para 2/- ..	8/1	7/10½
Java Investment 1/- ..	26	25/7½	Sungei Bahr 1/- ..	36/3	36/4
Johore Rubber Lands 1/- ..	31/9	30½	Taipang 2/- ..	4/1	4/1
Kamunin 2/- ..	3/8	3/8	Tandjong 1/- ..	8/1	8/1
Kinta Kellas 2/- ..	3/1½	3/9	Tandjong Malim 1/- ..	30/1	30/6
Labu 2/- ..	8/7½	8/7½	Tebrau 1/- ..	63/1	62/1
Langen Java 1/- ..	37/6	37/6	Teloreddio 1/- ..	40/6	40/6
Linggi 2/- ..	25/10½	25/1	Tempeh 2/- ..	2/6½	2/3½
London Asiatic 2/- ..	8/9	8/6	United Serdang 2/- ..	10/3	9/7½
Malayalam 1/- ..	36/9	36/6	Val d'Or 2/- ..	3/6	3/6
Merlimau 2/- ..	5/1	4/10	Vallambrosa 2/- ..	21/1	19/9
Bechuanaland Exp. ..	7/1	6/3	Gt. Boulder (2/-) ..	12/1	12/1
Brakpan ..	48	48	Kyshtim ..	8½	8½
Broken Hill Prop. (8/-) ..	67/6	38	Mashonaland Agency ..	6/1	6/1
Cam & Motor ..	11/10	10/6	Meyer & Charlton ..	4½	4½
Central Mining (12/-) ..	5½	5½	Modder "B" ..	7½	7½
Chartered ..	14/1½	13/7½	Do. Deep ..	7	6
City Deep ..	2½	2½	Mysore ..	28½	28½
Cons. Gold Fields ..	30/1	30/1	Rand Mines (5/-) ..	24	24
Cons. Langlaagte ..	16/6	1½	Rio Tinto (5/-) ..	6	6
Crown Mines (10/-) ..	18½	18½	Russo-Asiatic ..	2½	2½
De Beers defd. (12/-) ..	12½	12½	Spring Mines ..	38½	38½
East Rand ..	5/1	4/9	Tanganyika ..	3½	3½
Geduld ..	1½	1½	Tanayik ..	2½	2½
Gov. Areas Mod ..	38½	38	Van Ryn Deep ..	38½	38½

which had to be handled on Monday only producing a record of 2,600 bargains, and since then the record has become still more attenuated. All things considered, it is satisfactory that gilt-edged securities, particularly, have been exceedingly well maintained, and Consols, War Loans, and Indian issues have

all appreciated. Almost the only weak spot was Bank of England stock, which on one or two small transactions gave way a couple of points. Colonial Loans were fairly firm, but latterly became almost completely neglected. In the Foreign market the most prominent activity occurred in Spanish Fours, which at one time rose as high as 133 owing to the artificial position of the exchange. Later, when it was reported that arrangements had been made to deal with the fictitious position which at present exists, the price rapidly slipped back to about 118, or even less. Russian bonds have been again on offer, and have receded several points, but Chinese and Japanese showed strength, and Brazilian bonds also received some support. Peruvian Corporations were noticeably dull.

Home Railways were scarcely mentioned for several days, and when any interest was displayed in them it was in the direction of selling, which brought the prices down more or less substantial fractions. American Railroads were quite neglected, except that International Mercantile Marine lost a point. Canadian Pacific advanced a point or two, but closed well below the best, and Grand Trunks, after showing a certain amount of strength, weakened on the report, and the guaranteed and preference issues were quoted lower. Mexican Rails also were dull, and Argentines, after being depressed by reports of renewed labour troubles, finished a little better. San Paulos lost a point.

Bank shares, generally, were weak, and Westminster, National of India, Joint Stock, and several others gave way a little, but Barclays and Bank of Australasia both improved to some extent. Brewery shares did not attract much attention, and the only conspicuous movement was in Watney deferred, which fell back rather sharply. Egyptian securities were weak on profit taking, and Land shares also moved backwards where any change occurred.

Iron and steel shares also were depressed as a rule, and the Explosive division gave way to a small extent. Otis Steel, after advancing 2½, dropped back 4 points. Nitrate shares were weak, but steadied towards the close. In the Shipping division, P. and O., Royal Mail, and Furness, Withy all receded, and among Telegraphs, Marconis were decidedly flat. In the Textile group, Courtaulds fell back to under 6½, and Coats, Bradford Dyers, and English Sewing Cotton all lost more or less heavily. Miscellaneous Industrials were dull and generally neglected, all the movements of any importance being in the wrong direction.

Oil shares have been dull throughout, with Burmahs, Mexican Eagles, "Shells," Trinidad Leaseholds, and other shares in which there is anything approaching a free market, all lower. Rubber shares have been quiet, and the delay in the issue of the annual reports, which are now due, owing to the difficulty in getting accounts from the East, has helped to keep away both buyers and sellers from the market, everybody waiting to see what the results for the past year actually come out at. In several cases dividends have had to be reduced, and with the restriction of output to be faced in the current year, at the same time as expenses are likely to be higher, the bulls have not much ground for enthusiasm. At the same time, the tone has been much steadier than might have been expected in the circumstances.

## LONDON PRODUCE MARKETS.

**SUGAR** remained without change during the week.

**COFFEE.**—A quiet tone was again apparent in this market, but, with no pressure on the part of sellers, prices ruled about unaltered. The terminal market keeps quite inactive and nominal. At public sales, bold Nyassaland sold, 110s. to 112s. 6d.

**SPICE.**—A quiet and easier state of affairs pervaded the pepper market. Fair black Singapore, on spot, sellers, 1s. 4d.; Tellicherry, 1s. 4½d.; Aleppy, 1s. 4½d. value; Muntok, sellers, 2s. 2½d. Cloves dull. Fair Zanzibar, spot, sold, 2s. 4d. Pimento quoted, 5½d. Tapioca dull of sale. Fair flake, spot, value, 7½d.; fair Penang seed pearl, 78s.; medium, 72s. 6d.; and fair small sago, 80s. Nutmegs firmer in auction, and good sound realised up to 3s. 4d. per lb.

**RICE.**—Moderate sales at fixed rates, also with regard to beans and peas.

**SHELLAC.**—Market very quiet, and fair free T.N. quoted 410s.

**RUBBER** met with moderate support, but, after being firmer, a weaker tone prevailed. Crepe, spot, sold, 2s. 4½d. to 2s. 4½d. and 2s. 4½d.; May-June, 2s. 5½d. to 2s. 5d.; July-December, 2s. 6½d. to 2s. 6½d. and 2s. 6½d. Standard ribbed smoked sheet spot, sold, 2s. 3½d. to 2s. 3½d. and 2s. 3½d. Fine hard Para, spot, buyers, 3s. 1d.; soft fine, 2s. 9d.; ball, 1s. 8½d.

**CORN** (Mark Lane).—The first two grades of Manitoba wheat were again offered, and sold readily at 81s. 6d. and 80s. respectively, flour being well patronised at a full range, but in other respects a subdued aspect prevailed, although a distinctly good tone was maintained throughout. Hard winters quoted at 80s. and Australian 83s. 6d. Flour: Canadian export patents, 51s. 9d.; English, 44s. 3d. per sack ex mill. Barley, English, 62s. 9d. per qr. Oats: American white clipped No. 2, 61s.; Canadian feed No. 1, 63s.; English, 47s. 3d. Maize meal (white) and yellow maize flour held for 61s.

**COTTON** (from our Manchester correspondent).—The slump in raw cotton rates and the violent fluctuations in prices which have followed have been a shock to the market, and business has been thoroughly demoralised. Numerous producers have refused to sell, and the majority of buyers have adopted a waiting policy. The tone of the market has been very nervous. The outlook for supplies of American cotton has distinctly im-

proved, and there is a probability of an increased acreage for next season. Numerous speculators have liquidated their holdings, and gambling in certain quarters has been rampant. Nothing particularly new has come through relating to the Egyptian crop. Operations in piece goods have been practically at a standstill. Shippers have withdrawn offers, and makers have been indifferent as to booking fresh contracts. Reports are now being received of rather better clearances in cloth in India, but sized shirtings remain very dull. There has been no activity whatever for China, and the position of affairs in Shanghai leaves much to be desired. Exporters to the minor outlets East and West have been very cautious. All kinds of fabrics have moved off slowly, and the sales have not

## CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING APRIL 19, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 14½, 98% polarisation	£ s. d.	£ s. d.	<b>Wool</b> —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	2 13 9	2 13 9	Australian	nom.	nom.
Crushed ..	2 13 9	2 13 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 6 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 6 9	Greasy Merino ..	nom.	nom.
Foreign granu- lated, first marks	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	New Zealand (scoured) Merino	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Greasy Crossbred	nom.	nom.
French Cube	nom.	nom.	Cape snow white	nom.	nom.
prompt	nom.	nom.	<b>Indiarubber</b> p. lb.		
Crystallised, West			Plantation, Spot		
India ..	2 6 9	2 6 9	Crepe ..	0 2 4½	0 2 4
Beet, 88% f.o.b.	nom.	nom.	<b>Coal</b> —per ton		
<b>Tea</b> —per lb., duty	s. d. s. d.	s. d. s. d.	Durham, best ..	nom.	nom.
1½ lb.			Seconds ..	nom.	nom.
Indian Pekoe ..	nom.	nom.	East Hartlepool ..	nom.	nom.
Broken ..	nom.	nom.	Seconds ..	nom.	nom.
Orange ..	nom.	nom.	Steam, best ..	32 6	32 6
Broken ..	nom.	nom.	Seconds ..	29 6	29 6
Pekoe Souchong	nom.	nom.	<b>Lead</b> —per ton.	£ s. d.	£ s. d.
Ceylon Pekoe ..	nom.	nom.	English Pig ..	nom.	nom.
Broken ..	nom.	nom.	Foreign soft, net	£294-£284	£294-£284
Orange ..	nom.	nom.	<b>Quicksilver</b> —per bottle firsthand	nom.	nom.
Broken ..	nom.	nom.	<b>Tin</b> —per ton		
Pekoe Souchong	nom.	nom.	English Ingots	£325-£330	£337
<b>Cocoa</b> —per cwt., duty 6d. per lb.	s. d. s. d.	s. d. s. d.	Do, bars	£325-£331	£338
Trinidad—per cwt.	up to 90 0	up to 90 0	Standard cash ..	£322	£330
Grenada ..	" 85 0	" 85 0	Tin Plates, per box	nom.	nom.
West Africa ..	" 65 0	" 65 0	<b>Copper</b> —per ton.		
Ceylon Plantation	" 100 0	" 100 0	English, Tough	nom.	nom.
Guayaquil ..	" 90 0	" 90 0	per ton ..	nom.	nom.
<b>Coffee</b> —per cwt. duty 42½ per cwt.			Best Selected ..	£119-£123	£119-£123
East India ..	110 0 135 0	108 0 133 0	Sheets ..	£149	£149
Jamaica ..	77 0 151 0	77 0 150 0	Standard ..	£110-£110½	£110-£110½
Costa Rica ..	10 0 137 0	09 0 135 0	<b>Jute</b> —per ton.		
<b>Provisions</b> —			Native firsts for shipment	nom.	nom.
Butter, per cwt.			<b>Oils</b> —		
Australian finest	252/	252/	Linseed, per ton ..	£58	£58
Argentine ..	252/	252/	Rape, crude ....	£66	£66
Irish Creameries	nom.	nom.	Cott'n Seed, crude	£60	£60
Dutch ditto ..	nom.	nom.	Petroleum Oil, per		
Russian finest ..	nom.	nom.	8 lbs.	1/7½	1/7½
Paris baskets ..	nom.	nom.	Water White ..	1/8½	1/8½
Danish finest ..	nom.	nom.	Oil Seeds, Linseed	—	—
Brittany rolls ..	nom.	nom.	Calcutta—per ton		
doz. lb. ..	nom.	nom.	Spot	29 15 0	29 15 0
<b>Bacon</b> —per cwt.			Rape ..	£29-10½ 30	£29-10½ 30
Irish ..	172/	nom.	<b>Iron</b> —per ton		
Continental ..	172/	172/	Cleveland Cash ..	nom.	nom.
Canadian ..	171½-171½	171½-172½	<b>Tobacco</b> —duty,		
American ..	171½-180/	171½-180/	unmanufactured,		
<b>Hams</b> —per cwt.			7/4 to 8/6 per lb.		
Irish ..	203/	nom.	Maryland & Ohio		
Canadian ..	162½-165/	162½-165/	per lb. bnd ..	nom.	nom.
American ..	125½-165/	125½-165/	Virginialeat. ..	0 8-2 1	0 8-2 1
<b>Cheese</b> —per cwt.			Kentucky leaf ..	0 7-0 11	0 7-0 11
Dutch ..	129/6-160/	129/6-160/	Latakia ..	2 0-5 0	2 0-5 0
Canadian ..	nom.	nom.	Havana ..	1 6-6 6	1 6-6 6
English Cheddar	126½-168/	126½-168/	Manila ..	nom.	nom.
Wilt's loaf ..	nom.	nom.	Cigars, duty 10/6		
New Zealand ..	nom.	nom.	per lb. ..	2/ upds.	2/ upds.
<b>Rice</b> —per cwt.	s. d.	s. d.	<b>Timber</b> —Wood.		
Japan ..	41 3	41 3	Pitch Pine ..	300/-400	300/-400
Rangoon stars ..	26 3	26 3	Indian Teak ..	380/-700	380/-700
<b>Eggs</b> —per 120.			<b>Turpentine</b> —		
English ..	32 0-35 0	32 0-34 0	American Spot ..	124/3	124/3
Irish ..	32/	32 0-33 0	<b>Copra</b> —per ton		
Danish ..	33 0-35 0	33 0-35 0	Malabar ..	46 0 0	46 0 0
<b>Spelter</b> —			Ceylon ..	46 0 0	46 0 0
G.O.B. as to position	£54-£50	£54-£50	F.M.S. Singapore	45 10 0	45 10 0
<b>Flour</b> —per sack.			F.M. Straits ..	45 10 0	45 10 0
Country Straight					
Runs ex Mill ..	44/3	44/3			

nearly been equal to the output of the machinery. Prices in American yarns have not fallen to the same extent as to the drop in the raw material. The tone has been very irregular, and less business has been done than for some time back. Where transactions have been arranged, producers have been able to secure a very wide margin of profit. Export yarns have attracted very little attention. Bolton spinnings have been well held, and for anything wanted full rates have had to be paid.

By agreement with the lead industry, the United States Government will be furnished with between 6,000,000 and 12,000,000 lbs. of lead per month this year at an average price of 3½d. per lb.

## By-the-Way War Notes.

Another week of depression and disappointment has gone by. The gloom produced by the news from the seat of war has been intensified by an April blizzard, and all the courage our manhood could muster has sometimes been necessary to keep us from flinching. To see day after day our troops being pushed back, now at this point, now at that, by the massed superior forces of the enemy, by his formidable armaments in artillery of all descriptions, and by his Paraguayan doggedness, and to see no end to all the slaughter except continued retreat, all this has been trying in the extreme, and has disposed us to exaggerate both the success of the enemy and the importance of our withdrawals.

Last year nobody expected such a crisis as that in which the country now finds itself. Even after the Russian Revolution had taken place and that country, by the action of what then appeared to be its most responsible and capable citizens, had sent the Romanoffs and their conjuring furniture to the right-about, we kept serene in our belief that all the Allies would hold together to the end. But now, when the effects of Russia's collapse, and the betrayal of the people by the Bolshevik anarchists and idealists, have enabled the Germans to summon their armies back from the Eastern front to be hurled on the French and ourselves, we are disposed to speak harshly of Russia, and to blame upon her desertion all the trials and anxieties of our present situation.

This is a mistake, for we have only ourselves to blame. It is not upon the head of Lenin, Trotsky, or on that of any Russian agitator of a day or an hour who may be tossed to the top by the turmoil, but upon our own Government that the condemnation must fall. Colonel Repington, we believe, says no more than the truth when, in defending that able general, now sacrificed, Sir Hubert Gough, he declared that the Fifth Army Gough commanded was left, without reserves, to guard a much wider portion of the front than it had strength for, and that to its weakness and the thinness of its line must be ascribed its hurried retreat before the German drive. But for the courage of the Army itself, and of the British and French troops near it, the drive to the rear might have led to irretrievable disaster. Everything we have heard, or that has been suffered to transpire, confirms this assertion of Colonel Repington's. We owe it, that is to say, to the War Cabinet at home that we came so near disaster on the Somme, that we lost many men there as prisoners besides those killed and wounded in the fight, and that, although not in such quantities as the Germans allege, our stores, guns and ammunition were depleted by the swarming Germans to an extent that probably £10,000,000 would not replace. The food we had stored for our men went, as the Germans have boasted, to sustain their troops, and the guns

and ammunition seized are being used against us, if not in Belgium and French Flanders, then on the front east of Amiens. It is all a horrible story of neglect and indifference at home and of an army heroically battling to avert disaster in Flanders; a story so abominable as to prompt the suspicion that there must be traitors about. There may not be, but self-seeking and political "log-rolling" there is in nauseating abundance.

And the tale of loss does not end on the Somme. It is because of the failure to have reserves ready to support General Gough's Army in the fighting which broke out on March 21, that the Germans, although ultimately stopped in their rush westward, have so far been able to prevent the French and ourselves from counter-striking with decisive force. They have also been free to mass new hosts against us in the old, blood-soaked battlefields of French and Belgian Flanders. The Germans have more than 1,000,000 of men huddled up against us there, and we are at bay with our backs against the wall, as Sir Douglas Haig said in a rousing appeal to his armies, striving unceasingly day and night to keep the enemy from penetrating our lines and forcing his way through to the Channel ports. And we shall have to go on fighting for weeks yet, it may be for months, fighting on until the enemy is spent.

This is all the dark side of the picture, and it would be foolish to try to paint any bright colours into it as it looks this Thursday morning. A ding-dong pounding to the death it has become, and because it is a pounding mostly in the open we shall win. Rumour credits Hindenburg with the determination to sacrifice 1,500,000 German men before arriving at a willingness to give up the insane ambition of the Prussian savages, and it already looks as if his swinish estimate was in rapid course of fulfilment.

But if so it means that we also must sacrifice many thousands of our men before we can attain to the necessary and certain victory. It thus is, as we wrote in the end of February, 1918:—"We have no choice but to go on killing and being killed, killing especially, until all power to go on committing crimes has been driven out of the Prussian and his dupes for ever." That is the great labour of Hercules laid upon us and our Allies. From the point of view of the horrible piece of work to be done there is nothing to be depressed about in the present situation. The killing of the foe goes on apace. Perhaps the war correspondents are a little too fond at times of dwelling upon the tremendous slaughter of the enemy by our troops, and likewise too careful to say as little as possible about our own losses; but, all allowances made, it is unquestionable that the open fighting now forced upon the enemy is costing him far greater losses than it costs us. His innate callousness and his mode of attack—masses of men hurled forward in waves—insure that it is so. And one of the things to be always



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remembered in following the course of the battle is that Sir Douglas Haig and his commanders make it a controlling principle in their tactics always to avoid as far as possible any unnecessary sacrifices of their troops. We do not stick to positions that are menaced, and long after they should have been given up, out of mere bravado, or to give material for boasting, but withdraw in time and form in new positions where the defence can be renewed or the counter-attack organised to the best advantage.

Look how the fight for Meteren and Wytshaete was handled. The two villages were lost and retaken more than once; and again and again massed German attacks were beaten off with heavy losses. In the end, however, the villages were evacuated because the cost in casualties of maintaining our troops there was too great to be borne. In like manner the enemy's superiority on the Lys front induced Marshal Haig to withdraw his men to a new line, which was done in good time without knowledge of the enemy, and therefore without loss. Everywhere the enemy's gains are costing him an excessive price, and bring him nothing substantial in the way of approach towards the victory he hungers to win and clamours for. Our retreats always baulk his attempts to outflank and cut off.

The Prime Minister was right when he told the House of Commons on Tuesday that "the Germans were aiming at destroying the British Army, and had not yet got it out of their way." "We have lost territory," he went on, "but we have lost nothing vital," which was happily true. The statement is confirmed by every soldier who comes back from the fighting line. It is the opinion of the Allied Generalissimo, General Foch, of brave old M. Clemenceau likewise, and in due time its truth will become manifest. The killing has but to go on, our lines have but to remain unbroken, to witness the fullest justification of our hopes and aspirations.

In the insane pursuit of a sordid and brutal ideal, a German sword-peace of domination, the German race is busy destroying itself. All the visions of unheard of wealth waiting to be grabbed up and stuffed into the pockets of the Germans have been made unrealisable by the devastation the war has already wrought within the two robber empires themselves. Is the Hohenzollern criminal lunatic gaining anything substantial by the ravages his troops are busy perpetrating in Russia? Is Finland, whose conquest is being carried out in the usual savage fashion of the Prussian—there was three days fierce fighting before the Germans captured Helsingfors—going to turn out a profitable investment? Has anything been gained by the conquest of Batum, just announced as effected by troops labelled "Turkish"? Is food for the hungry populations of the two empires being obtained from anywhere? No, and the savage "peace" imposed on Russia, Poland, and Rumania is directly conducing to barrenness and future famine all over middle Europe. In no part of the East is Germany laying the foundation of undisturbed future domination. Everywhere her resources in men and in credit are being wasted to exhaustion. Yet such is the madness and the lust of thieving, amid the agony of the determining struggle now going on in the sodden lands of Flanders, that German troops are being sent to Palestine and Mesopotamia as well as to the Balkans to try and keep up the fight, and all around the shores of the Allies' locked Black Sea killing and thieving proceeds. The drain on the crumbling empires is thus continuous and exhausting, and as long as the Prussian persists in his madness, and continues to dream of holding the world down until he has stolen all it possesses, so long is the certainty of Germany's ruin the one point most conspicuous to us all even amid the sombre hues of the present apparent chaos.

One of the strongest secondary grounds the Allies have for unshakable confidence in the ultimate issue of the war lies in the swift development of the Air Service since the fighting began. Our own progress in the production and use of aeroplanes has been marvellous and unrivalled, and our airmen have proved to be worthy comrades of the intrepid Frenchmen, who unquestionably lead the world in this altogether new form of warfare. Last week has been so gloomy and otherwise adverse that most days our air fleets have not been able to do much damage to the enemy in front of us, or to spy with their usual daring and acumen, but an accident or domestic treachery helped us in destroying the principal aircraft factory in Germany, at Friedrichshaven across Lake Constance from Switzerland, and directly the atmosphere gives us the least encouragement at any spot on the front our machines are away out over the enemy's lines carrying destruction wherever they go. Every month sees their numbers increased, and the energy and skill of the pilots also. Soon an immense American air fleet will be engaged alongside the French and our own. Well may German citizens plead for a convention among the belligerents to put a stop on both sides to attacks upon the civil populations. Undoubtedly it would be a humane step to take, but who could trust the Prussian to keep any such bargain? No one; he has made it impossible to trust him in anything, and we may remind German civilians that the Allies have never attacked any German town with the ruthless wantonness habitually displayed by the Germans in their raids upon London, Paris, and other parts of the countries they have so long matured their plans to attack. Our aims are always military, and will become increasingly so as the war goes on. If in carrying out these aims German civilians are hit and killed that cannot be helped. They should keep out of the way. Were we to give a pledge to leave certain places in Germany, labelled "civil" towns, alone, the Prussians would surely forthwith make them military depots or centres of warlike manufactures. The Allied aeroplanes are to be used

in full liberty and to their utmost development to help to win the war.

Now that the Greek army is reorganised, tempered up and ready, we may expect to see plenty of occupation given to the Austrian and German brigands, and their Bulgarian and Turkish dupes in the Balkan Peninsula. There have been indications this week that the active campaigning there is about to begin, and, as a start, 10 villages have been taken from the enemy. Probably the Austrian struggle in the barrier mountains of northern Italy will also be resumed soon, and open another sluice through which will flow the bulk of what remains of the vitality in the Habsburg Empire. Well might the Emperor Karl try to scrape acquaintance with Republican France by surreptitiously writing smooth things to be submitted to French ministers for their ensnarement. When found out he could only lie like his scapegoat ex-minister, Czernin. He must be a pitiable creature, and in a despicable condition, but there is no room for pity amongst the democracies of the West for any sacrosanct despot, ruling still by prestige and tradition in a world fast being blown out of existence by the guns.

It was well to avoid rejoicings over the small losses of ships by enemy submarine depredations in the two weeks ended April 6, for the latest return, embracing the week ended April 13, gives us a blunt reminder that the danger remains as active as ever, if not quite so powerful for mischief. Last week 11 British ships of 1,600 tons and over were sunk, and 4 of lesser tonnage, besides one fishing boat, or 15 in all. This compares with a total of 6 in the previous week, and of 13 in the week ended March 30. Even this, however, is well below the average for both February and March, and from the gross returns given deductions have to be made. All the 11 big vessels seem to have been sunk last week, but two of the four smaller ships returned were sunk in the last week of March. They were two sailers of about 100 tons each. Of the dozen ships returned as unsuccessfully attacked, moreover, one should be referred to the last week of March, and one to the first week in April, so that the nett sinkings and unsuccessful attacks for the past week were only 25 too many.

### MINING RETURNS FOR MARCH.

Ashanti.—7,360 tons; 8,886 ozs.; value, £37,686 (Feb., £32,957).  
Aurora West.—13,200 tons; profit, £536 (Feb., £398).  
Balaghat.—6,500 tons; 1,599 ozs. fine gold (Feb., 1,471 ozs.).  
Bantjes.—19,600 tons; loss, £521 (Feb., loss, £1,204).  
Brakpan.—53,500 tons; profit, £37,021 (Feb., £31,909).  
Champion Reef.—28,196 tons; 8,814 ozs. gold (Feb., 8,033 ozs.).  
City and Sub.—21,665 tons; profit, £7,757 (Feb., £6,153).  
City Deep.—60,000 tons; profit, £45,023 (Feb., £47,247).  
Cons. Langlaagte.—49,150 tons; profit, £14,094 (Feb., £12,141).  
Cons. Main Reef.—53,570 tons; profit, £12,615 (Feb., £8,767).  
Crown.—171,000 tons; profit, £37,448 (Feb., £25,552).  
Durban Rood.—23,500; profit, £1,100 (Feb., £1,010).  
Durban Rood. Deep.—25,200 tons; profit, £4,065 (Feb., £739).  
East Rand Prop.—121,000 tons; profit, £6,084 (Feb., £5,434).  
Ferreira Deep.—48,400 tons; profit, £22,190 (Feb., £16,505).  
Gaika.—3,279 tons; profit, £1,102 (Feb., £1,539).  
Geduld.—42,000 tons; profit, £19,233 (Feb., £19,468).  
Geldenhuis Deep.—51,700 tons; profit, £714 (Feb., £1,032).  
Ginsberg.—12,400 tons; £11,785; loss, £526 (Feb., loss, £157).  
Glencairn.—18,000 tons; profit, £406 (Feb., £589).  
Globe and Phoenix.—6,196 tons; profit, £18,506 (Feb., £19,200).  
Glynn's Lydenburg.—4,053 tons; profit, £1,447 (Feb., £751).  
Golden Horse Shoe.—11,412 tons; profit, £9,034 (Feb., £9,601).  
Gov. Areas Mod.—108,500 tons; profit, £60,410 (Feb., £58,603).  
Ivanhoe G. Corp.—16,327 tons; profit, £5,400 (Feb., £5,400).  
Jubtil.—1,900 tons; 502 ozs. fine gold (Feb., 503 ozs.).  
Jupiter.—23,800 tons; profit, £584 (Feb., £115).  
Kalgurli.—5,686 tons; profit, £520 (Feb., £1,530).  
Knight Central.—24,400 tons; loss, £955 (Feb., profit, £113).  
Knight's Deep.—98,000 tons; profit, £1,778 (Feb., £1,038).  
Langlaagte Estate.—37,420 tons; profit, £5,309 (Feb., £7,089).  
Lonely Reef.—5,060 tons; profit, £8,592 (Feb., £9,093).  
Luipaards Vlei.—19,320 tons; loss, £2,349 (Feb., loss, £1,641).  
Meyer and Charlton.—11,220 tons; profit, £22,511 (Feb., £14,997).  
Modder "B."—40,700 tons; profit, £8,224 (Feb., £64,880).  
Modder Deep.—41,000 tons; profit, £49,176 (Feb., £49,459).  
Mysore.—66,397 tons; 15,471 ozs. fine gold (Feb., 15,105 ozs.).  
New Goch.—17,150 tons; profit, £516 (Feb., profit, £74).  
New Heriot.—7,500 tons; loss, £6,086 (Feb., loss, £2,513).  
New Kleinfontein.—59,700 tons; profit, £5,321 (Feb., £3,191).  
New Primrose.—17,700 tons; profit, £68 (Feb., £46).  
New Unified.—12,000 tons; profit, £1,247 (Feb., £642).  
N. Anantapur.—4,000 tons; 1,136 ozs. fine gold (Feb., 1,129 ozs.).  
Nourse.—39,100 tons; £47,219; profit, £2,050 (Feb., £2,329).  
Nundydroog.—21,454 tons; 6,482 ozs. fine gold (Feb., 6,186 ozs.).  
Ooregum.—30,563 tons; 7,467 ozs. fine gold (Feb., 7,460 ozs.).  
Pahang Cons.—15,000 tons; output, 150 tons.  
Princess Estate.—18,500 tons; loss, £1,440 (Feb., loss, £2,056).  
Randfontein Cent.—129,000 tons; loss, £9,841 (Feb., profit, £20,909).

Robinson Deep.—48,600 tons; profit, £9,352 (Feb., £8,961).  
 Robinson.—41,900 tons; profit, £2,593 (Feb., £3,003).  
 Rose Deep.—51,700 tons; profit, £13,996 (Feb., £12,313).  
 Shamva.—54,198 tons; profit, £11,078 (Feb., £11,137).  
 Simmer and Jack.—50,300 tons; profit, £15,729 (Feb., £15,708).  
 Sons of Gwalia.—13,393 tons; profit, £2,067 (Feb., £1,926).  
 Simmer Deep.—44,100 tons; loss, £1,617 (Feb., loss, £3,219).  
 Springs.—33,020 tons; profit, £33,613 (Feb., £30,413).  
 Sub Nigel.—10,100; profit, £8,561 (Feb., £8,303).  
 Sudan.—2,920 tons; output, £4,088 (Feb., £3,837).  
 Transvaal Gold.—14,060 tons; profit, £5,940 (Feb., £4,900).  
 Van Ryn.—34,800 tons; profit, £8,027 (Feb., £8,346).  
 Van Ryn Deep.—44,750 tons; profit, £54,071 (Feb., £52,062).  
 Village Deep.—50,800 tons; profit, £6,273 (Feb., £2,438).  
 Village Main Reef.—25,100 tons; profit, £10,579 (Feb., £8,846).  
 Wanderer.—7,790 tons; loss, £1,863 (Feb., loss, £960).  
 Witwatersrand.—38,100 tons; profit, £11,258 (Feb., £7,301).  
 Wit. Deep.—35,200 tons; loss, £912 (Feb., loss, £6,876).  
 Wolhuter.—30,000 tons; profit, £5,184 (Feb., £3,902).

## MARCH RUBBER OUTPUTS.

Company.	Current Estimate.	Last All-in Cost.	Mar., lbs.	(+) or (-) lbs.	Months.	Aggregate lbs.	(+) or (-) lbs.
Aboyne Clyde	444,374	1/0.50	19,474	- 18,636	9	373,297	+ 47,256
Allagar	338,100	1/1.62	17,000	- 11,000	3	60,300	- 28,000
Alliance	208,394	—	3,701	- 4,069	3	20,347	- 825
Alor Pongau	276,412	1/0.75	10,000	- 7,107	3	18,397	- 8,750
Ampal	230,000	1/3.53	14,800	- 1,200	6	106,920	+ 2,920
Anglo-Java	2,525,395	—	284,470	+ 66,470	3	705,931	+ 112,253
Anglo-Johore	300,000	1/3.20	18,802	- 7,408	12	302,123	+ 31,560
Anglo-Malay	1,720,000	1/11.23	64,183	- 60,902	3	322,839	- 84,401
Anglo-Sum.	940,000	1/10	51,637	- 29,597	10	628,146	- 113,973
Asahan	550,000	1/3.26	37,865	+ 6,138	8	314,911	+ 21,170
As. T. Ceylon	255,000	—	12,526	- 7,859	9	213,416	+ 20,659
Aver Kuning	821,071	1/0.34	50,000	- 19,000	3	182,600	- 28,171
Bagan Goral.	413,182	1/11.82	13,500	- 14,359	3	72,500	- 23,406
Bah Lian	—	1/9.46	42,361	+ 22,226	5	262,336	+ 174,467
Bajoe Kidoel.	454,000	1/6.81	72,000	+ 40,724	12	470,000	+ 20,872
Bakap	285,000	—	13,200	- 1,800	9	154,500	- 67,000
Bambakelly.	235,000	1/4.96	16,995	- 421	12	239,023	- 2,551
Bandar Sum.	440,000	—	32,448	+ 3,290	8	310,780	+ 49,258
Bandjarasari.	243,019	1/2.48	23,705	- 3,523	3	61,125	- 6,888
Bandarapola.	285,600	—	15,000	- 3,000	3	38,300	- 16,700
Bantardawa.	340,000	—	14,480	- 15,020	9	228,364	+ 13,166
Bantam	915,000	1/1.65	93,281	+ 26,750	9	701,207	+ 66,904
Banteng	434,000	1/1.37	22,690	- 9,000	11	379,000	+ 19,610
Batak Rabbt.	440,000	1/1.64	23,000	- 10,555	9	275,248	- 591
Batang Mal.	318,122	1/3	18,356	- 4,644	3	69,063	- 5,086
Batu Caves	777,995	1/9.13	35,868	- 16,243	3	123,365	- 67,176
" Matang	185,000	—	9,414	- 2,686	9	142,146	+ 13,714
" Rata	495,030	1/1.50	17,500	- 19,550	9	388,130	+ 8,770
" Tiga	—	1/0.25	39,500	- 23,300	3	168,000	- 31,500
Be'ur'rt'Br'n'o	236,000	1/5.75	21,000	- 21,000	11	189,000	- 32,800
Bekoh	540,000	—	32,694	- 13,606	9	342,123	- 14,955
Beranang	325,000	1/2.65	13,161	- 4,329	9	232,539	+ 13,812
Bernam-Pet'k	300,000	—	20,725	- 875	9	199,632	- 4,268
Bidor	419,500	1/1.83	26,300	- 10,450	12	454,000	+ 34,500
Bikam	372,032	1/3.62	31,800	+ 2,600	3	88,300	- 600
Bode	261,930	1/5.22	24,868	- 2,468	3	47,361	- 12,939
Bradwall	442,142	1/2.58	31,043	- 6,262	3	128,466	+ 24,544
Braunston	500,000	1/11.80	27,900	- 5,600	6	254,566	+ 23,456
Brit Born-Pan	210,500	1/1	17,500	+ 915	11	192,330	- 46,115
British Malay	718,388	—	62,500	+ 19,182	3	220,396	+ 47,689
Brooklands	620,000	1/2.5	44,948	+ 3,962	9	500,992	+ 11,392
Broome	450,000	1/4.42	27,145	+ 2,132	9	300,992	+ 11,392
Brus-Perak	114,673	1/6.47	6,229	- 697	1	6,229	- 697
Bukit Cioh	229,000	1/0.38	16,000	- 3,000	3	85,000	+ 23,500
" Ilok	304,500	1/1.57	26,000	+ 2,500	3	89,500	+ 18,000
" Kajang	940,000	—	51,000	- 22,194	9	704,492	+ 12,543
" Lintang	280,000	1/2.73	18,400	- 2,100	9	191,526	- 18,130
" Mert'j'm	932,000	1/10.74	42,276	- 12,657	12	816,746	+ 70,251
" Pan'j'ng	536,900	1/0.45	31,863	- 12,637	3	134,400	+ 3,900
" Rajah.	1,071,000	1/11.20	34,844	- 42,414	12	950,233	- 114,668
" Semba.	751,860	1/3.17	42,300	- 22,207	3	163,115	- 59
Carey United	450,000	1/0.07	22,455	+ 43	6	231,980	+ 59,883
Castlefield	680,000	—	26,480	- 21,199	9	4,748	+ 14,679
Cent. Trav.	230,275	1/2.34	—	- 1,900	3	18,077	- 3,543
Ceylon Para.	1,055,584	—	44,674	+ 825	2	140,623	+ 11,017
Ceylon T. & R.	235,031	1/4.31	18,772	+ 6,998	3	61,700	+ 13,276
Changkat-Sal.	1,013,000	1/0.47	35,000	- 30,000	3	186,000	- 34,000
Chemb Malay	457,102	1/1.37	14,689	- 14,321	3	82,596	- 16,883
Cheras	284,300	1/5.39	16,500	- 1,556	3	70,000	+ 11,444
Chersonese	689,659	1/0.58	33,851	- 14,102	3	142,012	- 19,250
Chievot	700,000	1/3.33	25,000	- 24,180	3	117,050	- 14,800
Chimpul	250,000	1/6.9	17,400	- 9,530	9	211,923	+ 30,727
Chota	228,510	—	11,191	- 6,271	3	41,536	- 12,583
Cicely	400,000	1/11.44	29,598	- 1,606	12	406,889	+ 42,848
Cluny	244,892	1/2.54	10,869	- 6,256	3	50,300	- 8,092
Cons. Malay	917,590	—	47,530	- 13,720	3	215,760	+ 44,898
Dalkeith	475,000	1/4.78	28,000	+ 500	3	108,000	+ 27,000
Damansara	847,205	1/11.05	41,287	- 23,731	3	171,058	- 38,613
Dangan	225,000	—	2,628	- 10,258	9	207,863	+ 49,415
Dennistown.	58,671	—	25,238	- 12,762	3	115,738	- 24,626
Deviturai	345,670	1/1.90	13,640	- 9,610	3	101,870	+ 19,380
Dimbula	273,000	—	—	-	3	38,500	+ 6,275
Djember	433,554	1/7.39	69,000	+ 24,370	9	443,000	+ 151,768
Doranakande.	205,597	1/4.47	5,100	+ 16,500	3	99,600	+ 38,100
Duff Develop.	804,470	1/7.40	73,387	+ 17,387	3	33,900	+ 4,400
Dusun Durian	790,371	1/0.71	36,123	- 26,546	3	214,937	+ 39,937
E. Ind. & Cey.	210,000	1/11.15	15,354	+ 1,761	3	194,949	+ 5,158
Edinburgh	360,000	1/9.14	20,000	- 20,000	3	48,360	+ 12,095
Elphil	252,000	1/5.88	11,000	- 5,126	3	87,000	- 30,000
Emerald	505,700	1/2	30,200	- 6,200	2	50,404	- 4,194
Enow Seng	172,450	—	4,800	- 6,300	3	69,200	+ 1,300
Esat	244,520	1/2.32	10,000	+ 9,800	6	31,550	- 8,815
Fed. Malay S.	1,845,000	1/9.50	112,000	- 34,000	10	97,800	- 17,800
Fed. Selangor	370,000	1/11.68	22,402	- 15,233	12	1,608,000	+ 31,000
Galaha	125,583	—	4,083	- 1,971	3	402,706	+ 27,576
Galang Besar	450,000	—	26,300	- 15,200	9	12,041	+ 1,178
Gan Kee	200,000	—	11,250	- 2,814	9	349,140	+ 11,390
Garing	—	1/5.38	22,800	+ 7,900	6	128,265	- 4,437
Geodong	277,508	1/1.75	17,809	+ 3,107	5	132,026	+ 42,026
Gen. Ceylon	1,085,000	1/1.27	—	-	3	120,252	+ 18,774
Glen Bervie.	300,000	—	5,345	- 17,350	6	163,390	+ 48,658
Glendon	275,000	—	4,036	- 17,350	6	743,249	+ 19,033
Glenshiel	488,400	1/2.18	27,530	- 13,300	3	113,282	- 6,527
Golconda	596,104	1/11.36	35,224	- 18,979	3	101,970	- 11,430
Golden Hope	352,025	1/1.41	23,881	- 1,047	3	138,626	- 35,505
Grand Cent.	4,759,405	1/0.72	229,672	- 84,575	11	91,594	+ 17,007
Gula Kal'p'g.	1,066,000	1/11	62,400	- 42,730	3	976,340	+ 70,580
Harparden	511,107	1/11.49	14,650	- 16,750	3	279,400	- 65,952
Hayoep.	512,405	—	46,470	+ 4,227	3	68,500	- 62,327
Heawood	275,000	1/1.5	10,857	- 1,121	3	129,496	+ 14,848
Hewagam	646,200	1/2.80	9,200	- 15,200	3	59,627	+ 331
Hid. Streams	242,739	—	14,500	- 6,000	11	95,900	- 8,200
Highlands	1,426,518	1/0.01	46,465	- 74,560	3	33,500	- 9,900
Inch-Kenneth	440,000	1/3.71	18,890	- 33,680	10	268,704	+ 67,350
Insulind	330,000	1/0.39	20,000	- 3,600	8	382,370	+ 9,890
Java Amal.	315,000	—	71,000	+ 7,300	3	204,800	+ 15,940
Java R & Prod	620,000	—	39,500	- 8,700	3	203,000	+ 19,300
Java Para	265,692	1/1.20	53,786	+ 11,856	3	105,102	+ 16,600
Jeram	300,000	—	16,670	- 908	12	151,007	+ 31,016
Johore Para.	190,362	1/2.14	16,200	-	9	261,509	+ 1,524
" Rub. Lds	1,147,348	1/3	112,850	+ 32,435	3	157,300	+ 16,270
Jong Landor	680,000	—	39,500	- 10,500	9	34,882	+ 121,255
Jugra Estate	378,613	1/0.60	29,059	- 4,550	11	474,562	+ 32,695
Jugra Land	1,398,000	1/0.02	43,710	- 37,527	11	416,536	+ 37,923
Juru Estates.	159,200	1/1.88	6,000	- 6,100	12	1,128,139	+ 53,340
Kajang	391,000	1/1.95	21,530	- 9,130	3	165,200	+ 3,066
Kali Glagah.	250,000	—	22,660	+ 4,460	12	96,600	- 4,640
Kamp Kua't'n	362,500	1/2.07	30,000	+ 1,000	2	224,617	+ 34,417
Kamuning	810,000	1/1.49	31,240	- 26,940	2	630,460	+ 3,000
Kapar Para	1,075,138	1/0.91	61,510	- 27,017	3	62,000	- 85,780
Karak	241,019	—	18,389	+ 157	3	293,995	+ 20,119
Kasintoe	582,675	1/8.56	59,000	+ 6,845	3	55,528	+ 1,355

## PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1918, and April 13, 1918:—

	Estimate for the Year 1918-1919.	Total Receipts into the Exchequer from April 1, 1918, to April 13, 1918.	Total Receipts into the Exchequer from April 1, 1917, to April 14, 1917.
Balances in Exchequer on April 1—Bank of England ..	£	£	£
Bank of Ireland ..	—	19,361,578	25,209,947
	—	1,668,452	1,225,912
REVENUE.	—	21,030,030	26,435,859
Customs .....	—	2,371,000	2,477,000
Excise .....	—	770,000	470,000
Estate, &c., Duties .....	—	932,000	1,161,000
Stamps .....	—	307,000	238,000
Land Tax .....	—	110,000	140,000
House Duty .....	—	—	—
Property and Income Tax and Super Tax .....	—	12,068,000	11,345,000
Excess Profits Duties, &c. ....	—	8,370,000	7,200,000
Land Value Duties .....	—	15,000	50,000
Post Office .....	—	1,500,000	1,500,000
Receipts from Sundry Loans, &c. ....	—	—	500

Kawle Java ..	500,000	—	60,133	—	8,633	12	543,570	+	44,370	Taipang ..	700,000	1/10.29	29,855	—	24,406	6	315,364	—	59,770
Kepitigalla ..	640,000	—	30,967	—	4,540	12	588,650	—	17,597	Tail Ayer ..	1,080,000	1/10.25	24,450	—	45,229	11	844,147	—	97,753
Kepong ..	334,500	—	19,000	—	6,500	3	77,000	—	1,500	Tangiang ..	—	—	54,911	—	12,937	6	418,263	—	70,018
Kerala ..	250,000	—	23,682	+	1,682	1	23,682	+	1,682	Tanga Batu ..	174,569	1/3.59	9,108	—	4,904	3	38,038	—	6,047
Khotu Tamp'n ..	184,400	1/3.30	10,700	—	2,950	2	25,700	—	3,200	Tangkah ..	530,000	1/6.41	31,363	—	4,578	6	262,562	—	50,975
Killinghall ..	344,000	—	18,161	—	5,847	9	227,283	—	12,842	Tanj. Malim ..	400,000	1/5.50	70,290	—	33,660	9	1,087,020	—	201,960
Kimanis ..	300,000	1/9.22	38,500	+	8,000	3	109,200	+	18,700	Tanjong ..	1,595,000	1/3.18	38,053	—	19,196	9	944,321	—	102,252
Kinta Kellas ..	610,000	—	36,591	—	8,900	12	553,385	—	38,385	Tangoe ..	308,000	1/1.1	38,500	—	10,926	9	257,252	—	53,606
Klabang ..	301,412	1/4.30	9,700	—	13,237	3	60,141	—	16,301	Tebrau ..	1,046,480	1/10.70	79,900	—	23,135	9	597,536	—	122,847
Klangang ..	502,010	1/1.02	11,116	—	24,419	3	102,443	—	9,337	Teloreddje ..	250,000	1/5.12	18,950	—	6,619	6	174,566	—	7,497
Kombok ..	594,000	1/11.88	21,000	—	25,320	3	111,000	—	24,970	Tenom B'neco ..	854,020	—	97,000	—	27,580	3	261,000	—	65,980
Kuala Klang ..	200,000	1/10.80	9,616	—	7,953	6	86,204	—	17,759	Third Mile ..	479,840	1/11.98	40,000	—	8,500	3	146,000	—	3,600
" Kubu ..	158,950	—	8,392	—	3,353	9	105,684	—	15,715	Tromelby ..	198,835	—	18,687	—	7,887	3	75,957	—	37,352
" Lumpur ..	1,700,000	1/2.34	97,020	—	42,570	9	1,310,460	+	86,130	Trolak ..	750,000	1/10.54	17,000	—	37,500	9	478,200	—	63,800
" Nal ..	187,800	1/2.36	17,500	—	1,030	3	62,500	—	61,548	Ulu Rantau ..	285,500	1/2.2	23,458	—	2,156	6	168,822	—	474
" Pahi ..	200,000	—	14,665	+	207	3	61,548	—	18,772	U. SnaBetong ..	985,066	1/1.16	18,265	—	5,092	3	68,170	—	1,031
" Selangor ..	630,994	1/9.3	40,731	—	13,433	3	149,590	—	14,101	U. SnaBetong ..	930,724	1/1.15	32,310	—	37,150	3	155,820	—	61,877
Kuran ..	283,300	1/11.75	12,500	—	9,291	3	63,000	—	10,592	U. Sumatra ..	3,395,000	1/3.96	303,872	—	65,697	7	1,754,324	—	225,665
Labu ..	970,000	1/1.72	40,000	—	15,230	3	188,500	—	23,200	U. Temiang ..	991,700	1/10.73	67,050	—	9,780	8	239,910	—	9,250
Landanor ..	1,401,373	1/4.05	106,625	—	18,342	3	339,529	—	7,970	U. Val ..	80,000	1/5.80	30,213	—	18,357	8	494,443	—	98,343
Langat River ..	—	—	25,162	—	2,823	3	93,863	—	17,610	Uval ..	185,622	—	11,665	—	2,754	3	49,131	—	7,538
Langen, Java ..	773,710	1/2.93	63,000	—	13,993	7	498,000	—	45,984	Val d'Or ..	360,000	—	12,000	—	11,500	5	104,050	—	37,500
Langkat Sum ..	520,000	1/4.23	27,400	—	6,682	3	117,400	—	13,478	Victoria ..	250,000	1/4.49	14,450	—	3,250	9	206,586	—	84,386
L'ngk'n N.Br ..	290,000	1/3.3	22,800	—	2,500	12	122,006	—	53,013	Windsor ..	404,000	1/4.10	18,500	—	9,749	3	87,400	—	5,576
Ledbury ..	691,496	1/1.74	29,575	—	25,839	3	122,006	—	53,013	Woodend ..	256,772	—	2,583	—	10,743	3	31,371	—	4,018
Lendu ..	225,000	—	13,843	—	3,464	12	207,622	—	11,325	Yam Seng ..	—	—	18,520	—	11,926	5	165,273	—	9,432
Linggi ..	2,525,020	1/10.50	114,550	—	62,842	3	513,303	—	70,453	Yatiantota ..	520,823	—	15,335	—	14,850	3	24,288	—	640
Lochnagar ..	160,000	—	15,174	—	3,416	3	27,408	—	3,767										
Loa Asiatic ..	1,566,192	1/2.24	70,216	—	58,532	3	320,275	—	67,590										
Lumut ..	—	1/11.54	73,300	—	15,700	6	542,200	—	3,200										
Madingley ..	199,731	1/2.52	11,647	—	3,657	1	11,647	—	3,657										
Majedie ..	170,243	1/11.62	12,804	—	1,490	9	117,601	—	11,115										
Manawale ..	320,000	—	437	—	20,814	3	41,673	—	9,216										
Malacca ..	4,043,800	1/2.12	209,100	—	105,900	3	848,000	—	78,350										
Malayalam ..	1,354,179	1/4.67	1,290	—	277	3	129,400	—	24,412										
Malaysia ..	400,000	1/3.48	11,388	—	19,168	3	86,015	—	19,112										
Malay P't'rs ..	337,366	1/3.03	18,000	—	6,900	6	167,268	—	6,924										
Mauch'n N.B. ..	616,000	—	51,713	—	11,647	12	548,923	—	171,632										
Membakut ..	488,000	1/3	36,500	—	7,500	7	163,500	—	2,500										
Mergui Crown ..	545,000	—	41,500	—	4,000	12	559,625	—	69,324										
Merlimau ..	1,470,236	—	111,309	—	2,549	9	145,074	—	65,314										
Monerakelle ..	155,000	1/6.32	14,400	—	1,900	9	162,241	—	15,820										
Mount Austin ..	2,200,000	1/4.3	204,251	—	37,711	12	2,230,058	—	810,434										
Nagolle ..	573,750	1/1.43	18,986	—	4,781	3	107,719	—	27,181										
Narborough ..	278,100	1/5.8	18,000	—	9,000	9	220,100	—	21,500										
Neboda Cey ..	460,000	—	11,835	—	27,370	11	86,220	—	7,130										
N'w Croc Riv ..	625,030	—	40,430	—	7,325	3	158,280	—	6,070										
Nordanal ..	624,364	1/1.79	56,067	—	2,663	2	110,060	—	696										
N. Borneo St. ..	213,500	—	13,700	—	8,300	3	40,900	—	22,600										
N. Hummock ..	750,000	1/1.41	26,939	—	36,390	9	514,039	—	1,973										
N. Labis ..	350,000	1/7.05	23,318	—	396	9	277,745	—	110,902										
Oriental ..	716,450	1/3.30	42,000	—	11,190	2	108,000	—	11,059										
Padang Jawa ..	219,024	—	7,722	—	10,977	12	243,284	—	20,822										
Panawatie ..	617,209	—	10,699	—	30,077	3	98,203	—	887										
Panagula ..	331,346	1/5.807	2,449	—	7,243	3	38,680	—	3,982										
Pantiya ..	206,100	—	13,300	—	2,079	3	41,500	—	3,387										
Parambe ..	253,842	—	2,546	—	15,784	3	38,998	—	13,519										
Pataling ..	729,623	1/10.13	29,735	—	24,868	3	118,567	—	44,332										
Pegoh ..	600,000	—	48,689	—	7,850	5	—	—	—										
Peimadulla ..	813,197	—	12,689	—	4,900	3	146,171	—	33,623										
Perak ..	530,000	1/11.38	28,863	—	10,573	12	531,568	—	7,693										
Permas ..	—	1/5.3	17,100	—	5,470	9	184,218	—	18,501										
Pilmoor ..	353,500	1/1.41	23,020	—	6,553	9	292,460	—	22,750										
Port Dickson ..	700,000	1/4.85	35,940	—	14,810	12	672,350	—	158,850										
P.P.K. ..	348,228	1/11.89	6,555	—	21,598	3	59,548	—	2,774										
Preanger ..	329,242	—	17,771	—	15,629	9	—	—	—										
Prye ..	310,000	—	2,490	—	10,500	12	240,490	—	25,090										
Rani Travani ..	929,931	—	93,200	—	14,856	1	93,200	—	14,856										
Ratanui ..	264,000	—	18,501	—	5,299	6	137,703	—	15,861										
Rangoon Para ..	400,000	—	15,700	—	7,300	3	82,500	—	1,700										
Rembia ..	455,000	—	18,089	—	11,585	6	199,378	—	3,194										
Ribu ..	296,873	1/8.60	20,035	—	1,205	3	74,400	—	8,325										
Rim ..	400,000	1/3.20	55,500	—	28,900	12	433,500	—	158,600										
Riverside ..	372,000	1/11.57	23,000	—	9,500	3	88,400	—	11,600										
Rubana ..	850,000	1/10.64	45,000	—	11,009	11	754,671	—	118,594										
R. Es. Ceylon ..	472,004	—	21,599	—	13,773	3	80,751	—	9,444										
R. Es. Johore ..	677,211	1/10.90	4,400	—	7,929	3	147,700	—	11,001										
R. Es. Krian ..	465,500	1/6.27	14,000	—	17,097	3	68,700	—	34,000										
Rubber Trust ..	520,412	1/6.10	81,866	—	28,986	3	194,130	—	99,586				</						

**NATIVE LABOUR RETURNS.**—A further improvement is shown in the labour supply. The total shows an increase of 1,742, the gold mines getting 1,989 more labourers.

Month.	Natives on Gold mines.	Natives on Coal mines.	Natives on Diamond Mines.	Total natives.
March, 1917.....	130,028	11,494	6,620	308,142
April.....	125,975	11,435	6,314	203,724
May.....	180,168	11,432	5,805	197,405
June.....	175,727	11,258	5,369	192,354
July.....	171,553	11,381	5,223	188,157
August.....	170,817	11,401	5,028	187,246
September.....	171,334	11,601	4,791	187,726
October.....	170,331	11,841	4,620	186,792
November.....	169,083	11,633	4,620	185,336
December.....	172,740	11,695	4,593	189,028
January, 1918.....	176,424	11,469	4,715	192,608
February.....	181,066	11,243	4,825	197,134
March.....	183,055	11,076	4,745	198,876

**DURBAN ROODEPOORT DEEP.**—This mine did very well in 1917. The tonnage milled was 313,850, as compared with 319,800. The yield per ton rose from 25s. 11d. to 27s. 9d., and the working profit from 2s. 7d. to 3s. 1d. per ton. The nett profit advanced from £37,558 to £46,344, and the dividend was raised from 2½ to 5 per cent., leaving £79,888, of which £32,186 is represented by cash and investments, to be carried forward, against £59,775. Capital expenditure absorbed only £2,761. Payable ore developed amounted to 245,000 tons, valued at 6.3 dwts., but the ore reserves have decreased from 1,259,300 tons to 1,174,200, valued at 6.5 dwts., as against 6.3 dwts. at the end of 1916. Development operations were somewhat curtailed. The increase in profit was due to a better yield and to slightly improved sorting.

**THARIS SULPHUR AND COPPER.**—The report for 1917 shows that the profits decreased by £41,071 to £158,078. The dividend is reduced from 15 to 12½ per cent., free of tax, but the carry forward is raised from £25,911 to £27,739. The amounts written off total £30,741, against £23,515. Additions to works property accounts amounted to £29,913, but as £17,643 is written off for depreciation, the nett addition is £12,270. Refined copper produced amounted to 4,066 tons, an increase of 354 tons.

**MASON AND BARRY.**—The accounts for 1917 show that the decrease in profits was more marked than the reduction in the dividend from 45 per cent. to 10 per cent. had indicated. The total was £18,499 against £99,166, and, after allowing for the dividend, the carry forward is reduced from £36,137 to £35,120. It appears that the quantity of ore broken and raised at the mine was 154,762 tons, against 193,127 tons in 1916, while the shipments declined from 202,176 tons to 43,529 tons. The average market price of standard copper was £125 2s. 5d. per ton, against £116 1s. 3d. per ton in 1916. The serious diminution in shipments was due to the shortage of tonnage. This shortage continued to the close of the year, and, being coincident with a heavy increase in costs, the revenue and profit were substantially diminished.

**MODDERFONTEIN B.**—A cabled summary of the report for 1917 shows that the nett profit decreased by £5,047 to £709,600, as a result of a reduction in the tonnage milled. This amounted to 517,500 tons, against 543,700. The yield rose from 43s. 2d. to 46s. 2d. per ton. Working costs averaged 19s. 5d., as compared with 17s. 10d., and the working profit was thus 1s. 5d. higher at 26s. 9d. per ton. Capital expenditure was £91,824, against £18,093. Dividends amounting to 85 per cent. were declared during the year, as against 77½ per cent. in 1916, and the carry forward is reduced from £306,297 to £246,569. Owing to insufficient labour supply, the reduction plant was never operated at its full capacity. Work on the extension of the plant is proceeding, nevertheless, and its completion is expected within four to five months at an additional cost of £40,829. The plant will then have a capacity of 60,000 tons monthly. The underground position seems quite satisfactory. Payable tonnage developed during the year amounted to 660,000 tons of a value of 10 dwts., and the ore reserves now amount to 3,523,810 tons, valued at 9.2 dwts., as against 3,371,950 tons at the close of 1916.

**KNIGHT CENTRAL.**—During 1917 there were milled 315,900 tons for an average yield of 20s. 9d. Working costs were 20s. 6d. per ton, and the working profit 3d. per ton against 1s. 5d. per ton. Reserves of ore now amount to 280,800 tons, valued at 5.86 dwts. Values south of the dyke are still found in patches only, and the recent work gives but small encouragement. The nett profit was reduced from £23,205 to £4,189, and the carry forward is reduced from £106,968 to £103,636. Development work from the West shaft has almost ceased. The amount of ore in reserve seems sufficient for a year's working, but in view of the diminishing number of stope faces, and the increased cost of working, a cessation of operations—which, in accordance with the policy decided upon a year ago, will occur when they cease to be profitable—may be necessitated before the ore reserves are exhausted.

**WITWATERSRAND DEEP.**—The report of this company for 1917 is also a very gloomy document. It shows that the nett profit declined from £160,282 to £63,079. The dividend is reduced from 2½ to 5 per cent., but the carry forward is £99,355, against £81,025. The tonnage milled was 425,500 against 500,250, and the yield was £1 3s. 7d. per ton against £1 3s. 9d. Working costs rose from 17s. 4d. to 20s. 7d., and the working profit was consequently reduced from 6s. 4d. to 3s. per ton.

Reserves of ore have been further reduced from 1,571,300 tons to 1,383,359 tons, and the value is 5.66 dwts. against 5.79 dwts. per ton. Only 230,155 tons of payable ore were developed during the year. The directors state that owing to the low-grade of the reserves, the high level of working costs, and the abnormal expenditure to be incurred, the outlook for the immediate future is "extremely bad." In order to earn a nominal profit it is imperative that a larger rate of crushing must be obtained, which largely depends on the supply of native labour. Future prosperity of the mine is entirely dependent on the values in the deeper ground.

**ROSE DEEP.**—The report for 1917 shows a nett profit of £256,300, against £219,932 for 1916. The dividend is raised from 26½ to 30 per cent., and the balance carried forward is £130,689 against £111,027. This result was obtained despite a decrease in the tonnage milled of 98,700, the total being 685,900. The yield, however, was appreciably higher at 24s. 5d. per ton, comparing with 22s. 11d. in 1916. Costs were actually reduced by 4d. to 16s. 11d., and the working profit was 1s. 10d. higher, therefore, at 7s. 6d. per ton, which compares with 7s. 1d. in 1915. Reserves of ore have decreased from 3,267,280 to 3,219,700 tons, but the value is 5.4 against 5.3 dwts.

## Tea, Oil and Rubber.

It is becoming more and more evident that the decision of the Rubber Growers' Association to attempt to restrict production was really a counsel of despair. The supporters of the movement are paying the penalty for undue optimism in the past, and some of them, at any rate, have to try to reconcile the present position with the exaggerated hopes which they helped to engender until a few months ago. All the talk then was that there would be a famine in the commodity presently, and that the price would go to 5s. or more. When it would not budge beyond 2s. 6d. they conclusively proved that something must be wrong—that only a little more patience was necessary—because rubber is almost the only important article that has not advanced in price since the war. And if it would not go up of its own accord they would "jolly well" make it! We suppose these good people never stopped to think what it really means to try to control an almost world-wide commodity which grows! The Chicago pit's efforts at odd times to corner wheat were a child's game to what the Rubber Association undertook when it attempted to regulate the price of rubber with power over about one-third of the plantation output, and much less than one-fourth of the world's production. But we do not recall that "young Mr. Leiter" or other heroes of the pit ever succeeded for very long in taking tribute from all the rest of the world, and where they failed we are extremely doubtful whether the Rubber Association can triumph. Anyhow, the facts appear to be against them for the moment. Even last week more rubber was landed than delivered, and the stocks disclosed stand at 15,150 tons against 10,490 tons a year ago. And here are the figures of imports and exports extracted from the Board of Trade returns for March:—

	March.		Three Months.	
	1917.	1918.	1917.	1918.
Imports (centals of 100 lbs.)	199,439	61,660	541,742	371,195
Exports " "	95,405	41,777	369,044	107,389
Retained " "	104,034	19,883	172,698	263,806

Last month certainly looks favourable to the bulls, but for the quarter it will be seen that we have retained 90,000 centals more than in the corresponding period last year. Meantime, alas! dividends are being cut down or passed, and the punter's patience is not inexhaustible.

## Answers to Correspondents.

Sam.—Not attractive at the price. What will the metal sell at after the war?

R. L. E.—Possibly. The company is a marvel. But we should not be tempted.

Bargains.—(1) Dear enough. What about Dyes? (2) Quite good, but full value. (3) As yet very speculative, but with chances. (4) Good property, but business rather on the down grade.

K. K.—There is a chance of further improvement, so you might hold on still.

L. I. M.—(1) No, leave them alone. (2) Quite a fair investment of its class. The business is well managed.

Lasso.—We think not. The company has been grossly mismanaged, but it ought to be possible to pull it round, and some efforts are being made to do so.

A. G. M.—Better to wait.

D. E. F.—The position is not happy, but we do not think the dividend will be passed. Cannot advise selling at present price.

J. S. A.—The Budget may affect the market, otherwise (1) and (2) seem worth buying; (3) is rather speculative; (4) also, but there are possibilities after the war if you are prepared to wait.

C. E. S.—We see no necessity to sell. The company is quite strong and the interest safe. Rise in value is, we fear, not to be expected at present.

Mere.—If you intend holding permanently, the 5 per cent. are the more attractive.

## COMPANY MEETINGS.

## CANADA STEAMSHIP LINES, LTD.

## PROSPECTS OF A LARGE GRAIN HARVEST.

The fourth annual meeting of the Canada Steamship Lines, Ltd., was held in Montreal on March 5th last, Mr. James Carruthers, president of the company, presiding.

In moving the adoption of the report and accounts, Mr. Carruthers referred briefly to the operations during 1917, and stated that the first mortgage bonds outstanding had been reduced by about \$900,000 since the last report. He added that the directors had sold and bought a number of vessels during the year, their object being (and they had been successful so far) to re-establish the fleet on a more modern basis to meet changing conditions. As to future prospects, he added that the losses in ocean tonnage suffered by all nations would take a long time to replace. He felt, therefore, warranted in saying that in all probability present rates would continue until the available tonnage became sufficient to meet at least normal conditions, which, in his opinion, so far as the shipping trade is concerned, would not return for years. He had every reason to expect a large increase in the acreage of grain in the Canadian North-West during the coming season. The enormous shortage of foodstuffs the world over and the knowledge that, even if peace were declared within six months, the urgent requirements would continue, should lead to the continuance of high prices for all kinds of grain for some time to come, so that there is every incentive to the farmer to put every acre possible under cultivation. With the large grain-carrying fleet which this company has on the Upper Lakes, shareholders can understand what a big difference it makes to the company if crops in the Canadian North-West be large or small.

## THE FLEET.

Mr. J. W. Norcross, the vice-president and managing director of the company, in seconding the resolution for the adoption of the report, mentioned that some of the older and more obsolete ships had been sold, and replaced by modern tonnage. While it is true that a number of smaller vessels of the company had been taken from the Great Lakes for the ocean service, the lake fleet has been augmented by larger ships, which can be more easily and cheaply operated. The ocean fleet has been increased, and is operating successfully in different parts of the world. All losses were fully covered by insurance to the extent of replacement values.

The report and accounts were unanimously adopted, and the board of directors, as well as the London advisory committee, were also unanimously re-elected.

## W. T. HENLEY'S TELEGRAPH WORKS.

The thirty-ninth ordinary general meeting of W. T. Henley's Telegraph Works Co., Ltd., was held on Friday at 13 and 14, Blomfield Street, London Wall, E.C., Mr. George Sutton (chairman and managing director) presiding.

The Secretary (Mr. A. E. Salmon) read the notice convening the meeting, and Mr. Cornish read the report of his firm, the auditors, Messrs. Ball, Baker, Cornish and Co.

The Chairman observed that, as he said last year—and in the meantime there had been no change except for the worse—the commercial business had declined, and he supposed that 95 per cent. of the work they did was in connection with the war. The amount of debtors was about normal, and the large sum of £299,000 represented cash, to the investment of which he had already referred. In profit and loss account the amount provided for depreciation of machinery, £66,000, was the largest sum that had ever been put to this purpose. It was necessarily large because a great deal of the extra machinery installed for national work would be of problematical value after the war, and the cost had therefore been charged to revenue as the only safe course. Income-tax was charged in profit and loss general account, instead of profit and loss account, at the request of the auditors; and the figure of £28,000 did not represent the total amount paid under this head. They must add to it the amount deducted in the payment of dividends, about £16,000, making the total income-tax payment £44,000. The net profit for the year amounted to £162,867, and, with the balance brought forward, £232,597 was available, which it was proposed to deal with as shown in the report. A balance of £112,000 would be left to be carried forward to the new year after making all reasonable provision for contingencies, and notably for special taxation. Looking back to the position as it was before the year 1914 and to the progress made by the company, it was his view that the profit shown was no larger than it would have been if no war had occurred and the company had had no war work to do. Before war came the company was continually making progress. That commercial progress had been stopped, but they hoped to regain it. The volume of trade after the war was uncertain, but they had their own views about it. For a time there might be a slackness of trade; things must get right and more normal before there was much work to be done; but however that might be,

they did know that the means of output in the industry generally had increased enormously, and it might well happen that after the war those means of output would be greater than the increased trade which eventually would come, because of the stoppage of the world's work for so long a period. In dealing with profits he might refer again to the offer made by the company to the Government at the outbreak of war in 1914. They then offered to place at the service of the Government the entire resources of the company, leaving entirely at the discretion and judgment of the Government the questions of the payment to be made for costs and profits. He recalled that declaration in order to emphasise the fact that they were not profiteers in the bad sense of the word. Every trader traded to make profits. The percentage of profit to turnover depended upon the traders' power to sell, and his object was ever to regulate his profits so that he did not decrease his sales. If the rate of profit were too high sales would inevitably diminish, and he (the speaker) would not expect ever to come before the shareholders to apologise for too wide a margin of profit. The average ratio of profit to turnover in this business during the war was, in fact, lower than it was prior to the war, which was convincing proof that they were not profiteers in any sense. Future taxation must be very heavy, and they must suppose that the Government would be careful how far industries were burdened with heavy taxation after the war. This company had accumulated large undivided profits which had been used to build up and equip new factories, employing large numbers of hands. Capital and labour alike were concerned to make sure that after the war no undue burden of taxation was put directly upon the industries of the country. He had no inclination at the meeting to criticise the Government control of the business. They recognised that a certain measure of control must be exercised in war time. But he and other business people were glad that the President of the Board of Trade had stated, and repeated, that "he could not conceive of anyone desiring in the national interests that the industrial interests of the country should be controlled a day longer than was necessary." With that view he agreed. He had had prepared an interesting statement showing the relationship between wages, taxation and dividends paid by the company. In the past year just over £200,000 was paid in wages, and a similar amount in taxation, and the dividends amounted to £59,000, the capital employed in earning these sums being roundly £1,500,000, so that the capital was not taking an undue proportion of the amount earned by the business. Undivided profits had been used in trading with success, and it was proposed to create £200,000 of ordinary shares to be distributed amongst the ordinary shareholders, share for share. It would be done without injuring in any way the financial strength of the company. At the same time it was proposed to divide each £5 ordinary share into five ordinary shares of £1 each. Further, the proprietors were asked to pass a resolution approving the directors' proposal to make the tyre department a separate entity. Word had just been received that Treasury consent to this change was refused. He did not know the grounds of the refusal, and he could not understand that there could be any substantial grounds for it. They were not proposing to raise any money. The directors would endeavour to get the refusal of the Treasury altered. He did not think there would be any difficulty in running the tyre business exactly as if it were a separate company, and eventually the new company could be proceeded with. In the meantime he asked the shareholders to pass the resolutions of which notice had been given. He moved the adoption of the report and accounts. Mr. Sydney Gedge, M.A., seconded the motion, which was unanimously adopted.

The special resolution referred to in the chairman's speech was unanimously adopted, and the proceedings concluded with a vote of thanks to Mr. Sutton for his conduct in the chair.

## OCEAN ACCIDENT AND GUARANTEE CORPORATION.

The annual general meeting of the Ocean Accident and Guarantee Corporation, Ltd., was held on Tuesday at the offices, 36 to 44, Moorgate Street, Mr. E. Roger Owen (the chairman) presiding.

The Manager and Secretary (Mr. T. M. E. Armstrong) having read the notice calling the meeting and the report of the auditors,

The Chairman said: Gentlemen,—The report and accounts before you show that we have had another very busy year, notwithstanding the gloom and anxiety which hangs upon our country. It seems to be a fact that when things are critical and the future uncertain, insurance is needed by the public more than at any other time. The revenue amounted to £3,304,091, as against £2,628,044. The premiums, less reinsurances and bonus to assured, amounted to £3,160,449, as against £2,505,182. This is an increase of £655,267. It is the largest increase we have ever shown, and it is derived chiefly from America, although I am glad to say that all the departments, and especially the English business, show healthy advances. We as a board do not attach any great importance to a mere increase of income. True, it indicates enterprise, but unless the business has been well selected, so that when all the claims and expenses are paid there is an underwriting profit, it is not a satisfactory feature. We have every reason to think and to hope that the large new business which we have done is of a proper kind and will prove profitable. The claims paid and to be paid amounted to £1,649,327, as against £1,269,131—that is, 52.1 per cent. on the written income, or 55.2 per cent. on the earned income. The amount paid for commission to agents

is £560,092—17.7 per cent.—and the amount paid for expenses of management is £400,286—12.7 per cent.—as against 14.4 for the year 1916, an improvement of 1.7 per cent. The item for taxes is again very heavy. The amount shown in the revenue account is £124,213—that is, 3.9 per cent. of the entire revenue of the corporation, but this is not all. The amount of tax deducted at the source was £19,446, and we have yet some £80,000 to pay in excess profits duties, so that in all this corporation will have contributed the sum of £223,659 as the result of their operations. But large though this sum is, it is not enough to maintain the British proportion of the war for an hour. Our total assets amount to £4,898,952. This is an increase of £771,000 on the previous year's figures. As regards depreciation, the nett amount required in excess of the amount already reserved was £1,992, but we have decided to make a larger contribution to the investment reserve and general contingency fund, thus building that fund up to the round figure of £285,000, a sum which is more than enough, we hope, to cover all contingencies. Your directors and your officials are everyone of them doing their utmost to manage the affairs of the corporation, so that even in these critical times we may give our policyholders, who are more than ever dependent on the protection given by insurance offices, full security for the contracts which they have placed with us. We hope that when the war comes to an end this corporation will emerge from the ordeal with its reputation untarnished, its efficiency unquestioned, and its financial stability beyond reproach. Before closing, I must tell you that up to the present time 542 of our officials have joined his Majesty's Forces, and that the casualties which I announced to you last year as amounting to 82 have since grown to 128, of which 60 are fatal. Many of our men have achieved notable feats, both of arms and courage. A number of them have received decorations from the Crown, and we are proud of the part which one and all of them have taken. I beg to move the adoption of the report.

Sir Clarence Smith, J.P.: Just as it must have been extremely satisfactory to you, Mr. Chairman, to move the adoption of such a report, it must be satisfactory to anyone called upon to second it. While you have been expounding the figures I have been thinking what have been the causes which have led to the really phenomenal increase in the prosperity of this company during the last few years—almost the unexampled prosperity which we have experienced. No doubt there are many causes—the stability of the company and the liberality with which we treat our clients. But, as you intimated, it is not mere income which will satisfy us; it is an increase in the profits which we desire. There is one cause which seems to me to have led to a considerable increase in our prosperity in this direction which perhaps may not occur to everyone in the room, and that is—you know it very well, of course—the fact that during the last few years we have conferred a greater responsibility and some practical freedom upon our underwriters with regard to their duties. You know that formerly, until within a few years ago, the board was its own underwriter. All important cases used to come before the board, and I can remember very well many cases in which we have overridden the views and desires of our underwriters and heads of departments. Well, all that has been changed, and I think the fact that we have put the responsibility and freedom to act upon those who are experts and really know much more about it than the board can possibly do, may have had not a little effect in bringing about the increased prosperity of the company.

The resolution was carried unanimously.

## IRVINE'S SHIPBUILDING AND DRY DOCKS.

The ordinary general meeting of Irvine's Shipbuilding and Dry Docks Co., Ltd., was held on Wednesday, at Winchester House, Old Broad Street, E.C., the Right Hon. the Viscount Furness (the chairman) presiding.

The Secretary (Mr. J. T. Harris) read the notice convening the meeting and also letters from Mr. F. W. Lund and Mr. P. Haig Thomas, two of the directors, expressing regret at their inability to be present. The auditors' certificate was read by Mr. R. T. Warwick, of Messrs. W. T. Walton and Son.

The Chairman said: Your directors are pleased to be able to present a balance-sheet at the first annual general meeting since the company became a public one, which, I think, having regard to all the difficult circumstances under which we have had to work, may be regarded as satisfactory. The nett profits, including the balance brought forward from the previous year, amount to £66,665 13s. 5d. The half-yearly dividend on the preference shares was paid on January 1, 1918, leaving an available balance of £54,665 13s. 5d., which your directors recommend shall be appropriated in the following manner:—To pay a dividend on the ordinary shares of 8 per cent. per annum from June 30 to December 31, 1917, less income-tax, £880; to pay a final dividend on the preference shares of 1s. 4d. per share, less income-tax, £20,000; to pay a final dividend on the ordinary shares of 10 10-11d. per share, less income-tax, £20,000; and to place to credit of reserve account £5,000, leaving to carry forward to next year's accounts £8,785 13s. 5d., making a total of £54,665 13s. 5d. As both the shipyards are controlled establishments, having been brought under Government regulations in August, 1915, it will be appreciated that the building policy of the company is to a very large extent determined by the Government authorities, and in consequence we have not been free to concentrate our energies upon the class of work which we would consider best suited to our yards. During the past year we have built for the Admiralty vessels of distinctive types and have had a large refrigerated meat-carrying vessel under

construction, in addition to an oil tanker, cargo liners and standard ships, and we consider that this variety of work has acted as a deterrent to the best results of output being obtained from our efforts. The scarcity of suitable labour has for some time caused us a great deal of anxiety, but the Government are now alive to the vital necessity of releasing as many skilled men as possible from the Army to re-man the shipyards, and I am pleased to say that we are gradually filling up our requirements. While on the subject of labour conditions, it is very pleasing to notice that representatives of the employers and workmen on the North-East Coast in the shipbuilding and allied industries have recently passed a joint resolution stating that "the industrial forces in the North-East Coast ordnance, shell and aviation shops, engine works, shipyards and ship-repairing establishments assure their comrades in the fighting line that they will do everything in their power to turn out in increasing numbers guns, shells, engines, ships and other munitions of war. Employers and workmen stand shoulder to shoulder, determined to maintain and increase their efforts until complete victory crowns our arms." With this encouraging spirit animating our shipyard workers, I, for one, am not pessimistic, and I feel sure that the shipbuilding industry of this country need not fear eclipse, even by our American cousins, who are putting such tremendous energy into the vital task of building ships in the present emergency. With the object of bringing our plant into the highest possible state of efficiency, and so that the available labour may be utilised to the greatest advantage, we are arranging to instal the plant necessary to drive the whole of the machinery at our harbour yard by electricity. As to the future, the rôle of prophet is a thankless one, and in any case under existing circumstances the future is hard to forecast. I can, however, say with confidence that there is a large volume of work awaiting the shipbuilding industry, and for some years to come it is certain that all our facilities will be kept fully occupied.

Mr. Clarence C. Hatry seconded the motion, which was carried unanimously.

## LONDON AND THAMES HAVEN OIL WHARVES.

The 20th ordinary general meeting of the London and Thames Haven Oil Wharves was held on Tuesday, at the Baltic, St. Mary Axe, Sir Owen Philipps, K.C.M.G., M.P., presiding.

The Secretary (Mr. T. Clarkson J. Burgess) read the notice convening the meeting.

The Chairman said that it was a gratification to him to be able to present accounts showing so satisfactory and sound a position after nearly four years of war. The times were so difficult at present that it was almost impossible to see ahead from day to day, and the future, more than at any other time in the history of the country, was impossible to forecast. The profits for the year ended December 31, 1917, as shown in the printed accounts, and taken in comparison with those for the year ended December 31, 1916, were less by about £17,000, but this reduction did not affect the stability of their security; it also did not affect their dividend or their dividend prospect; but it did reduce, he regretted to say, the amount of excess profits duty which the company contributed towards the country's financial necessities. The accounts for the years 1912 and 1913—which periods were immediately preceding the war—were very satisfactory, and enabled them, after providing for suitable depreciation of the assets, to place £10,000 to reserve, and to pay 8 per cent. per annum dividend. If they looked at the accounts for the subsequent years they would find that, besides paying excess profits duty they had been in a position to do rather more than was done in the years 1912 and 1913. The company had been still further consolidated; the reserve fund had been largely increased, and considerable sums had been devoted out of revenue to maintaining in a state of efficiency the whole of the company's works and plant. They had expended considerable sums on capital account, not only by increasing the number of their storage tanks, but also by providing plants for the treatment of crude oils and spirit, which had rendered invaluable service to the nation in the present time of crisis. Owing to the considerable development of their storage capacity prior to the war, which only came into use in 1914 and 1915, and the development of practically all the other departments of their business, their profits during the war period had been greater than previously. The natural development had placed the company on a higher level of earning capacity. There was no doubt that if there had been no war the company's profits would have steadily expanded, and its development would have continued. There was a great deal being said to-day on the production of petrol and motor spirit from home sources. This was no new subject. These questions had not been overlooked by business people in the past, and were now only what might be called popular because of the necessities arising out of the war. Any help they could render to the solution of this problem would be willingly given, but in any case he was confident that a great impetus would take place in the trades for which they catered, and that after the war this company would not only hold its own, but, whilst assisting others, would, he hoped, reap its share of reward in any further developments of the oil industry.

Mr. Allan McCall seconded the motion, which was unanimously carried.

## MAPPIN AND WEBB.

The ninth annual general meeting of Mappin and Webb, Ltd., was held on Monday at the Ritz Hotel, Piccadilly, W., Mr. William Harris, chairman of the company, presiding.

The Chairman said the large increase in their stock was a matter for congratulation. Their export trade and supplies to their foreign branches had been considerably handicapped, not only by delays in manufacture, but also by Government restrictions and prohibitions. Owing to the largely increased cost of living they had been obliged to materially increase the wages of most of their staff. Very considerable munition contracts had been entered into during the year, but they had made little or no profit on that branch of their business. They had, however, the satisfaction of feeling that the company had helped in munitions. Considerable contracts for hotels, steamship and colonial and foreign requirements had been entered into. That branch of their business was growing in a most satisfactory manner. Their branches were all in a healthy and most satisfactory condition. One only which gave them some time ago a little anxiety had now turned the corner and was doing well. The services of those in charge of their branches had been carefully reviewed, and suitable bonuses awarded to those responsible for the satisfactory profit they had made. Their sales for the year ended December 31, 1917, altogether apart from munition work, in London, Sheffield, Johannesburg, Paris, Biarritz, Nice, Lausanne, Rome, Buenos Aires, Rio de Janeiro, San Paulo and Montreal, constituted a record. It gave him even greater satisfaction to state that from January 1, 1918, down to the latest practical date, their sales were 35 per cent. higher than their sales for corresponding period a year ago. With regard to the staff, he observed that nothing struck him with greater force when he joined the board than the large number of employees who had been in the company's services 10, 20 and 30 years. The board's relations with its employees was of a most sympathetic character. Fifty per cent. of their staff had joined H.M.'s Forces. Twenty-six of them, he greatly regretted to say, had laid down their lives for their country. They had started a war savings association; nearly 50 per cent. of their staff had joined, and up to date had contributed £3,444. They continued to make substantial allowances where needed to those of their staff who had joined H.M.'s Forces. They had recently provided accommodation for supplying their staff with luncheons at a nominal cost, and a rest and recreation room for lady clerks had been instituted. Arrangements were now being made for extending the education of their assistants in regard to foreign languages, salesmanship and the practical knowledge of the goods manufactured and sold by the company.

Mr. Stanley A. Mappin seconded the resolution, which was carried unanimously.

## Insurance News.

A marked expansion in the business of the London Life Association is reported for 1917, the life business completed being the largest amount of nett assurance ever completed in one year; the figures were £930,428 gross, an increase of £59,898, and £905,428 nett, an increase of £114,398. Premiums showed an increase of £23,685, and nett interest an increase of £13,497. For the first time the total premium was over £500,000. Claims by death were slightly higher at £293,163, including £45,549 direct war claims; the expected amount was £398,100. It has been decided to increase by one the rates of reduction of premium, so that, for the year beginning in July next, the rates for fully participating policies will range from the equivalent of 124 per cent. for the first series to 53 per cent. for the 12th series. A new series will now be constituted, with a rate of reduction less by three than that for the 12th. As regards the reversionary bonus fund, a bonus of 35s. per cent. is again declared; £9,022 has been carried to valuation reserve, and £43,826 forward.

Compared with 1916, the nett premium income of the British General Insurance Co. for 1917 showed an increase of £113,496 at £306,096, while nett interest was £1,986 more at £10,471. As the result of the year's working, there was a balance of £74,360, of which £64,885 goes to the various reserve funds, and a final dividend of 10 per cent., making 15 per cent. for the year, against 12½ per cent. for 1916, is to be paid. Depreciation on investments is fully covered by the investment reserve fund of £20,000. Cash and investments together show an increase of £76,459 at £334,526. The company issued last year 205 life policies for £80,800, an increase of 93 policies and of £30,808 in the amount as compared with 1916.

Shareholders in the London and Lancashire Fire Insurance Co. have every reason to be satisfied with the results of the past year's trading, and as intimated a year ago, the full distribution for the year has been increased by 2s. a share to 33s., after which the balance carried forward is only £44,623 less at £837,189. An analysis of the various accounts shows that nett fire premiums were £210,319 higher at £2,113,560, resulting in a profit, after deducting 40 per cent. for the increased liability, of £381,795. The sum of £434,903 was transferred to profit and loss, and the fire funds were raised by £84,000 to £1,245,500. Nett marine premiums were £61,867 more at £551,000, and the funds of this department were raised by £24,500 to £370,500. A profit of £96,161 was shown in the accident department, although nett premiums declined by £44,841 to £832,514; the accident funds remain at £514,000, £103,496 being transferred to profit and loss. As the outcome of the agreement with the Marine Insurance Co., over 99¼ per cent. of the shares are now the property of the London and Lancashire. The total purchase consideration was £1,674,941;

on the other hand, the nett assets of the Marine amounted to £1,525,940, from which must be deducted the provision for redemption of the debenture stock transferred, and stamp duties, leaving a credit of £1,492,940. The nett difference of £182,000 is charged up in profit and loss account. The balance of the purchase price consists of the difference in value between the shares issued at £2 10s., and the market price. After increasing the funds by £108,500, providing for debenture interest and for cost of business acquired, the directors write off £200,000 from investments. Total reserves now stand at £4,078,996.

## DIVIDENDS ANNOUNCED.

Alliance Investment Co.—For half-year ended April 15 at rate of 6 per cent. per annum, making 5 per cent. for year, on deferred stock, the same; forward, £12,276, against £11,483.

Anglo-American Telegraph Co.—Interim for quarter ended March 31 of 15s. per cent. on ordinary stock and £1 10s. per cent. on preferred stock, less tax, payable on May 1.

Associated Tea Estates of Ceylon.—Interim, 5 per cent. on account of year ending June 30, payable on May 1, free of tax.

Cuba-Bartle Sugar Plantations.—Interim, 1s. per share, free of tax, on account of year ending June 30 next.

Charcoal Iron of America.—Common stock for March quarter, 2 per cent., against 1½ per cent. in 1917.

Cuba Submarine Telegraph Co.—Final for year to December 31 of 5s., plus a bonus of 4s., per share, tax free, on ordinary shares, making 5 per cent., plus bonus of 2 per cent. (or 4s.), tax free, same as a year ago.

City of Dublin Steam Packet Co.—For past half-year at 5½ per cent. per annum on ordinary.

Direct United States Cable Co.—Final, 2s. per share, less tax, payable on 30th inst., making 4 per cent. for year ended March 31, same as for 1916-17.

Egyptian Delta Land and Investment Co.—For year 1917 at rate of 4d. per share, i.e., same as last year.

Furness, Withy and Co.—Warrants on ordinary shares, at rate of 10 per cent. per annum, for quarter ending April 30 (6d. per share), free of tax, will be posted on April 30, the same.

Ivanhoe Gold Corporation.—Fourth and final, 3s. per share (making total for 1917 of 10s. 6d. per share), payable on April 30; the same as a year ago.

Indo-European Telegraph Co.—Final for year 1917 of £1 2s. 6d. per share (making 7 per cent. for year), free of tax; also distribution of £1 10s. per share, free of tax, both payable on May 1, subject to terms of Trading with Enemy Proclamations. A year ago total was the same.

London and Lancashire Fire Insurance Co.—Further 17s. per share, making 33s. per share, or 66 per cent., less tax, for 1917, against 62 per cent. for 1916.

London and Colonial Investment Corporation.—Interim 2½ per cent. (actual) on deferred stock, in respect of year ending September 30, less tax, against 2 per cent.

London Trust Co.—Final 4 per cent. on deferred stock for year ended March 31, making, with interim 2 per cent., 6 per cent. for year, same as for preceding year.

Levensteins.—Interim £2 per share, less tax, or 20 per cent. (actual), against 15 per cent. last May.

Nitrate Railways Co.—Final 8s. per share on preferred converted ordinary shares, making total and maximum for 1917 of 7 per cent., and a final 8s. per share on ordinary (unconverted) shares, making total for 1917 of 7 per cent. For 1916 dividends were the same.

Parke's Drug Stores.—On preference shares for half-year ended March 31 at rate of 6 per cent. per annum, less tax, payable on April 20.

Robert Simpson Co.—Half-yearly on preference shares at rate of 6 per cent. per annum, payable at the London Joint Stock Bank, 5, Princes Street, E.C.

Royal Bank of Canada.—3 per cent., being at rate of 12 per cent. per annum, for three months to May 31, payable on June 1, same as a year ago.

Sungei Besi Mines.—Interim 1s. per share, less tax, payable on 26th inst.

Samana and Santiago Railway (San Domingo).—Final for 1917 on ordinary shares of 2½ per cent. (actual), making 7 per cent. for year, against 9½ per cent.

The Yokohama Specie Bank, Ltd., announce that they have opened a branch at Sourabaya.

The Australian War Loan has now reached a total of £38,000,000. Sydney has subscribed £10,209,000, and Melbourne £9,500,000.

The quarterly supplement (April) of "The 100 Best Investments" has been issued by the British, Foreign and Colonial Corporation, Limited, 57, Bishopsgate, price 3d. nett. In addition to bringing the usual statistical matter up to date, the booklet contains an interesting and informative article by Mr. E. Davies on "Investment Under Present Conditions."

British Columbia seems to be as extravagantly inclined now as it was before the war, and we should like to know why the Dominion Government has been moved to promise a bounty to the Province to stimulate the production of iron and steel there from its native ores. Is there any necessity for this extravagance at present, or is such propping required by the programme of the Provincial Government in regard to current expenditure? In the year ending March 31 next the estimates contemplate an excess of \$3,400,000 in the expenditure over the income.

## INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Week ending	Amount	In. or dec. on last year.
Assam Bengal	Feb. 2	Rs. 157,724	Rs. 20,252	Feb. 2	Rs. 24,64,026	Rs. 1,85,313
Barsi	" 9	16,300	8,500	" 9	7,19,800	2,19,300
Bengal & N.W.	" 2	4,49,400	22,193	" 2	68,43,153	6,38,119
Bengal Nagpur	" 9	9,89,000	91,000	" 9	4,63,85,932	35,11,016
Bombay, Baroda	April 6	14,39,000	36,000	April 6	14,39,000	86,000
B. rma	Feb. 2	5,34,328	3,359	Feb. 2	1,79,12,632	23,106
Delhi Umballa	April 6	72,645	5,733	April 6	72,645	5,733
East Indian	" 6	23,55,000	48,000	" 6	—	—
Gt. Indian Penin.	Mar. 31	34,86,200	7,96,900	Mar. 31	5,96,55,554	38,99,234
Lucknow-Bareilly	Jan. 26	54,359	7,216	Jan. 26	8,20,169	83,175
Madras and S.						
Mahratta	Feb. 9	10,60,000	766	Feb. 9	1,90,57,643	9,78,003
Nizam's Gd. (Broad)	" 9	1,41,527	142	" 9	25,05,155	64,334
(Metre)	" 9	1,23,720	11,775	" 9	15,51,324	38,895
Robilkund and						
Kumaon	Jan. 26	36,701	2,297	Jan. 26	700,330	57,477
South Indian	Feb. 9	6,68,223	55,068	Feb. 9	1,22,56,027	9,08,470

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Week ending	Amount	In. or dec. on last year.
Dublin United	Mar. 1	£ 7,305	£ 1,364	Mar. 1	£ 61,814	£ 11,088
Hastings and Dist.	" 18	1,093	124	" 18	10,521	840
Isle of Thanet	" 16	194	55	" 16	4,110	1,843
Lancashire United.	Apr. 10	2,537	474	Apr. 10	37,496	11,126
Provincial	Mar. 30	2,590	813	Mar. 30	62,130	11,225
Yorks. (Wst. Rdng.)	Apr. 14	2,278	22	Apr. 14	35,882	8,375

\* From Oct. 1. † From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last year.	Week ending	Amount	In. or dec. on last year.
Alabama Power	Feb. 8	£ 127,420	£ 26,091	Feb. 8	£ 345,887	£ 327,163
Anglo-Argentine	Apr. 15	58,041	1,918	Apr. 15	820,532	55,950
Auckland Electric	Oct. 26	22,308	880	Oct. 26	92,118	7,832
Brazilian Traction	Feb. 8	M3,565,000	M320,000	Feb. 8	M7,261,000	M626,000
Brisbane Elec. Inv.	" 8	35,530	2,190	" 8	102,039	5,879
British Columbia	Feb. 8	£ 131,940	£ 30,260	Feb. 8	£ 902,899	£ 131,034
B. A. Lacroze	Mar. 8	42,647	1,310	Mar. 8	36,421	69
Burmah Electric	Feb. 8	Rs. 22,985	Rs. 73	Feb. 8	Rs. 157,522	Rs. 217
Calcutta	Apr. 6	Rs. 72,404	Rs. 4,047	Apr. 6	Rs. 931,239	Rs. 47,718
Carthage and						
Herrera	Mar. 8	5,316	2,361	Mar. 8	13,358	3,198
Cordoba Light						
P. & T.	Feb. 8	12,972	1,076	Feb. 8	147,938	435
Hongkong	" 16	£ 18,149	£ 5,635	" 16	£ 94,318	£ 10,102
La Plata	Mar. 8	5,347	819	Mar. 8	14,803	1,867
Lima	Feb. 8	41,913	7,685	Feb. 8	85,449	14,380
Madras Electric	Mar. 31	Rs. 48,284	Rs. 12,949	Mar. 31	Rs. 237,008	Rs. 33,569
Manila Electric	Aug. 8	65,467	4,667	Aug. 8	547,492	70,625
Mexico	Nov. 8	£ 215,256	£ 108,669	Nov. 8	£ 3,193,106	£ 197,227
Rangoon	Mar. 8	5,955	271	Mar. 8	16,978	1,514
Singapore Electric	Feb. 9	£ 13,537	£ 1,292	Feb. 9	£ 75,114	£ 5,447
Toronto	" 1	£ 433,447	£ 7,769	" 1	£ 921,109	£ 9,008
United of Monte V.	Mar. 8	36,659	4,650	Mar. 8	172,333	14,941
Vera Cruz	Feb. 8	42,200	6,300	Feb. 8	84,200	19,300
Winnipeg	" 8	£ 71,403	£ 7,107	" 8	£ 150,195	£ 16,837

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Week ending	Amount	In. or dec. on last year.
Alcoyand Gandia	Apr. 13	Ps. 9,000	£ 3,000	Apr. 13	Ps. 137,900	Ps. 17,470
Antofagasta (Chili)	" 14	50,365	21,915	" 14	610,125	73,235
Arauco	Feb. 8	12,500	2,500	Feb. 8	26,500	4,500
Argentine N.E.	Apr. 13	8,000	2,800	Apr. 13	342,800	64,598
Bilbao R. and Canta	Mar. 8	4,486	1,341	Mar. 8	12,548	907
Bolivar	Feb. 8	9,500	619	Feb. 8	89,236	19,230
Brazil	Jan. 8	M5,202,000	M107,049	Jan. 8	M5,202,000	M107,049
Brazil Gt. Southern	Nov. 8	M14,405,000	M850	Nov. 8	M471,527	M51,057
B. Ayres & Pacific	Apr. 13	161,000	78,000	Apr. 13	3,744,000	209,000
Do. Central	Feb. 8	31,429	10,739	Feb. 8	210,790	18,654
Do. Gt. South'n	Apr. 14	141,000	24,000	Apr. 14	4,515,705	110,549
Do. Western	" 14	82,000	43,000	" 14	2,031,000	7,000
Central Argentine	" 13	189,000	102,000	" 13	4,454,200	158,600
C. Ur'g'ay of Mte V.	" 13	22,398	7,614	" 13	75,216	215,049
Do. East'n Ex.	" 13	6,560	—	" 13	205,721	7,432
Do. North'n Ex.	" 13	4,510	1,800	" 13	132,885	34,665
Do. West'n Ex.	" 13	2,929	1,274	" 13	92,213	16,261
Cordoba Central	" 13	42,300	13,160	" 13	1,234,850	35,790
Costa Rica	Feb. 16	2,662	5,215	Feb. 16	91,579	80,848
Cuban Central	Apr. 13	34,620	8,095	Apr. 13	810,539	154,290
Dorada Extension	Mar. 8	8,200	400	Mar. 8	23,900	2,700
Egyptian Delta	Feb. 28	6,519	1,253	Feb. 28	261,360	62,069
Entre Rios	Apr. 13	22,900	8,800	Apr. 13	630,400	145,300
French Sante Fé	Jan. 8	147,488	55,713	Jan. 8	147,488	55,713
Gt. South. of Spain	Apr. 6	Ps. 25,599	Ps. 63,672	Apr. 6	Ps. 416,908	Ps. 940,382
Gt. West. of Brazil	" 13	15,000	3,100	" 13	277,800	80,050
Havana Central	Mar. 30	11,591	3,769	Mar. 30	337,339	68,731
Inter. of C. Amer.	Feb. 8	24,247	9,386	Feb. 8	47,671	17,585
La Guaira and Car.	Mar. 8	5,500	4,000	Mar. 8	19,250	8,250
Leopoldina	Apr. 13	28,547	8,013	Apr. 13	478,059	134,450
Midland Uruguay	Mar. 8	14,894	156	Mar. 8	119,814	4,266
Mogiana	Dec. 8	M2,312,000	M534,708	Dec. 8	M240,100	M812,420
N.W. of Uruguay	Mar. 8	£ 23,500	£ 5,258	Mar. 8	£ 237,000	£ 16,015
Nitrate	Apr. 15	32,117	1,147	Apr. 15	205,843	14,301
Paraguay Central	" 13	2,780	60	" 13	117,260	14,200
Paulista	Dec. 8	M3,461,000	M752,637	Dec. 8	M341,150	M218,775
Peruvian Corp'n	Mar. 8	£ 11,913,000	£ 102,530	Mar. 8	£ 92,256	£ 179,608
Salvador	Apr. 6	£ 4,295	£ 2,257	Apr. 6	£ 80,387	£ 53,670
State of Bahia S.W.	Mar. 8	M47,000	M20,000	Mar. 8	M237,000	M53,000
S. Paulo (Brazilian)	Apr. 14	26,786	4,236	Apr. 14	400,525	164,331
Sorocabana	Jan. 8	M1,952,000	M199,895	Jan. 8	M1,952,000	M199,895
Taitai	Mar. 8	20,392	1,119	Mar. 8	226,678	57,023
United of Havana	Apr. 13	83,075	26,933	Apr. 13	2,183,342	575,477
West'n of Havana	" 13	11,944	2,612	" 13	358,776	100,088
Zafra and Huelva	Feb. 8	11,570	1,610	Feb. 8	22,493	2,392

\* Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Week ending	Amount	In. or dec. on last year.
Belra	Dec. 8	£ 49,448	£ 1,841	Dec. 8	£ 173,777	£ 6,532
Canadian Northern	Apr. 14	£ 912,600	£ 81,000	Apr. 14	£ 32,545,600	£ 831,900
Canadian Pacific	" 14	£ 2,935,000	£ 102,000	" 14	£ 38,543,000	£ 1,796,000
Gr. Trk. Main Line	" 14	239,741	62,927	" 14	2,581,373	18,242
Gr. Trk. Western	" 14	39,883	4,191	" 14	476,024	6,765
Detroit G. H. & M.	" 14	11,034	3,123	" 14	159,968	14,789
Gr. Trk. Pac. Prairie	Mar. 31	50,401	23,402	Mar. 31	309,400	97,271
Mashonaland	Nov. 8	56,698	1,486	Nov. 8	56,698	1,486
Mid. of Westn. Aus.	Feb. 8	8,617	—	Feb. 8	61,134	3,915
New Cape Central	Mar. 8	2,544	341	Mar. 8	21,157	3,320
Rhodesia	Dec. 8	79,220	2,472	Dec. 8	269,405	11,925

\* Months. † July 1. † Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.
		Dols.	Dols.		Dols.	Dols.
Atabasco T. & S. Fe	Jan.	1,912,000	-1,688,900	12	47,829,000	-1,248,000
Atlantic Coast Line	"	1,075,000	-212,000	12	12,014,000	+ 607,000
Baltimore & Ohio	"	1,852,000	-1,165,000	12	30,589,000	-3,425,000
Canadian Northern	Feb.	b 480,400	-598,600	8	2,279,700	-4,606,700
Canadian Pacific	"	591,000	-1,395,000	11	1,759,000	-2,659,000
Chesapeake & Ohio	Jan.	b 81,000	-1,334,000	11	14,099,000	-1,470,000
Chicago & N.W.	"	b 785,000	-2,797,000	12	27,015,000	-3,634,000
Chicago Burl. & Q.	Nov.	1,642,000	-2,031,000	11	31,281,000	-3,956,000
Chicago G.W.	Jan.	b 10,000	-322,000	12	3,876,000	-1,006,000
Chicago Mil. & S.P.	"	b 628,000	-2,291,000	12	21,967,000	-9,360,000
Colorado & Southern	"	80,000	-1,285,000	12	17,823,000	-2,953,000
Cuba	Dec.	—	-11,000	11	5,320,000	+ 370,000
Delaware & Hud.	Jan.	454,171	+ 245,735	7	1,591,444	+ 398,910
Denver & Rio Gran.	"	3,600	-720,000	12	5,686,000	-2,124,000
Erie	Dec.	415,000	-282,000	12	7,418,000	-1,963,000
Gr. Tr. Main Line	Feb.	507,000	+1,848,000	11	10,538,000	-5,277,000
Grand Trunk Westn	"	b 241,700	-£ 219,400	12	b 4,009,700	£ 601,550
Detroit G. H. & Mil.	"	b 40,150	-£ 27,000	12	£ 79,300	£ 6,750
Gt. Northern	Dec.	b 1,310	-£ 3,900	12	£ 28,000	£ 6,750
Illinois Central	Jan.	1,165,000	-1,401,000	11	22,937,000	-6,179,000
Kansas City Southn.	Jan.	b 477,000	-2,034,000	12	18,636,000	+ 1,847,000
Lehigh Valley	Feb.	455,000	+ 59,000	2	824,000	-10,000
Louisville & Nashv.	Jan.	b 986,000	-1,346,000	12	9,403,000	-2,876,000
Louisville & Nashv.	"	622,000	-1,261,000	12	17,761,000	-2,090,000
Minn. S.P. (Soo) J.	Dec.	357,000	-297,000	12	9,331,000	-3,648,000
Miss. K. & Texas	Jan.	125,000	-281,000	12	8,215,000	+ 2,467,000
Missouri Pacific	Nov.	1,690,000	+ 321,000	5	9,425,000	+ 1,920,000
New York Cent. & H.	Jan.	b 1,149,000	-4,776,000	12	52,218,000	-120,000
N.Y. N. Haven & H.	Dec.	1,182,000	-870,000	12	23,815,000	-2,245,000
New York Ont. & W.	Jan.	b 7,000	-125,000	12	2,228,000	-97,000
Norfolk & Western	"	223,000	-1,467,000	12	19,654,000	-3,808,000
Northern Pacific	"	803,000	-1,424,000	12	27,423,000	-4,110,000
Pennsylvania East						
and West Lines	"	5,940,000	-1,107,000	1	5,910,000	-1,107,000
Phil. and Reading	"	b 1,299,000	-1,898,000	11	14,877,000	-6,626,000
Reading	"	577,033	+ 5,826	11	9,806,000	+ 212,860
St. Louis & San F.	Dec.	1,225,000	-244,000	6	5,576,000	+ 632,000
Seaboard Air Line	"	673,000	-206,000	12	8,628,000	-24,000
Southern	Jan.	1,191,000	-833,000	7	15,044,000	+ 1,255,000
Southern Pacific	"	—	-539,000	11	59,785,000	+ 7,953,000
Union Pacific	"	—	+ 72,000	11	42,042,000	-2,115,000
Wabash	"	b 316,000	-1,026,000	12	12,003,000	-844,000

# The Investors' Review

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## THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - - TAIPEH, FORMOSA.

Amoy, Batavia, Bombay, Canton, Foochow, Hankow, Hongkong, Kuikiang, Kobe, New York, Osaka, Shanghai, Singapore, Swatow, Soerabaya, Tokyo, and every important city in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	.. .. .	Yen 48,000,000
Capital Paid Up	.. .. .	Yen 42,000,000
Reserve Fund	.. .. .	Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Bombay.	Honolulu.	Newchwang.	Shimonoseki.
Calcutta.	Hong Kong.	New York.	Singapore.
Changchun.	Kobe.	Osaka.	Sourabaya.
Dairen (Dalny).	Los Angeles.	Peking.	Sydney.
Fengtien (Mukden).	Lyons.	Rangoon.	Tientsin.
Hankow.	Manila.	San Francisco.	Tokyo.
Harbin.	Nagasaki.	Seattle.	Tsinanfu.
		Shanghai.	Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.  
K. TATSUMI, Manager.

## THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorized	... ..	£1,500,000
Capital Issued	... ..	1,125,000
Capital Paid Up	... ..	562,500
Reserve Fund (Undivided Profits)	... ..	708,432

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS, CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

## THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital	.....	£4,000,000
Paid-up Capital	.....	1,800,000
Reserve Fund	.....	2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILE.—Valparaiso, Santiago. FRANCE.—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world. Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

## THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837. LIMITED. INCORPORATED 1880.

Authorised and Issued Capital, £8,000,000.	
Paid-up Capital, £2,000,000; Reserve Fund, £2,000,000; together	£4,000,000
Reserve Liability of Proprietors	4,000,000
Total Capital and Reserves	£8,000,000

HEAD OFFICE - - - 77, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

## UNION BANK OF CANADA.

INCORPORATED 1865. HEAD OFFICE: WINNIPEG.

PAID-UP CAPITAL	.. .. .	\$5,000,000
REST AND UNDIVIDED PROFITS	.. .. .	\$3,600,000
TOTAL ASSETS EXCEED	.. .. .	\$143,000,000

The Bank has over 300 Branches in Canada, and Agents in the principal cities in America. GENERAL BANKING BUSINESS CONDUCTED.

Deposits Received for fixed periods at favourable rates, which may be ascertained on application to

London Offices: 8, PRINCES STREET, E.C. 2, and 26, MAYMARKET, S.W.

New York Agency: 49, Wall Street.

## BANKS.

# CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA, 38, Bishopsgate, London, E.C. 2.

INCORPORATED BY ROYAL CHARTER.

Capital, £1,200,000. Reserve Fund, £2,000,000.

## Court of Directors.

SIR MONTAGU CORNISH  
TURNER, Chairman.  
SIR DUNCAN CARMICHAEL.  
THOMAS CUTHBERTSON, Esq.  
SIR ALFRED DENT, K.C.M.G.  
Managers: T. H. WHITEHEAD and W. E. PRESTON. [Esq.  
Sub-Manager: J. S. BRUCE.

## Bankers:

THE BANK OF ENGLAND.  
THE LONDON CITY AND MIDLAND BANK, Limited.  
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THE NATIONAL PROVINCIAL & UNION BANK OF ENGLAND, Limited.  
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London, 22nd April, 1918.

# The Investors' Review.

Vol. XLI.—No. 1,060.  
New Series.

SATURDAY, APRIL 27, 1918.

(Registered as a Newspaper.) Price 6d.

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## Passing Events.

Advertisements are being published broadcast by the Publicity Department of the Exchequer urging the nation to make up its subscriptions to War Bonds to £25,000,000 a week. The average so far has not quite equalled that amount which we are asked to regard as the minimum necessary, and it certainly is that. But in recent weeks the amount received has been painfully short of the required standard. Last week, for instance, there was an increase of 1,218 in the number of applications, making them 22,066, but the amount applied for was £849,280 down at £16,436,000. The total debt is therefore no more than £655,834,000 as proceeds of the Bank of England issue alone, and not much of a supplement to that sum comes from the Post Office issue. For the week ended Saturday, April 13, there were 37,266 applications at the Post Office, or 21,566 more than in the preceding week, but this swelling out in the numbers gave only £625,000 more in money at £965,580, and the total applications to date, viz., 1,058,466, have produced only £26,249,000; which, added to the Bank of England issue raises the aggregate proceeds of National War Bond sales to £682,083,000. To this we must add the proceeds of the sale of War Savings certificates. These were rather good in the same week, ended the 13th inst., totalling, as they did, 4,777,414. Adding these to the previous figures, we get a total of 183,143,430 War Savings certificates sold. In money this is equivalent to about £137,000,000 paid into the Treasury, consequently the Exchequer resources have been increased by £819,000,000 through these various means, and the more or less fixed debt by £765,000,000. That looks fine, but our deficit for the current Budget year, after all the proceeds of new taxes have been taken into account to the full estimated value of their yield, is expected to exceed £2,000,000,000. Surely something more energetically wealth-tapping is necessary if the country is to be saved from a most disagreeable state of affairs when the war does come to an end.

How are we to borrow this £2,000,000,000 odd during the current year? Were our various peddling forms of debt creation to be whipped up to produce £30,000,000 a week on the average, we should still be nearly £500,000,000 to the

bad at the end of the year, and they give no indication of capacity to produce anything like £30,000,000 per week. It is plain, indeed, that not all the skill in advertising and ingenuity in devising sensations suffice to bring the bulk of the nation to an understanding either of its peril or of its duty in the matter of saving and lending, and a large proportion of those now made richer than they ever before were in their lives through the expenditure of this borrowed money are doing next to nothing towards helping the country in its extremity with their spare money. There might be some attraction found for subscribers to the War Savings certificates if people would get rid of cant and superstition, so as to be able to deal with affairs in a plain businesslike fashion. How much, for example, does the Exchequer save by not paying interest on these certificates until the end of five years, assuming that they are not sent in for redemption in the interval? It must be something considerable, something that would be enough basis for the offer of prizes to the local committees who showed most efficiency in raising the total subscribed. We only ask the question, and make no recommendation because it is useless to talk to those in charge of our financial interests while their minds are pre-occupied with pious fancies. One of these days they will wake up in a hurry, and rush into measures that but yesterday they scorned.

Revenue showed a faint tendency to improve last week, the total receipts from taxation and State monopolies having been £11,350,000, of which £7,068,000 was provided by income-tax with super-tax and the excess profits duties, but the total expenditure of the week on current account was £67,149,000, or £9,593,000 per diem. On Supply services alone, that is to say principally on our fighting forces, the outlay was £65,000,000, or £9,286,000 a day, which compares with £3,752,000 the previous week, so the actual revenue went but a little way towards meeting the current expenses, and these were supplemented by other payments incident to the credit requirements of the Treasury. Thus £72,130,000 of Treasury bills had to be paid off, this amount including "part payment of bills and certificates tendered as subscriptions to National War Bonds," a useful reminder always, which should prompt some M.P. to extract from the Chancellor of the Exchequer an exact account of what

our oddments of war debts are really producing in the way of new cash. How much of the £682,000,000 set down against National War Bonds is represented by actual cash paid in? Besides Treasury bills £751,000 of War Loan and other bonds were cancelled and £5,800 of War Expenditure certificates, together with £3,451,000 due under "other war debt." Altogether, therefore, the total payments of the week came to £143,649,000, and as the total revenue, including £73,658,000 of new Treasury bills issued, £3,000,000 received from War Savings certificates, £24,236,000 obtained from other war debt sources, that is to say from America, £11,994,000 nett proceeds of National War Bond sales paid in, and £18,000,000 raised on call loan or "ways and means" advances, was only £142,308,000, it followed that the Exchequer balances had to be drawn upon for £1,341,000, bringing them down to £16,335,000. A year ago their total was £24,405,000. There is nothing exactly to alarm in this exhibition of a labouring machinery of our Treasury, but it does indicate stress of a magnitude bound to grow, and which the Budget provisions do much less than is necessary by way of helping to ease the strain.

In his Budget speech Mr. Bonar Law contrasted our position with that of the German Empire, whose rulers, he said, have not ventured to tax wealth, and consequently whose Budget makes no provision whatever for after-war demands. To themselves, or at least to the public in Germany, this absence of a straightforward facing of the liabilities brought upon the Empire by the war is excused by a parade of indemnities to be exacted from the vanquished, but that only makes the position more hopeless for the Hohenzollern fabric of Empire. The war has gone on so long, and has cost so much, that "indemnities" on the stupendous scale required have become impossible of exaction. Not even from Russia will Germany be able to exact money indemnities. All that can be wrung from the peasantry of that betrayed empire is such plunder of food and raw materials as may be within reach, and its collection will cost the thief more than it is worth. As for the Allies of the free, there is no probability that the Prussian brutes and their miserable hordes of Paraguayan-minded slaves will ever be in a position to extract a farthing from any of them in the way of robbers' plunder called "indemnity." But that fact also emphasises only the more strikingly the habits of bluff and of impudent pretence which characterise so habitually the behaviour of Hohenzollern's tools. Look at the scheme of new taxation paraded a little more than a week ago by the German newspapers. We gave the figures last week, and the items totalled up to £158,000,000. One may well wonder where the money is to come from. How are spirits, for instance, to be made to produce £42,500,000 of additional revenue even when made a monopoly, when there is no grain in the country to distil them from? And will beer give another £17,000,000, no matter how it is taxed, when it also cannot be brewed for want of hops and grain? Coffee, tea, cocoa, and chocolate are put down to produce £3,750,000 more money, but do they grow coffee in Germany or any of these other substances? If not, we fear the parade of fresh revenue is here also a derision. But it is all of a piece with the Prussian code of morals: "Lie always if the lie the better serves the immediate purpose; and, by controlling all channels of information, take care that the lie is not found out, at least not too soon."

Is this latest German loan any more real than the German Budget? It is heralded as a tremendous success, the eighth such, and the amount it has produced is said to be £727,500,000 on the basis of the normal exchange. That sum, moreover, does not include the amount of former War Loans converted into this new one, nor the additional subscriptions from the public and from the army. Who has found the money, then? Banks and armament firms are said by the *Frankfurter Zeitung* to have subscribed "liberally," but private

persons have given less. More, however, has come from the agricultural interests, which alone among the people could afford to pay. How much of the so-called money is merely a transformation of debts due by the Government which it could not pay into the long post-dated promissory notes of this same bankrupt Government? What does Germany possess in the way of unmortgaged wealth to subscribe with? Are there any industries in Germany producing wealth other than those connected with the destruction of property everywhere?

We have often declared that both empires are bankrupt beyond hope, and that is the simple truth. The destruction of wealth in Germany has proceeded at such a pace, and has endured so long, that were the war to end next month, Germany's ruin would put her out of the running for equality, let alone dominance, amongst the pioneer nations of the world for many generations. And Austria and Hungary are in even a worse plight, because they were poorer to begin with, and because the Habsburg Empire is full of discordant racial elements who are only waiting for the hoary tyranny to collapse in order to throw off for ever the burden it imposed. Official figures have been published in Vienna which show the war debt of Austria alone at the end of June last to have been £1,762,500,000, taking the krone at its old gold value. The war is said to have cost Austria during the first year £1,208,000 a day. In the second year this cost rose to £1,708,000 a day, and in the third year to £2,042,000 a day, while in the current year it is put at £2,500,000. Austria's total debt as a State, therefore, has now reached an aggregate of £2,292,000,000, involving an annual charge for interest of £92,292,000, and what has Austria got to pay this interest with? Nothing, except the estates of her feudal nobles and of the Church. As for Hungary, we do not know what her debt is, because the figures have never been made public, but on the basis of the quota contributed by the two States towards the maintenance of the military establishment of the Empire, her war debt alone must now amount to £1,000,000,000, and Hungary has nothing at all to meet it with, outside the similar feudal possessions of her masters. Will the bankers involved in the Habsburg ruin foreclose the mortgage, realise the effects, and distribute the proceeds among the creditors of the State? The people are more likely to do that for themselves once the victory of the Allies has knocked their fetters off. We shall get our "indemnity" in assisting the liberated people to develop and multiply the riches lying dormant and neglected in their tyrant-blighted lands.

We hope nothing but sympathy will be felt and expressed here for the Dutch in their present dangerous position. It is dangerous because the unscrupulousness of the Prussian military ghouls increases with the imminence of their defeat. To us it has all along been a wonder that the Dutch have been able to keep the Prussian claw from their throats for so long. Had it not been that it paid the Berlin gang to abstain because by doing so they were able to obtain supplies from abroad otherwise beyond their reach, we have no doubt that Holland would long ago have been treated with the same devilish cruelty as Belgium. And now it is quite possible that, spurred by the growing miseries within, Ludendorff and his gang may be seeking a pretext for hostility against the Dutch, for a pretext to invade and steal. If, for example, they could hope to free the mouth of the Scheldt from neutral control by picking a quarrel with Holland and declaring war against her, we may be sure they would not hesitate to do it. Apparently the quarrel now being forced upon the Dutch Ministry relates principally to the conveyance of sand and gravel over Dutch railways into Belgium, but where so many friction points exist, any pretext would do, and the demand that the railway from Dusseldorf to Antwerp, built through Holland by a Belgian company in 1874, and subsequently taken over by the Dutch State Railways, should be made

available for German transport, can only be regarded as just the kind of instrument wanted. Germany wishes traffic to be resumed, and free on that line, which Holland had stopped, acting loyally as a neutral. The Netherlands Government apparently is not objecting to reopen the road, only stipulating that the line must not be employed for any kind of military transport, but that proviso itself will probably be regarded as an insult by the overweening Prussian, and unless something comes to divert his mind towards other coveted booty, it looks likely enough that Holland may find herself in Prussian clutches. What ought our attitude to be in such a case? It ought to be one of sympathy, of concession, and, as far as possible, of support. We should press no claim upon the Dutch which can be avoided, and certain we are that our Government will take this course and avoid even to its own apparent hurt anything resembling the arrogant dictation of the Prussian. Moreover, prompt steps must be taken to let Prussia and the world know that the Allies will hold Germany responsible to the uttermost for any injury done to the Dutch, and that meanwhile aggression will be met by unsparing retaliation.

That too clever by half Prussian sophist and banker, Herr Helfferich, has, it would seem, been fulminating against England at Stuttgart, and after talking about "Germany's good conscience," proceeded to indulge in the customary abuse of this country. The matter would be of no importance whatever, and is worth precious little notice now—except that it is well, perhaps, to point out once more the brazen misrepresentation with which the abuse of this country and the misrepresentation of its motives for entering the war are sustained. It is England, according to this malignant spirit, who has brought about the war. It was England's jealousy, and so forth, and "just as in the war of the Spanish Succession, the Seven Years War, and the Napoleonic Wars, England let the peoples of the Continent bleed, enemies and allies alike, while she herself went out on the sea and beyond the seas for robbery and conquest," so in this war, in addition to the Russians, French, and Belgians, England has thrown at our [Prussian] heads the Italians, Rumanians, Portuguese, and Americans, "to say nothing of the coloured representatives of civilisation from all the continents." At the same time, she has seized "our almost defenceless colonies," and forced her way into Palestine and Mesopotamia, and has established herself in Persia. France and Italy have lost valuable provinces, so have Russia, Serbia, Rumania, Montenegro, and Belgium, they have collapsed, indeed, "but no enemy foot stands on British soil." There is much more of the same trash, all designed to sow trouble among the Allies, to mislead the people of Germany and to blacken us. It is so penetrated with falsehood that one stands aghast to find any man claiming to be worthy of respect amongst his fellow-men capable of stooping to concoct and proclaim falsehoods so palpable. Whose fault is it that we have been able to gather so many friends around us to fight the Prussian enslaver and tyrant? Was it we that sent the legions of the Hohenzollern into Belgium, into Northern France? Let Litchnowsky answer. "If England has her way," the man Helfferich goes on, "we shall find abroad after the war not one stone upon another, and no ground left upon which we can rebuild. Once and for all we shall be roped in and bottled up on the Continent, and so we shall finally find our modest place in the system of British world-domination." Probably his forecast is accurate, but whose fault is it? He says it is ours. But can such falsehood really much longer beguile and reconcile the miserable and perishing German people to their losses? No doubt it is to their own leaders that they will owe their ostracism, not to us, as they are even now finding out.

It may be good party journalism to cast gibes at Lord Rothermere on his resignation of the post of Aircraft Minister, but it is not fair play, less still

generous. His lordship deserves sympathy and respect, anything but abuse, and the fact that he has lost two sons in this war should alone dictate the keeping of silence on the part of those who cannot feel it in them to say a good word for the minister who has now resigned. Surely one need not be suspected of sympathy with Harmsworthian practices in journalism because one ventures to say that Lord Rothermere must have worked as effectively as he worked hard at his by no means easy post. He long ago proved himself to be an able man in business, and we see no reason whatever to think that when he joined the Government he proved anything other than a valuable public official whose services the nation can ill afford to lose. That he should have had to meet friction and to bear the obloquy of resignations amongst the military chiefs under him is to our thinking rather a testimony to his value as a man of character and determination than a ground for sneers and complaint. After all, the Harmsworth family has distinguished itself more than any other in its encouragement and advocacy of the conquest of the air. Lord Northcliffe himself has from the first stood out as one of the most generous of pioneers in this new field of man's conquest over the forces of nature and immemorial prepossessions, and the opinions and policy of his brother could hardly fail to be on many points more enlightened and comprehensive than those of the men in uniform under him. We hope he will soon be well again, and able to resume work.

Gross profits earned by the London and Brazilian Bank, Ltd., in the year to January 31 rose £70,000 to £571,560, while expenses were £34,000 higher at £289,300. Taxes at home and abroad were rather less at £43,700, and with a somewhat larger amount brought in the available balance is £39,000 up at £537,400, out of which a dividend of 14 per cent. and a bonus of 2 per cent. are again paid, while £25,000 (new) is written off bank premises and £12,000 is appropriated as a bonus to the staff. There then remains £1,500 more at £300,400 to be carried forward. Current and deposit accounts have increased £760,000 to £9,368,000 and bills for collection are £140,000 up at £3,288,000, but bills payable have fallen £920,000 to £2,618,000. Cash is £580,000 down at £4,365,000, bills receivable are £1,025,000 lower at £1,955,000, and remittances in transit are £250,000 down at £1,168,000, but loans, &c., have increased £1,665,000 to £8,125,000. The nett result of these changes is that the balance-sheet total is a trifle less at £19,228,000, and we should judge that the period has been a trying one for business, although profits were larger. It is announced that an agency has been opened in Manchester in combination with Williams Deacon's Bank, Ltd. No provision for depreciation has had to be made in respect of capital employed in South America.

Evidence of the prosperity at present being enjoyed in the Land of the Pharaohs is furnished by the report of the National Bank of Egypt. In 1916 gross profits increased £217,000, and this is followed by a further gain of £142,000 last year bringing the total up to £767,000. Expenses rose £18,000 to £214,200, but only £33,600, or £82,000 less, had to be allowed for depreciation of securities, and the nett profit comes out £206,000 to the good at £519,250. This allows of the dividend being raised from 6 per cent. to 8 per cent., and after placing £200,000, against £80,000, to special reserve, the carry forward is increased by £27,000 to £49,500. A further expansion of £9,600,000 has taken place in the note circulation, following a similar advance last year, and the total issue is now £30,800,000, covered as to £3,860,000 by gold, and the balance by Treasury bills and other Government securities. Current accounts are up £3,400,000 at £12,027,000, and the Egyptian Government deposit is £2,140,000 higher at

£8,128,000. Investments have increased £2,400,000 to £8,122,000, advances on merchandise £2,000,000 to £4,557,000, other advances £1,100,000 to £1,736,000, short loans £825,000 to £2,250,000, and bankers' accounts £600,000 to £1,613,000, but cash is £640,000 lower at £1,358,000. The balance-sheet totals at £28,025,000, an increase of £6,400,000, and everything looks flourishing.

Although Italy's foreign commerce has been greatly restricted owing to the war, the well-managed and progressive Credito Italiano did a magnificent business last year. Deposit and current accounts increased 540 millions to 1,557 million lire, acceptances 10 millions to 54,436,000 lire, cheques outstanding 17 millions to 50,224,000, and sundry creditors seven millions to 29,376,000. On the assets side, cash increased 50 millions to 165,100,000 lire, bills receivable 280 millions to 1,071 millions, advances, &c., 253 millions to 478,640,000, loans 12,700,000 to 49,830,000, investments, &c., 2,300,000 to 21,161,000, and sundry debtors 11 millions to 24,740,000. Altogether the total of the balance-sheet is 617 millions higher at 1,887,055,000 lire. As a consequence of the expansion which these figures indicate nett profits rose 6,400,000 to 13,930,000 lire, and the dividend is raised from 6 per cent. to 7 per cent., while 3½ millions more at 6,000,000 lire is placed to reserve fund, increasing it to 21 millions, and the carry forward is only a trifle less at 145,000 lire. It is a flourishing statement at all points, and the bank has established a position which is likely to develop still further when normal conditions are restored.

A satisfactory history of the progress of British Dyes, Ltd., has been made public this week. The company was started under Government patronage and impulse in 1915, and began by buying the works of Read, Holliday and Sons, of Huddersfield, a transaction much criticised at the time. The new company, indeed, has met with a good deal of hostile attention all through its career, and its success is all the more creditable to those who have had to face that criticism and overcome many obstacles. As yet, apparently, the company does not produce a great variety of marketable dyes, but in spite of the scarcity of labour and materials, it has made distinct progress in the production of intermediate products necessary to the evolution of the dyes of commerce, and that is something to take credit for. Large plants for the manufacture of about a hundred intermediate products of prime importance have been created, and the company is now manufacturing many of these products on a commercial scale. From that stage it is proceeding with the erection of plants to turn out the dyes themselves, and this is said to be a much less costly affair than the provision of plants for the output of intermediate substances. A dye-making factory, it is explained, requires not only the necessary chemical plant, but also large installations for providing services for high and low pressure, steam, electricity, power gas, compressed air, &c., and the setting up of the necessary plant has been a very difficult piece of business to carry out under present conditions. But it has been carried out seemingly, and the company is solidly established. It has a large staff of experts, and the chairman, Mr. J. Falconer, M.P., and three of the directors meet weekly at the factory and work in close co-operation with the managing director. Research is supervised by a research council, which comprises certain University professors and technical officers of the company. Moreover, in the two years now complete the company has earned enough to pay the interest on its debentures and the maximum dividend of 6 per cent. permitted to be paid on its ordinary shares by the articles of association. In its first year, also, it wrote £200,000 off cost of construction, and may be able to do more out of its second year of profits when the accounts have been examined and passed "after deciding what the company's liabilities are under recent financial measures." A number of Press representatives were afforded an opportunity of visiting the works a week ago, and had matters explained to them by the

works manager, Mr. Joseph Turner, one of the directors. After seeing what was to be seen they met the chairman, Mr. Falconer, at lunch. He told them that it was by the manufacture of intermediates that the Germans had been able to keep dye manufacturing to themselves. As the British Dyes, Ltd., has made such progress in this branch of manufacturing, England should now be independent of German supplies. There were just over 200 such colours. There may be one or two the Germans had made which had not been produced in commercial quantities here yet, but if one could master intermediates one could produce colours. There was nothing to justify those who were faint-hearted, for the company had succeeded in establishing a supply of dyes which would compete with Germany in other parts of the world. He believed they had the raw materials and the necessary scientific men for successful experiments. Altogether it was a hopeful address, and the record is thus far full of encouragement.

It has only now been possible for the bondholders' committee of the Algoma Central and Hudson Bay Railway Company and of the Algoma Central Terminals, Limited, to present accounts for the three years to June 30 last. The history of these offshoots of the Lake Superior Corporation group is not a pleasant one, but the time is past for recriminations, and all that can be done now is to make the best of a bad job. A certain amount of progress is being made, but the committee give it as their considered opinion that without extensive and costly development, the earnings of the companies will not be sufficient to meet the interest charges of the existing bond issues. Under the scheme of arrangement the Terminals bondholders are entitled to 3 per cent. per annum (cumulative) out of the joint nett earnings before anything is paid to the bondholders of the railway company, and payment has been arranged of the coupons up to June 30 last, leaving a sum of \$291,600 in arrear. There is, however, a balance in hand of \$114,400 available for distribution equally over the whole bonded debt of the two companies, but as this represents less than 1 per cent., it is proposed to carry the amount forward. Gross earnings last year amounted to \$1,684,000, an increase of \$560,000, and the nett earnings were \$282,000, an increase of \$120,000, but there is an accumulated deficiency of \$2,924,000 in respect of the railway bonds, and the outlook is not very encouraging. Traffics are steadily improving, and the increase of 15 per cent. in rates as from March 15 will help, but unfortunately expenses also are advancing rapidly, and not much advantage can be expected under existing conditions. On the other hand, the Lake Superior Corporation, which guaranteed the bonds of the two companies, has been doing much better recently, and some payment under the guarantee is expected shortly. The Committee's statement is a full and frank one, and the bondholders' interests are in as good hands as could be wished, but they cannot accomplish impossibilities.

It is announced that the adjourned annual general meeting of Baldwins, Limited, will be held on May 2, when the accounts for the year to June 30 last will be submitted. They could not be completed in time for the regular meeting last October, but the usual dividend and bonus, making 12½ per cent., tax free, for the year was declared, and no hope was entertained that there would be any further payment. And so it turns out. Nett profits, in fact, were £3,000 less at £313,000, but no doubt the provision for excess duty and special depreciation took a considerably larger sum, and it is evident that the works have been kept going at full pressure. The amount brought in was £47,000 larger, and after again placing £75,000 to reserves, the balance forward is £24,000 up at £157,000. During the year £265,000 nett was spent on new additions to property and plant, investments increased £540,000 to £1,097,000, and cash £385,000 to £753,000, while £430,000 more at £1,164,000 is

owed to sundry creditors. Following a practice which is becoming very general, it is proposed to capitalise part of the reserves by creating 310,165 new ordinary shares of £1 each, which will be distributed as a bonus in the proportion of one new for every four old shares held. In order to meet the capital requirements of the company it is also proposed to offer ordinary shares for subscription at the price of 25s. in the proportion of one new for every old share held (including the bonus shares), which will have the effect of increasing the ordinary capital to £3,100,000. The consent of the Treasury to the issue has been obtained, and we do not suppose the shareholders will raise any objection. A controlling interest has been secured in the Brymbo Steel Co., Limited, the price paid being 20 £1 Baldwin for each £10 Brymbo share.

Conditions have again proved unfavourable for the Argentine Tobacco Co., Ltd., and the gross profits to October 31 show a decline of £75,000 at £275,800. By strict economy expenses were reduced £17,000, and the net profit before charging depreciation is only £28,000 down at £112,550. In order to provide for the repayment at 105 per cent. of £110,400 debentures drawn for redemption on November 1 last £3,370 is transferred from reserve for contingencies, making up the total to £115,920. Premium on the debentures requires £5,520, and £30,400 is set aside for depreciation, and £80,000 is applied in reduction of goodwill. In spite of adverse conditions in Argentina and the high cost of materials the position is improving. Debentures repayable by next year are brought down to the manageable dimensions of £243,000, and after they are out of the way the preference shareholders will begin to get their dividend arrears wiped off.

The British Government has entered into a new contract with the Commonwealth Government with regard to the Australian production of zinc concentrates. Two years ago a contract was made under which the Imperial Government undertook to purchase 100,000 tons per annum until 10 years after the war, and also 45,000 tons of Australian produced spelter. This arrangement ensured that of the 400,000 tons of concentrates produced annually in Australia, chiefly at Broken Hill, about 250,000 tons would be treated within the Empire. This contract, which involved a total of something like 25 millions sterling, however, was found to require some amendment. A fresh agreement has therefore been entered into which provides for the purchase by the Imperial Government of all the concentrates produced in Australia for a period ending 10 years after the conclusion of peace. This involves a considerable extension of the scope and importance of the old contract, for it will give Great Britain the control of material which before the war went to Germany, and was a powerful factor in the control which the Metallgesellschaft exercised over the spelter markets of the world. It is stated that the special interests of Belgian and French smelters have been given adequate protection. Naturally the Broken Hill

companies will benefit from this new scheme, which, to say the least, ought to ensure a profitable future for its great zinc concentrate producing industry.

The report of the East Rand Proprietary Mines for 1917 is a very gloomy document. Ever since the disclosures of 1911 the mine has gone steadily down hill owing to the decreasing value of the ore in the mines, which has been as persistent as it has been startling. The tonnage milled in 1917 was 1,741,300 tons, a further decrease of 176,700 tons, while the yield declined by 2s. 6d. to 21s. 11d. per ton. Working costs were 6d. higher at 19s. 9d., and consequently the working profit was reduced from 5s. 2d. per ton to 2s. 2d. The nett profit shows a reduction of no less than £256,420 at £108,100, following a decrease of £150,426 in 1916, and of £127,636 in 1915. Shareholders get nothing, against 2½ per cent. in 1916, and 45 per cent. in the early days of the amalgamation. The carry forward is reduced from £315,169 to £252,930. Development suspense account, representing funds available, amounts to £322,853, against £357,566. Capital expenditure amounted to £208,077. Reserves of ore have decreased from 4,200,000 to 2,732,000 tons, valued at 6.2 dwts. per ton. To carry out the exploitation of the southern area and to continue ordinary development, as decided upon early last year, it was necessary to produce sufficient profits to meet fixed charges. This policy depended upon three conditions, which unfortunately were not fulfilled: an adequate labour supply, no further rise in costs, and the disclosure of a reasonable proportion of payable ore. Only 424,625 payable tons were, in fact, developed, against 1,018,022 tons mined from the ore reserves. The policy decided upon early in the year had therefore to be modified in the autumn. In his report the consulting engineer states that efforts to discover payable ore in the large area east of the Cason section met with no success. Difficulty is being experienced in obtaining sufficient payable stope faces to keep up the supply of ore for the mill. This difficulty will increase, and is bound to have an adverse effect on profits, which in any case will be extremely small. It is, in fact, regarded as doubtful whether for 1918 the profits will be sufficient to meet current liabilities. It is a curious fact that the three great amalgamations on the Rand have failed to fulfil the expectations originally formed in regard to them. And the moral of it is that although mining on a large scale is more economical than on a small, prosperity depends less upon this than upon the real value of the amalgamating mines.

### The Budget.

Mr. Bonar Law's second Budget is on a much more magnificent scale than even his first, and although he estimates for a revenue of no less than 842 millions, the principal items of his programme have been accepted with a meekness which shows that the country is prepared to face every sort of sacrifice in order to get on with the main task of beating the Hun, both militarily and economically. For many months past it has been

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evident that Mr. Law's estimates a year ago would be wide of the mark; while revenue was substantially greater than he anticipated, the expenditure mounted up at a rate which, it may be frankly admitted, could not have been foreseen. It was laid down as a sound principle by Mr. McKenna, and generally accepted, that the very least the Chancellor of the Exchequer should aim at was to provide for interest and sinking fund on the war debt, together with a sufficient margin for the regular peace-time services. Last year's Budget, in the result, fell considerably short of this ideal, and consequently everyone was prepared for a more or less drastic increase in taxation. On the whole, Mr. Bonar Law has followed well-established lines, and his proposals, as a rule, have met with general approval, while even the income-tax payer has got off rather more lightly than was expected in many quarters.

The task which the Chancellor had to face was certainly a formidable one. Expenditure for the current financial year is estimated at the huge sum of 2,972 millions—a figure which the ordinary mind is unable to grasp the full significance of. Debt charges alone are put at £315,000,000, civil services (including old-age pensions and education) will require £64,000,000, and votes of credit for the Navy, Army, and Air Services are estimated at 2,550 millions. Revenue on the existing basis of taxation is estimated at £774,250,000, and new taxation is expected to produce £67,800,000, without counting anything from the "luxury tax" of 2d. in the shilling, the details of which have not yet been settled. This is the only novelty which Mr. Law has introduced. It will be based on the French model, and it is probably well worth trying, not only with a view to securing revenue, but also as an effort to curtail wasteful expenditure. Only experience will show to what extent it succeeds in either of these aims, but financial opinion in France is by no means unanimous about the virtues of the tax, and if it requires another army of officials for its satisfactory operation, it may well be that the game is scarcely worth the candle. The French tax is estimated to yield about £24,000,000, and, as the proposed tax here is to be over 16 per cent. as against 10 per cent., Mr. Law is no doubt justified in hoping for a substantial revenue from this source; but we must just wait and see.

Apart from this new line of country, which must be regarded as an experiment, Mr. Law has followed the stereotyped lines. He has raised the flat rate of income-tax from 5s. to 6s., and the super-tax from 3s. 6d. to 4s. 6d., but incomes up to £500 a year are unaffected, and a concession is made in respect of the allowance for children which will now apply also to the wife, and the limit of income to which the relief is applied is raised from £700 to £800. On the other hand, super-tax is to start at incomes of £2,500 instead of £3,000. The nett increase from these sources is estimated at £44,950,000 this year, and at £60,850,000 in a full year. We ought to mention that farmers are now to be charged income-tax on double their rental, while having the right to be assessed under Schedule D—that is, on the actual profits made. They still escape excess profits duty, although no class has benefited more relatively from war conditions, and we doubt very much whether many of them will prefer Schedule D to the flat rate. Still it is a step in the right direction, and for the present we must be satisfied, while we do not suppose that the farmers themselves will be disposed to grumble more than ordinarily.

The duty on spirits is raised from 14s. 9d. per gallon to 30s., or rather more than double, while beer is to pay 50s. per standard barrel, against 25s. The increase in regard to spirits is estimated to yield £7,100,000 this year and £7,550,000 in a full year, while the corresponding figures for beer are £9,700,000 and £15,700,000 respectively. Tobacco duty is to be raised from 6s. 5d. to 8s. 2d. per lb., and the effect will be to increase the price to the consumer by 2d. per oz., but new prices for tobacco and cigarettes are fixed by the Control Board, so that the smoker will have the satisfaction of knowing that most of the advance goes into the coffers of the National Exchequer. Matches

also are to pay more, and the lowest price for a box (30 per cent. unlightables) will be a penny. When so many things are controlled it would surely be possible to compel manufacturers to reduce the percentage of "duds," which one usually finds in a box in these days. The higher tobacco duty is estimated to yield only a miserable £10,000. Either that is hopelessly wrong or it was not worth disturbing the present basis, even if it is desired to reduce consumption by increasing the price. Not being Treasury experts, we cannot tell what they are driving at, but the £10,000 gain is obviously preposterous from any point of view, and in spite of control will merely lead to further profiteering.

When we come to the increase in the sugar duty by 11s. 8d. per cwt. (say 1½d. per lb.) we get on to very debatable ground. Mr. Law justifies it because the State now subsidises the loaf, and he thinks he has somehow arrived at a reasonable equation. Of course, it is nothing of the kind. We were always greatly doubtful about the policy of selling bread at less than cost price—it tended to extravagance of consumption at a time when it was most essential, according to all official statements, that the strictest economy should be practised. Then to use that as an argument to raise the already heavy duty on sugar and destroy one of our most profitable industries is merely flying in the face of common-sense, but as there is no real Parliament in these days, we must accept every sort of stupidity that may be rammed down our throats. Only there will be a terrible day of reckoning presently.

We need not refer further to the "luxury" tax, especially as it does not figure in the revenue estimates, but a word may be said about the increase on the cheque stamp from 1d. to 2d. This is going to produce some £3,500,000, we are told, and the bankers, recanting on the views they expressed when the proposal was made by Sir Michael Hicks-Beach 16 years ago, are not averse. Well, their staffs are reduced, and to a great extent most horribly inefficient. It will suit them very well to curtail this most efficient and excellent form of currency—Treasury notes are so much easier and cheaper to handle. But the idea that the 2d. cheque will not cause a great inflation in the circulation of "Bradburys" and postal orders is absurd. Take a case within our personal knowledge. A firm—not a very large one—uses a £5 book of cheques (1,200) every three or four weeks, and there are scores of others who use many times more. But even on this basis the firm in question which now pays £60 or £70 a year will have to hand over to the Exchequer double that amount—an irrecoverable tax which becomes serious. Of course, it will try to economise in this direction, and the fact that it is certain to lose by adopting other methods of payment will not enter into the calculation. In any case, it is not right to increase indirect taxation to this extent, and the disturbance to the normal routine of trade will be far greater than any compensating advantage to the Exchequer. Very similar remarks may be applied to the revised postal scale, which has nothing whatever to recommend it. It would probably cause far less irritation to make the basis for letters 2d. instead of 1½d. for the first ounce, and to leave the ½d. postcard undisturbed. On the other hand, we think that if the scale had been left at 1d. per oz. for letters, rising by ½d. for every additional ounce up to say 4 ozs., and then by ½d. for 2 ozs., the results would have been much more fruitful to the Treasury. We suppose we must accept expert opinion on a point of that kind, but we feel confident that the question has not been considered properly and adequately on a broad-minded basis.

We are not disposed to criticise Mr. Law's proposals too critically, but there are one or two points that, in the expressive language of the Stock Exchange, are "sticking out a yard." In this desperate crisis of our affairs a bold Chancellor—a Gladstone, let us say—would have made a serious effort to tackle the taxation of ground rents and some of the more glaring inequalities of our land laws. A Government which can force Irish conscription through the House of Commons can pass anything, and the opportunity to get a few

rational reforms enacted was too precious to be missed. But Mr. Bonar Law, with his colonial narrowness of vision, which is usually circumscribed by the village pump, could hardly be expected to understand, and still less to deal with, some of these old-world problems of ours. There is no use in grumbling. The existing House of Commons is old, tired, effete, and largely incompetent. It is perhaps just as well that a few of the questions we have indicated and a number of others should be left until a new Parliament is elected on a really broad democratic basis. What the result may be we should not like to predict, but we feel rather sorry for many of the present members when they have to go before their constituencies with an account of their stewardship.

The following official tables will be found useful for future reference:—

### REVENUE AND EXPENDITURE.

#### ESTIMATED REVENUE, 1918-19.

	£	£
Customs .....	71,650,000	
Add proposed additional taxation ..	22,850,000	
		94,500,000
Excise .....	35,350,000	
Add proposed additional taxation ..	17,850,000	
		53,200,000
		147,700,000
Estate, &c., Duties .....		31,500,000
Stamps .....	8,500,000	
Add proposed additional taxation ..	750,000	
		9,250,000
Land Tax .....		650,000
House duty .....		1,950,000
Income-tax (including Super-tax)....	267,500,000	
Add proposed additional taxation ..	22,950,000	
		290,450,000
Excess Profits Duty, &c. ....		300,000,000
Land Value Duties .....		700,000
		634,500,000
Total Receipts from Taxes .....		782,200,000
Postal Service .....	24,600,000	
Add proposed increase in charges ..	3,400,000	
		28,000,000
Telegraph Service .....	3,500,000	
Telephone Service .....	6,500,000	
		38,000,000
Crown Lands .....		650,000
Receipts from sundry Loans, &c. ....		6,000,000
Miscellaneous .....		15,200,000
Total receipts from Non-tax Revenue .....		59,850,000
Total Revenue .....		842,050,000
Deficit .....		2,130,147,000
		2,972,197,000

#### ESTIMATED EXPENDITURE.

##### CONSOLIDATED FUND SERVICES.

National Debt Services:	
Inside the Fixed Debt Charge .....	19,150,000
Outside the Fixed Debt Charge .....	295,850,000
	315,000,000
Payments to Local Taxation Accounts, &c. ....	9,700,000
Other Consolidated Fund Services .....	1,714,000
Total Consolidated Fund Services .....	326,414,000

##### SUPPLY SERVICES.

Army .....	15,000
Navy .....	17,000
Air Force .....	7,000
Ministry of Munitions (including Ordnance Factories)	1,000
Civil Services:	
Old Age Pensions .....	£12,085,000
Ministry of Labour, Insurance, &c. ...	9,619,000
Other Civil Services (including Public Education) .....	42,325,000
	64,029,000
Customs and Excise and Inland Revenue Departments .....	5,573,000
Post Office Services .....	26,141,000
Total Supply Services .....	95,783,000
Notes of Credit .....	2,550,000,000
Total expenditure .....	2,972,197,000

### FINAL BALANCE-SHEET.

1918-19 (Estimate).

Expenditure .....	2,972,197,000
Revenue .....	842,050,000
Deficit (to be met by loans) .....	2,130,147,000
1917-18 (Actual).	
Expenditure .....	2,696,221,000
Revenue .....	707,235,000
Deficit (met by loans) .....	1,988,986,000

### EXAMPLES OF NEW INCOME-TAX.

The following statement, issued officially, shows the amount of tax payable on certain incomes:—

#### A. AT PROPOSED RATES—(Maximum 6s.).

Income.	Where Income Wholly Earned.		Where Income Wholly Unearned.	
	Amount of Tax.	Effective Rate.	Amount of Tax.	Effective Rate.
£	£ s. d.	s. d.	£ s. d.	s. d.
131 .....	1 0 0	0 2	1 0 0	0 2
150 .....	3 7 6	0 5	4 10 0	0 7
200 .....	9 0 0	0 11	12 0 0	1 2
250 .....	14 12 6	1 2	19 10 0	1 7
300 .....	20 5 0	1 4	27 0 0	1 10
350 .....	25 17 6	1 6	34 10 0	2 0
400 .....	31 10 0	1 7	42 0 0	2 1
450 .....	39 7 6	1 9	52 10 0	2 4
500 .....	45 0 0	1 10	60 0 0	2 5
550 .....	67 10 0	2 5	84 7 6	3 1
600 .....	75 0 0	2 6	93 15 0	3 1
650 .....	87 0 0	2 8	108 15 0	3 4
700 .....	94 10 0	2 8	118 2 6	3 4
800 .....	120 0 0	3 0	150 0 0	3 9
900 .....	135 0 0	3 0	168 15 0	3 9
1,000 .....	150 0 0	3 0	187 10 0	3 9
1,500 .....	281 5 0	3 9	337 10 0	4 6
2,000 .....	450 0 0	4 6	525 0 0	5 3
2,500 .....	656 5 0	5 3	750 0 0	6 0

#### B. AT PROPOSED RATES.

(Income-tax, 6s. Super-tax, Maximum, 4s. 6d.)

Income.	Income-tax.	Super-tax.	Income-tax and Super-tax.	Effective Rate.
£	£ s. d.	£ s. d.	£ s. d.	s. d.
2,750 .....	825 0 0	43 15 0	868 15 0	6 4
3,000 .....	900 0 0	62 10 0	962 10 0	6 5
4,000 .....	1,200 0 0	162 10 0	1,362 10 0	6 10
5,000 .....	1,500 0 0	287 10 0	1,787 10 0	7 2
6,000 .....	1,800 0 0	437 10 0	2,237 10 0	7 5
7,000 .....	2,100 0 0	612 10 0	2,712 10 0	7 9
8,000 .....	2,400 0 0	787 10 0	3,187 10 0	8 0
9,000 .....	2,700 0 0	987 10 0	3,687 10 0	8 2
10,000 .....	3,000 0 0	1,187 10 0	4,187 10 0	8 4
11,000 .....	3,300 0 0	1,412 10 0	4,712 10 0	8 7
12,000 .....	3,600 0 0	1,637 10 0	5,237 10 0	8 9
13,000 .....	3,900 0 0	1,862 10 0	5,762 10 0	8 10
14,000 .....	4,200 0 0	2,087 10 0	6,287 10 0	9 0
15,000 .....	4,500 0 0	2,312 10 0	6,812 10 0	9 1
20,000 .....	6,000 0 0	3,437 10 0	9,437 10 0	9 5
25,000 .....	7,500 0 0	4,562 10 0	12,062 10 0	9 8
30,000 .....	9,000 0 0	5,687 10 0	14,687 10 0	9 9
40,000 .....	12,000 0 0	7,937 10 0	19,937 10 0	10 0
50,000 .....	15,000 0 0	10,187 10 0	25,187 10 0	10 1
100,000 .....	30,000 0 0	21,437 10 0	51,437 10 0	10 3
150,000 .....	45,000 0 0	32,687 10 0	77,687 10 0	10 4

NOTE.—The figures in the foregoing Table (A and B) take no account of the allowances in respect of life insurance premiums, children, &c., which, in many cases, would substantially reduce the tax payable and the effective rate.

### YIELD OF NEW CHARGES.

The following table shows the estimated increase in revenue owing to the proposed alterations in taxation and postage rates:—

	Estimate, 1918-19.	In a Full Year.
Customs—	£	£
Spirits .....	3,400,000	3,600,000
Tobacco .....	7,490,000	7,990,000
Sugar .....	11,960,000	12,740,000
Total Customs .....	22,850,000	24,330,000
Excise—		
Spirits .....	7,100,000	7,550,000
Beer .....	9,700,000	15,700,000
Tobacco .....	10,000	10,000
Sugar .....	440,000	460,000
Matches .....	600,000	600,000
Total Excise .....	17,850,000	24,320,000
Total Customs and Excise .....	40,700,000	48,650,000

Carried forward .....	40,700,000	48,650,000
Inland Revenue—		
Additional Stamp Duty on Bills of Exchange (including Cheques) and Promissory Notes .....	750,000	1,000,000
Increased Income-tax .....	*35,750,000	†46,700,000
Increased Super-tax .....	9,200,000	14,150,000
	45,700,000	
Less—		
Postponement owing to payment of Income-tax, Schedule A, by instalments .....	22,000,000	
Total Inland Revenue .....	23,700,000	61,850,000
Postage Rates .....	3,400,000	4,000,000
Grand total .....	67,800,000	114,500,000

\* Includes £2,500,000 in respect of doubling Schedule B assessments. † Includes £5,300,000 in respect of doubling Schedule B assessments. ‡ Luxury tax not computed.

## Merchant Shipping Losses.

### NEW RETURN OF TONNAGE FIGURES.

The Admiralty return of shipping losses by submarine and mine is now given in a different form. The Government propose to issue information as to the gross tonnage lost and the tonnage of sailings to and from the United Kingdom monthly in future, the tables to appear in the Press on the Thursday morning following the 21st of each month.

The information now published weekly as to the numbers of vessels lost, and the numbers entering, and clearing from, United Kingdom ports, will be discontinued.

The losses of British, Allied and neutral merchant tonnage due to enemy action and marine risk during the month of March, 1918, compared with preceding periods, are set out below :—

#### GROSS TONNAGE.

Period.	British.	Allied and Neutral.	Total.
1917.			
January .....	193,045	216,787	409,832
February .....	343,486	231,370	574,856
March .....	375,309	259,376	634,685
	911,840	707,533	1,619,373
April .....	555,056	338,821	893,877
May .....	374,419	255,917	630,336
June .....	432,395	280,326	712,721
	1,361,870	875,064	2,236,934
July .....	383,430	192,519	575,949
August .....	360,296	189,067	549,363
September .....	209,212	159,949	369,161
	952,938	541,535	1,494,473
October .....	289,973	197,364	487,337
November .....	196,560	136,883	333,443
December .....	296,356	155,707	452,063
	782,889	489,954	1,272,843
1918.			
January .....	217,270	136,187	353,457
February .....	254,303	134,119	388,422
March .....	216,003	165,628	381,631
	687,576	435,934	1,123,510

The Ministry of Shipping announces that the tonnage of steamships of 500 gross tons and over entering and clearing United Kingdom ports from and to ports overseas was as follows :—

Period.	Gross Tons	Period.	Gross Tons
1917—October .....	6,908,189	1918—January ....	6,336,663
November .....	6,818,564	February ..	6,326,965
December .....	6,665,413	March ....	7,295,620

NOTE.—This statement embraces all United Kingdom seaborne traffic other than coastwise and cross-Channel.

## By-the-Way War Notes.

It came, that splendid naval and air-craft attack on Zeebrugge and Ostend, as a great heartening amid the drab waiting for the next German assault on the Allied armies in France and Flanders. The more one reads about it, the more one is filled with astonishment and admiration over the joyous dash shown, the unflinching resolution and the triumphant success which attended that most perilous adventure. And the men who planned it and made it were all volunteers, who knew what such an enterprise implied, and who therefore took their lives in their hands, cheerfully, eagerly, for the honour and salvation of their country. Reverently do we hold them in all honour. No one could ever persuade us that a nation which possesses such men is going to be overwhelmed by the brute beast in man, by distorted creatures inspired with the lust of the robber, whose confidence in and expectation of victory are founded, not on a righteous cause, but on cunning machines and inventions of death, on the skilfully massed force of the brute, in all senses of that repellent word, and whose vaunt is that his science has made him almighty to destroy.

The damage done at the two naval bases the Prussians

possess in Belgium seems to have been great, and should have a valuable sequel in crippling the Germans in their submarine campaign against our merchant shipping. A little time will show how far from the truth is the German official declaration that the attack was "frustrated." What is there left for them to do but to lie?

Apparently the carefully arranged assaults of the enemy on the Allied lines in France and Belgium are now resumed. Twice these attacks, the most formidable and most thoroughly organised ever launched against our front, have been fought to a standstill, once on the Somme, once in Belgian Flanders, but it is impossible for the masters of Germany and Austria to accept defeat. All their partial advances must be "decisive" victories. The Finance Minister of the Hohenzollern is still talking to the deputies of the Reichstag about the "indemnity" to be exacted from the defeated Allies, and the military faction continues to lie and pretend, and, where no force is opposed to them, to seize and annex, just as if victory were in very truth always theirs. They must do that or be themselves overwhelmed. For inside the country hunger eats deeper and deeper into the vitality of the people, so that with every week that passes conditions of life become more desperate for the blinded multitude, the necessity of finding some way of escape more peremptory for its tyrants. There is nothing for these tyrants but that they should assault and assault, and yet again assault, and that we should continue to mow the assailants down, as we have done and shall continue to do.

In the intervals between the blows we have never been idle. Our business during such pauses is to harass the enemy by every device our ingenuity can suggest, to impede his progress, block his lines of communication, destroy his artillery and his munition stores, break up his aeroplane nests, and in other ways continually harass him in his movements. We have been doing that since the latest assault in the north spent itself, just as before; and also all the time we have been making ready our resistance, our reserves have been brought up and organised so as to be available to strike in at whatever point the attack may prove most formidable and dangerous. And we are ready, well ready, this time. The confidence of our chiefs, of Foch and Haig and Clemenceau, put that beyond doubt. Therefore we look forward with serenity to the agony now again to be endured. Once again the German troops will probably make progress at certain points by massing men and guns, and gas and flame, every instrument of murder beings devil-possessed can conceive, but nowhere will they be victorious in the end, of that we are sure.

And, looking at the larger aspect of this world conflict, is not the way we are travelling towards victory, though stern in the sacrifices it calls for, after all the best that could have been chosen? It is not now as in former wars, let us once more remind the reader, a question of beating an army, of putting the trained forces of the enemy at such disadvantage that they can no longer maintain an organised opposition; it is nations we are fighting, the whole male populations of Germany and Austria, and if the victory is to be complete these males have to be destroyed to an extent which will for ever paralyse their offensive power. It is a horrible thing to say; but what else is possible, looking at the boundless vanity and conceit which has swollen out the mind of the Teuton until he, silly fool, imagines himself a being endowed by God to rule over his fellow-man, and regards that fellow-man as a creature existing solely for his purposes, set down on earth to work for his advantage? There is no way of curing Germany of this colossal pride and lust of the robber except by destroying him, by stamping out the madness in blood, as one would stamp out a murrain amongst the cattle.

A German statistician has been reckoning up the losses of the Hohenzollern Empire alone at more than five millions of men, and what has been gained by that empire in exchange for these losses? Nothing substantial; let Dr. Helfferich answer, a world's "loathing." The emissaries of the Prussian military tyrants and their industrial henchmen may overrun Russia, Rumania, Finland, Bulgaria, Turkey, the Further East, wherever they can penetrate, but what avails it? What can they find to carry off in exchange for the German goods they go to sell in countries stripped, burnt, ravaged in all ways by the passage of the brutalised trooper? Are these conquests and overrunnings Eastward of any avail beside what is happening in the West? Is it not evident that this long battle in France and Belgium is, slowly it may look, but none the less surely, sealing for ever the doom of both Hohenzollern and Habsburg tyrannies? And so near is the hour of exhaustion for these tyrannies, that in spite of the necessities of Austria-Hungary in the East, notwithstanding the demands involved in a prosecution by Austria of her invasion of Italy, her troops have had to be drafted away to assist the Prussians in their assault on the Western front. The two impostures have joined forces in one last despairing assault, and the Italian and the Balkan campaigns will alike be decided on that assaulted Western front. Therefore, the more furiously the enemy rage now and batter themselves against the lines of our defences, against the walls of human flesh raised to confront them, inspired by our energy and self-sacrifice, by the righteousness of our cause, the sooner will come that peace which will be the deliverance of a world long held in bondage by the ever-present dread of the dangers lying in wait in Prussian militarism. Ruffianism in uniform will have ceased to be popular even in Teutonia when this war has ended.

A much more complete and satisfactory exhibit of marine

shipping losses has now been arranged, and the first table of the new type has been published. We are not to have any more weekly returns of the imperfect kind the public has so long been familiar with. Instead of the number of ships sunk every week, the Government is to issue, so as to appear in the Press on the Thursday morning following the 21st of each month, an exhibit of the gross tonnage lost, and of the tonnage of sailings to and from the United Kingdom. We think it well to make room for the first of these new tables in its entirety, although in months to come we may not be able to afford space for more than a summary of it. The reader will find it on page 410.

CURTIS'S AND HARVEY, LTD.—This company is still unable to present accounts for 1916, and, of course, those for last year must also be held in abeyance. We cannot believe that this is necessary, although numerous points have still to be settled with the Government, and it would surely be practicable to carry the amounts in dispute to suspense. Anyhow, the directors are satisfied that the profits are sufficient to repeat the dividend of 20 per cent., less tax, and they would scarcely do that if they had not an ample margin to play with.

J. MANDLEBERG AND CO., LTD.—After providing for excess duty, income-tax and contingencies, the nett profits for the year to December 19 amounted to £90,000, or practically the same as for the previous 12 months, but we should judge that the business has really been more prosperous than the figures show. At any rate, with £73,000, or £23,000 more, brought in, the directors feel justified in raising the bonus from 5 per cent. to 7½ per cent., so that the total distribution is 22½ per cent., against 20, and the carry forward is increased by £5,000. A year ago, however, the shareholders received a special bonus from the capitalisation of £60,000 reserves, giving them one new share for every four held. Creditors have increased £100,000 to £324,000, while debtors are up £90,000 at £287,000, and stocks have increased £53,000 to £164,000, but cash is down £32,000. The business of waterproofing has evidently been quite prosperous.

COMPANY RESULTS IN BRIEF.

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re-serves.	Divi-dend.	Carried For-ward.
	£	£	£	%	£
Alliance Investment.(Apl.)	43,220	28,900	101,310	5	12,270
Do. ....Prev.	45,280	30,900	101,310	5	11,480
Carthage and Hereerias Steam Trams...(Dec.)	50,370	13,920	11,300	—	4,710
Do. ....Prev.	30,500	6,410	11,300	—	1,780
Cuba Submarine Telegr'ph (Dec.)	72,530	43,970	100,000	7	21,900
Do. ....Prev.	51,740	33,750	90,000	7	7,630
Edinburgh Collieries (Jan.)	—	51,510	—	7½	26,660
Do. ....Prev.	—	108,070	—	17½	30,150
Groves and Whitnall(Dec.)	—	118,720	180,000	6	62,380
Do. ....Prev.	—	122,970	160,000	3	55,080
Hyam and Co.....(Feb.)	25,260	20,360	—	10	17,670
Do. ....Prev.	20,130	16,320	—	10	13,110
North of England Trustee Deb. and Assets Cor-poration .....(Mar.)	70,450	56,190	150,000	14/	29,010
Do. ....Prev.	77,710	63,690	150,000	10/	25,290
Richard Wheen and Sons (Nov.)	—	9,790	—	3½	1,340
Do. ....Prev.	—	9,690	—	2	1,530
Southampton Gaslight and Coal ....(½ Dec)	128,820	9,780	41,380	3	—
Do. ....Prev.	107,130	18,290	48,990	5	1,950
Spratt's Pat. (Amer.)(Dec.)	16,440	14,430	16,000	6½	6,180
Do. ....Prev.	15,020	12,600	15,000	6½	4,850

South African Gold.—A statement of the gold production for the year 1917 issued by the Chamber of Mines shows the following decreases as compared with 1916:—Tons milled, 1,312,617; stamps, 257; output, £1,161,013; working profit, £395,011; profit per ton, 8d.; dividends declared, £552,985.

CREDITO ITALIANO.

Capital fully paid :: :: :: :: :: Lire 100,000,000

Reserve Fund :: :: :: :: :: ,, 21,000,000

Deposits and Current Accounts at 31st December, 1917 ,, 1,557,156,302

Head Office of the Bank—MILAN.

Branches: BARI, CATANIA, TURIN, FLORENCE, NAPLES, LEGHORN, GENOA, ROME, LONDON, Arezzo, Asti, Cagliari, Carrara, Casale Monferrato, Castellammare di Stabia, Chiavari, Chieti, Civitavecchia, Foggia, Iglesias, Lecce, Lecco, Lucca, Messina, Modena, Monza, Nervi, Novara, Oristano, Parma, Pisa, Porto Maurizio, Sampierdarena, Savona, Spezia, Taranto, Torre Annunziata, Torre del Greco, Varese, Vercelli, Voghera.

BALANCE SHEET, 31st DECEMBER, 1917.

ASSETS.		LIABILITIES.	
Cash ... ..	Lire 165,098,728.50	Capital ... ..	Lire 100,000,000.
Bills receivable on Italy, and other Countries ... ..	1,071,102,043.05	Reserve Fund... ..	15,000,000.
Loans against Collateral Securities ... ..	49,830,283.10	Current Accounts ... ..	1,191,466,570.10
Current Accounts, &c. ... ..	478,640,738.85	Deposits and Saving Accounts ... ..	365,699,732.50
Investments ... ..	16,072,350.15	Acceptances on Account of Customers... ..	54,436,133.35
Participations ... ..	5,088,695.80	Cheques Outstanding ... ..	50,223,582.15
Freehold Bank Premises ... ..	12,500,000.	Sundry Creditors ... ..	29,373,295.75
Sundry Debtors ... ..	24,740,921.	Guarantees on Account of Customers ... ..	59,658,045.15
Customers' Liabilities and Securities against Guarantees ... ..	59,658,045.15	Rebate on Bills Receivable maturing next year ... ..	2,950,856.50
	Lire 1,882,731,805.60	Net Profit ... ..	13,930,590.10
Securities belonging to Clerks' Provident Fund as per contra ... ..	4,323,673.85		Lire 1,882,731,805.60
	Lire 1,887,055,479.45	Clerks' Provident Fund as per contra ... ..	4,323,673.85
			Lire 1,887,055,479.45

At the Annual General Meeting held on 27th March, 1918, it was resolved to allocate the Net profit as follows:

To Reserve Fund, increasing it to Lire 21,000,000	Lire 6,000,000.
.. Shareholders as Dividend 7 per cent.	7,000,000.
.. Directors	785,267.10
Balance carried forward	145,323.
	Lire 13,930,590.10

THE LONDON BRANCH: 22, ABCHURCH LANE, E.C. 4.

Transacts a general Foreign Banking Business, and is specially prepared to grant facilities for the development of trade with Italy.

Correspondent of the Royal Italian Treasury.

Management of the London Branch:—D. A. HORNER, } Managers.  
F. N. SCHILLER, }

P. ASHER, Sub-Manager.

G. MANZI FÉ, Director Residing in London.

Telegrams: "ITALOCREDI, CANNON, LONDON."

Telephones: 7802-7803 CITY.

**NATIONAL BENEFIT**

ASSURANCE CO., LTD.

**ASSETS EXCEED £1,000,000.****Attractive LIFE, FIRE, ACCIDENT & MARINE Policies.**

HEAD OFFICES:

NATIONAL HOUSE, Newgate Street, LONDON, E.C. 1.

Managing Director: J. FRANCIS, J.P., F.S.S.

**The Investors' Review.****Money and Credit Notes.**

**BANK RATE 5 PER CENT.** (Reduced from  $5\frac{1}{2}$  per cent. on Thursday, April 5, 1917.)

*Norfolk House, Friday Evening.*

It can hardly be said that the price of credit has altered all the week. One hour there might be a less abundant supply than another, and sometimes the market was sponged empty by the masses of Treasury bills flung into it, but it all amounted to little on the average, and money has been 3 per cent. from day to day every morning of the week. The afternoon rate might fall to 2 per cent., or latterly  $2\frac{1}{4}$  per cent., but there was always abundance for all legitimate wants, and seven-day money never lost more than  $\frac{3}{4}$ . It has been the same with the discount rates, which have been about  $\frac{3}{4}$  to  $3\frac{1}{8}$  per cent. throughout.

Considerable movements of credit have been disclosed by the Bank return, but they also make little real change in the position. By a depletion of £5,121,000 in the public or Government deposits, other deposits have been refreshed to the extent of £1,923,000, Government securities to the amount of £1,589,000 have been paid off, as well as £1,108,000 of other securities, while a draft of £515,000 upon the reserve has been met. This draft is entirely due to an increase of £524,000 in the note circulation, the coin and bullion being up £9,000. Practically no change has been caused in the proportion of reserve to liabilities by these movements. It remains at  $17\frac{1}{2}$  per cent. or thereby. Public deposits are now £17,619,000 below the figure of a year ago, while other deposits are £22,905,000 larger, and Government securities £19,252,000 up. The pressure of the Treasury on the resources of the Bank thus shows an emphatic increase upon the figures of last year, and that cannot go on much longer without forcing the Government to take far more drastic measures to protect the credit of the country from embarrassment than any yet attempted by it.

The Yokohama Specie Bank, Limited, London, announces that £254,500  $\frac{4}{5}$  per cent. bonds of the first series, and £245,520 bonds of the second series, of the Sterling Loans of 1905, have been purchased on behalf of the Imperial Japanese Government for the purpose of cancellation.

It now seems to be more generally realised that the "concession" granted in connection with the 5 per cent. War Loan of paying dividends without deduction of tax at the time of payment is of doubtful value, owing to an important point in income-tax law having been overlooked at the time the concession was made. The income-tax law, as it now stands, provides that interest received must be brought into assessment for tax in the year following that in which it was received. Consequently last year's interest payments on War Loan will be taxed this year at 6s. in the pound instead of 5s., which means a reduction in the nett interest received of 5s. per cent. To penalise the holders of War Loan in this way obviously could not have been intended by the Government in undertaking to pay the interest without deduction of tax, and it is quite clear that the Finance Act will have to contain a provision making the rate of tax applicable to the dividends the same as was current during the period in which the interest was paid.

In raising the price of the 4 per cent. tax-compounded National War Bonds from 100 to  $101\frac{1}{2}$ , the average yield is reduced from 4 per cent. to  $3\frac{1}{2}$  per cent., allowing for the loss of the premium on redemption. The total average nett yield on the 5 per cent. bonds, however, is £3 17s. 6d., £3 10s. in interest and 7s. 6d. in bonus. The 5 per cent. bonds are therefore the cheapest as regards income-tax, and cheaper still if the holder is a super-tax payer, for the interest on the Fours is assessed at £5 14s. 3d. for super-tax.

Movements in the foreign exchange market this week have been of a more humdrum character. The Chilean peso is more expensive to buy, the quotation being 13-32d. higher at  $15\frac{1}{8}$ d. after having touched 16 1-32d. Uruguayan dollars still stand 13d. above parity at 64d. Montreal has risen 2 points to \$4.86 $\frac{1}{2}$ , which is really above par if allowance be made for the extra cost of shipping gold. The reason for this rise is the premium which exists in Montreal on New York credits. Spanish exchange has been steadier at 16.85 pesetas to the pound. The sale of the whole of the Egyptian cotton crop to Spain will tend to move exchange in our favour in the near future. Scandinavian rates have moved slightly in our favour this week, and the Dutch exchange is firmer at 0.94 $\frac{1}{2}$  florins to the pound. Lire have depreciated afresh, Italian exchange being obtainable at 42.45 lire to the pound, against 42.35 a week ago.

The Société Générale de Paris has lately been very active in developing its connections abroad, on much the same lines as has been followed by British banks. It has entered into a close understanding with several important American institutions, and has secured a substantial interest in the Banque Française et Italienne pour l'Amerique du Sud, on the board of which it is now represented. It has also formed another affiliated bank called the Banque Française du Chili. Last autumn a group of important French industrial concerns, specially interested in iron and steel, obtained an important interest in the Société Générale.

**SILVER.**

A rise of 2d. took place in the price of silver this week. It was 47 $\frac{1}{2}$ d. per oz. on Thursday of last week, and it is 49 $\frac{1}{2}$ d. now. This remarkable jump is not due to scarcity of the metal or to unusual activity in business at any point, but solely, as Mocatta's circular explains, to the passage of the Silver Bill by the Washington Government. As originally framed, that Bill provided for the conversion of 250,000,000 silver dollars into bullion. This has been raised to \$350,000,000, and as the silver is eventually to be repurchased by the American Treasury at a dollar per ounce, that prospect naturally fixes its price. The 49 $\frac{1}{2}$ d. is taken as about the equivalent of a dollar, plus shipping charges, and presumably, therefore, fluctuations are now practically at an end, especially as, according to an answer given by the Secretary of State for India to Sir J. D. Rees, India is now well provided with the metal. Between February, 1915, and March 31 last 214,000,000 standard ounces of silver, approximately of the value of £34,800,000, were bought by the Indian Government for coinage, and during last year the same Government also secured 3,000,000 sovereigns in India, against a like amount previously held by the Secretary of State in London. Further, under an ordinance of June 29, 1917, £12,800,000 of gold privately imported into India was also acquired by the Government, and this year £2,000,000 in gold bullion has been procured from the Home Government. It is hoped, too, that a portion of the silver now demonetised in the United States will find its way to India. That being so, from what source disturbance of the market can come is not at present visible.

**BANK OF ENGLAND.**

**AN ACCOUNT** pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, April 24, 1918.

**ISSUE DEPARTMENT.**

Notes Issued	£	Government Debt..	£
.. .. 78,744,055		Other Securities ..	11,015,100
		Gold Coin and Bullion ..	7,434,900
		Silver Bullion ..	60,294,055
	£78,744,055		£78,744,055

**BANKING DEPARTMENT.**

Proprietors' Capital	£	Government Securities ..	£
Rest .. .. 14,553,000		Other Securities ..	56,723,832
Public Deposits (including	3,064,714	Notes .. ..	104,842,901
Exchequer, Savings		Gold and Silver Coin ..	30,334,750
Banks, Commissioners			712,184
of National Debt, and			
Dividend Accounts) ..	34,831,045		
Other Deposits .. ..	140,154,188		
Seven Day and other Bills	15,720		
	£192,613,667		£192,613,667

Dated April 25, 1918.

J. G. NAIRNE, Chief Cashier.

**BANKING DEPARTMENT.**

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. April 25.	Liabilities.	April 17, 1918.	April 24, 1918.	Increase.	Decrease
£	£	£	£	£	£
3,090,769	Rest .. ..	3,073,686	3,064,714	—	8,972
52,450,017	Pub. Deposits ..	39,951,682	34,831,045	—	5,120,637
117,249,044	Other do. ..	138,231,685	140,154,188	1,922,503	—
36,465	7 Day Bills ..	15,812	10,720	—	5,092
	Assets.			Decrease.	Increase.
37,472,228	Gov. Securities.	58,312,832	56,723,832	1,589,000	—
114,436,541	Other do. ..	105,950,822	104,842,901	1,107,921	—
35,470,527	Total Reserve ..	31,562,211	31,046,934	515,277	—
				5,134,701	5,134,701
				Increase	Decrease.
£	£	£	£	£	£
38,227,090	Note Circulation	47,884,995	48,409,305	524,310	—
55,247,617	Coin and Bullion	60,997,206	61,006,239	9,033	—
20'9 p.c.	Proportion ..	17'7 p.c.	17'7 p.c.	—	—
5 "	Bank Rate ..	5 "	5 "	—	—

**LONDON BANKERS' CLEARING.**

Date.	1918.	1917.	Increase.	Decrease.
	£	£	£	£
January	2,073,224,000	1,865,125,000	208,099,000	—
February	1,605,654,000	1,779,524,000	—	173,870,000
March	1,784,836,000	1,492,855,000	292,011,000	—
April 3	324,156,000	389,347,000	—	65,191,000
" 10	401,307,000	253,111,000	148,196,000	—
" 17	318,580,000	396,311,000	—	37,731,000
" 25	308,263,000	365,133,000	—	2,850,000
Total ..	6,910,020,000	6,403,902,000	648,308,000	279,642,000

## CURRENCY NOTES.

Return of Currency Notes for the week ended April 24, 1918.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes .. .. .	3,773,265	2,793,632	169,486,793
10s. notes .. .. .	1,225,693	1,124,418	38,263,814
Note certificates .. .. .	1,080,000	50,000	27,440,000
Previous total .. .. .	887,258,535	654,178,440	—
	893,337,493	658,146,607	235,190,607

Ratio of gold held against notes, this week, 13.74 p.c.; last week, 13.79 p.c.

## PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended April 20.)

REVENUE.	EXPENDITURE.
£	£
Customs .. .. .	National Debt Service ..
Excise .. .. .	Interest, &c., on War Debt ..
Estate, &c., Duties ..	Development & Road Impvt ..
Stamps .. .. .	Payments to Local Taxation ..
Land Tax and House Duty ..	Other Consolidated Fund ..
Property and Income Tax ..	Charges .. .. .
Excess Profits Tax .. ..	Supply Services .. .. .
Land Values .. .. .	Bullion Advances .. .. .
Post Office .. .. .	For Advance for Interest ..
Crown Lands .. .. .	on Exchequer Bonds under ..
Sundry Loans .. .. .	Capital Expenditure ..
Miscellaneous .. .. .	(Money) Act, 1904 .. ..
Bullion advances repaid ..	For Treasury Bills .. ..
For Treasury Bills for Supply ..	Other Debt under War Loan ..
5% Exchequer Bonds, 1930 ..	Acts, 1914-16 .. .. .
5% Exchequer Bonds, 1922 ..	For War Loan and Exchequer ..
5% Exchequer Bonds, 1920 ..	Bonds under ..
National War Bonds .. ..	Section 61 of Finance Act, ..
War Savings Certificates ..	1916, and Section 34, 1917 ..
4% War Loan, 1929-1942 ..	Under Telegraph (Money) ..
5% War Loan, 1929-1947 ..	Act, 1913 .. .. .
Other Debts created under ..	Under Post Office (London) ..
War Loan Act, 1915, and ..	Post Office Act, 1913 ..
Finance Act, 1916 .. .. .	Under Military Works Acts ..
Telegraph Money Act, 1913 ..	Under Housing Act, 1914 ..
Under Post Office Rly. Act, ..	Public Buildings Expenditure ..
1913 .. .. .	Act, 1903 .. .. .
Under Military Works Act, ..	Old Sinking Fund, 1907-8 ..
1897-1903 .. .. .	Sinking Fund, 1910-11 ..
Under Public Buildings ..	China Indemnity .. .. .
Under Housing Act .. .. .	East African Loan .. .. .
Repayment of Advance for ..	Cunard Agreement Act .. ..
Interest on Exchequer ..	Expenditure Certificates ..
Bonds .. .. .	Depreciation Fund .. .. .
China Indemnity .. .. .	Suez Canal Drawn Shares ..
East African Loan repay- ..	Temp. Advances Repaid ..
ments .. .. .	Increase in Exchequer ..
Suez Canal Drawn Shares ..	balances .. .. .
Ways and Means Advances ..	
Decrease in Exchequer ..	
balances .. .. .	
£143,649,369	£143,649,369

\*Excluding sales through banks which have not yet been brought to account

## FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Mar. 22, 1918.	Mar. 15, 1918.	Mar. 23, 1917.
	£	£	£
Gold coin and certificates ..	94,105,800	95,504,200	70,147,200
Gold Settlement Fund .. ..	75,973,200	74,501,600	41,856,200
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks ..	180,579,000	180,505,800	112,003,400
Gold with Federal Res. Agent ..	175,761,000	173,925,600	69,903,800
Gold Redemption Fund .. ..	4,222,800	4,217,200	503,800
Total gold reserves .. .. .	360,562,800	358,648,600	182,411,000
Legal tender notes, silver, &c. ..	11,911,600	11,790,000	2,133,000
Total reserves .. .. .	372,474,400	370,438,600	184,544,000
Bills discounted—Members' ..	108,623,800	103,496,800	3,694,600
Bills bought in open market ..	65,776,000	64,640,600	17,559,600
Total bills on hand .. .. .	174,399,800	168,146,400	21,254,200
U.S. Gov. long-term sec. ..	12,207,800	13,676,600	5,855,000
U.S. Gov. short term sec. ..	45,207,200	38,796,000	3,763,600
All other earning assets .. ..	848,000	803,000	3,174,200
Total earning assets .. .. .	232,662,800	221,427,000	34,047,000
Due fm other Fed Res bnk—n. ..	1,760,200	2,321,800	659,600
Uncollected items .. .. .	73,564,200	71,479,400	29,151,400
Total deducts. fm gross dep. ..	75,324,400	73,751,200	29,811,000
5% Red. Fund ag Fed. Res. bknts ..	107,400	107,400	80,000
All other resources .. .. .	110,000	290,400	1,114,000
Total resources .. .. .	680,679,000	666,014,600	249,596,000
Capital paid in .. .. .	14,802,200	14,777,200	11,211,400
Surplus .. .. .	226,800	226,800	—
Government deposits .. .. .	18,301,000	14,404,600	3,940,400
Due to members—Res. account ..	296,005,000	279,599,400	142,223,400
Collection items .. .. .	45,823,800	40,441,400	22,756,800
Other deps inc For Govt crdis ..	16,359,200	16,201,600	—
Total gross deposits .. .. .	376,479,200	366,655,000	168,920,600
F.R. notes in actual circulat'n ..	285,991,800	281,245,600	69,360,800
F.R. bk nts in circn—nett liab. ..	1,595,600	1,600,000	—
All other liab. in for Gov crdis ..	1,673,400	1,510,000	103,200
Total liabilities .. .. .	680,679,000	666,014,600	249,996,000
Gold res. ag nett deposit liab. ..	59.6%	61.6%	80.5%
Gold res ag F.R. nts in act circ ..	63.0%	63.3%	101.5%
Ratio of gold res to nett dep. ..			
and F.R. nts liabilities combin ..	61.4%	62.5%	87.5%
Ratio of total res. to nett ..			
deposit and F.R. note lia- ..	63.4%	64.5%	88.5%
bilities combin ed .. .. .			

## NEW YORK STATE BANKS &amp; TRUST COMPANIES (dollar at 4s.)

	April 20, 1918.	April 13, 1918.	April 6, 1918.	April 21, 1917.
	£	£	£	£
Loans .. .. .	153,790,000	152,364,000	150,082,000	161,178,000
Specie .. .. .	3,102,000	3,044,000	3,014,000	18,000,000
Deposits .. .. .	143,824,000	142,370,000	142,012,000	171,930,000
Legal Tenders .. .. .	13,228,000	13,340,000	13,610,000	2,252,000

## NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	April 20, 1918.	April 13, 1918.	April 6, 1918.	April 21, 1917.
	£	£	£	£
Loans .. .. .	898,830,000	872,890,000	861,102,000	734,705,000
Reserve held in own Vaults ..	3,464,000	3,478,000	3,430,000	94,304,000
Reserve held in Fed. Res. Bk. ..	106,090,000	105,174,000	107,534,000	44,182,000
Cash in own Vaults .. .. .	20,848,000	21,085,000	20,600,000	—
Reserve held in Other Depos. ..	1,668,000	1,670,000	1,785,000	12,386,000
Nett Demand Deposits .. .. .	753,740,000	750,858,000	751,764,000	—
Nett Time Deposits .. .. .	36,328,000	36,424,000	37,004,000	39,536,000
Circulation .. .. .	7,214,000	7,180,000	7,168,000	5,742,000
Excess Lawful Reserve .. .. .	10,970,000	10,430,000	12,746,000	22,956,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

## BANK OF FRANCE (25 francs to the £).

	April 18, 1918.	April 11, 1918.	April 4, 1918.	April 19, 1917.
	£	£	£	£
Gold in hand .. .. .	133,625,360	135,568,080	133,516,680	131,392,680
Silver in hand .. .. .	10,143,040	10,205,320	10,198,640	10,316,520
Bills discounted .. .. .	57,649,760	63,330,640	72,667,640	19,806,640
Advances .. .. .	44,079,900	45,142,920	44,557,440	46,777,160
Note circulation .. .. .	1,049,270,840	1,043,471,360	1,033,915,360	760,068,760
Public deposits .. .. .	1,679,000	2,287,360	3,356,480	3,889,480
Private deposits .. .. .	128,540,280	131,878,200	125,053,760	97,698,000
Foreign Bills .. .. .	425,400	462,000	485,040	57,960

Proportion between bullion and circulation 21.47 per cent., against 21.51 per cent. last week. Advances to the State £614,000,000, increase £10,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £19,324,480, decrease £3,640, and at the branches £24,669,640, decrease £47,240.

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	April 15, 1918.	April 6, 1918.	Mar. 30, 1918.	April 14, 1917.
	£	£	£	£
Total Coin & Bullion .. .. .	126,409,400	126,375,750	126,343,800	127,433,250
Treasury Notes .. .. .	73,023,300	76,077,950	76,037,950	22,203,100
Bills discounted .. .. .	698,240,700	710,137,950	801,712,950	477,613,800
Advances .. .. .	317,750	299,150	323,100	522,700
Note circulation .. .. .	586,359,900	595,854,300	598,890,350	47,977,700
Deposits .. .. .	368,765,900	379,745,150	451,478,450	234,590,600

Clearing House return during March £459,815,355, against £420,879,905 in February.

## BANK OF SPAIN (25 pesetas to the £).

	April 13, 1918.	April 6, 1918.	Mar. 30, 1918.	April 14, 1917.
	£	£	£	£
Gold .. .. .	80,877,818	80,570,477	80,291,950	54,852,900
Silver .. .. .	28,171,310	28,127,816	28,341,013	29,953,957
Foreign Bills .. .. .	3,644,077	3,582,025	3,584,729	3,481,144
Discounts and Short Bills ..	30,977,141	31,528,746	30,352,127	34,475,162
Treasury Account, &c. .. ..	24,986,708	24,963,401	25,080,765	25,278,123
Notes in Circulation .. .. .	116,576,005	116,024,147	114,123,403	96,691,311
Current Accounts, Deposits ..	35,234,664	34,823,592	33,864,460	30,254,934
Dividends, Interests, &c. ..	1,850,053	2,241,986	1,595,533	1,784,118
Government Securities .. .. .	3,788,563	4,283,847	6,083,213	9,319,493

## BANK OF SWEDEN (18 kroner to the £).

	Apr. 6, 1918.	Mar. 30, 1918.	Mar. 22, 1918.	Apr. 7, 1917.
	£	£	£	£
Gold .. .. .	14,331,000	14,337,000	13,599,000	10,727,000
Balance abroad and Foreign Bills ..	7,307,000	7,306,000	7,287,000	7,598,000
Swedish and Foreign Govt. Securities .. .. .	3,904,000	3,920,000	3,937,000	3,300,000
Discounts and Loans .. .. .	15,769,000	15,844,000	14,755,000	9,966,000
Notes in circulation .. .. .	34,662,000	35,037,000	32,173,000	24,186,000
Deposits at notice .. .. .	6,552,000	7,062,000	8,138,000	7,607,000

## NETHERLANDS BANK (12 Florins to the £).

	Apr. 20, 1918.	Apr. 13, 1918.	April 6, 1918.	April 21, 1917.
	£	£	£	£
Gold and Silver .. .. .	61,383,666	61,440,666	60,721,583	49,829,916
Bills and Advances .. .. .	14,059,583	14,181,333	9,651,583	15,718,416
Note circulation .. .. .	74,847,916	74,761,000	74,656,250	63,413,916
Deposits .. .. .	6,059,833	6,124,083	5,193,333	6,120,833

## BANK OF ITALY (25 lire to the £).

	Feb. 23, 1918.	Feb. 20, 1918.	Feb. 10, 1918.	Mar. 1, 1917.
	£	£	£	£
Total cash .. .. .	43,772,240	38,300,240	43,074,880	43,338,360
Inland Bills .. .. .	29,816,360	29,404,200	29,467,480	21,217,640
Foreign Bills .. .. .	897,360	887,840	4,426,000	838,920
Advances .. .. .	24,284,420	20,564,920	22,346,440	19,412,400
Government securities .. .. .	8,795,840	8,853,240	8,806,160	8,697,520
Circulation .. .. .	267,249,200	264,926,160	263,291,560	154,639,760
Deposits at notice .. .. .	33,864,520	38,043,420	35,555,840	19,255,960
Current accounts .. .. .	20,090,520	21,712,640	19,574,560	11,482,640

## SWISS NATIONAL BANK (25 francs to the £).

	April 15, 1918.	April 6, 1918.	Mar. 30, 1918.	April 14, 1917.
	£	£	£	£
Gold and silver .. .. .	17,207,788	17,141,492	17,059,668	15,745,624
Bills .. .. .	10,241,904	12,655,932	12,296,232	7,205,336
Note circulation .. .. .	26,619,744	27,349,676	27,825,172	20,283,500
Current and deposit accounts .. .. .	3,532,244	5,220,336	4,375,824	4,353,452

## BANK OF NORWAY (18 kroner to the £).

	April 8, 1918.	Mar. 30, 1918.	Mar. 22, 1918.	April 7, 1917.
	£	£	£	£
Gold .. .. .	6,737,000	6,739,000	6,741,000	7,227,000
Balance abroad and Foreign Bills ..	3,429,000	3,430,000	3,619,000	4,182,000
Govt. Securities .. .. .	713,000	713,000	713,000	706,000
Discounts & Loans .. .. .	18,614,000	18,473,000	18,792,000	10,244,000
Notes in Circulation .. .. .	19,390,000	19,255,000	188,303,000	15,436,000
Deposits at notice .. .. .	6,974,000	6,834,000	7,880,000	4,923,000

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	April 23, 1918.		April 25, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	9.97	10.02	9.94	9.98
Paris ..	Cable transfers ..	27.13	27.18	27.14	27.19
..	Three months' bills ..	27.55	27.60	27.55	27.60
Switzerland ..	Cable transfers ..	20.03	20.13	20.03	20.13
..	Three months' bills ..	20.38	20.48	20.38	20.48
Genoa, &c. ..	Cable transfers ..	42.40	42.50	42.45	42.55
Spain ..	Cable transfers ..	17.20	17.30	17.25	17.35
..	Three months' bills ..	17.20	17.30	17.25	17.35
Lisbon and Oporto ..	Cable transfers ..	64.5	65.5	64.5	65.5
Copenhagen ..	Cable transfers ..	15.15	15.25	15.15	15.25
..	Cable transfers ..	15.00	15.10	15.07	15.17
Stockholm ..	Cable transfers ..	14.00	14.10	14.04	14.14

## FOREIGN RATES OF EXCHANGE ON LONDON.

Place.	Method of Quoting.	Par of Exchange	Last Week.		This Week.	
			Per Cent.	Per Cent.	Per Cent.	Per Cent.
Paris, cheques ..	Francs to £1 ..	25.22½	27.16½	27.15½	27.15½	27.15½
Amsterdam, cheques ..	Florins to £1 ..	12.107	10.01	9.95½	9.95½	9.95½
Italy, sight ..	Lire to £1 ..	25.22½	42.52	42.55	42.55	42.55
Madrid, sight ..	Pescetas to £1 ..	25.22½	17.60	17.65	17.65	17.65
Lisbon, sight ..	Pence to milreis ..	53½d.	29d.	29½d.	29½d.	29½d.
Switzerland, sight ..	Francs to £1 ..	25.22½	20.12½	20.07½	20.07½	20.07½
Christiania, sight ..	Kroner to £1 ..	18.159	15.06½	15.10	15.10	15.10
Stockholm, sight ..	Kroner to £1 ..	18.159	14.05½	14.10	14.10	14.10
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.24½	15.24½	15.24½	15.24½
Petrograd, sight ..	Roubles to £10 ..	94.57	nom.	nom.	nom.	nom.
Alexandria, sight ..	Piastres to £1 ..	97½	97½	97½	97½	97½
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/5½d.	1/5½d.	1/5½d.	1/5½d.
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/5½d.	1/5½d.	1/5½d.	1/5½d.
Hong Kong, T.T. ..	Sterling to dollar ..	—	3/1½	3/1½	3/1½	3/1½
Shanghai, T.T. ..	Sterling to tael ..	—	4/5½	4/5½	4/5½	4/5½
Singapore, T.T. ..	Sterling to dollar ..	—	2/3½d.	2/4½d.	2/4½d.	2/4½d.
Yokohama, T.T. ..	Sterling to yen ..	24.58d.	2/2½d.	2/2½d.	2/2½d.	2/2½d.
New York, cable ..	Dollars to £1 ..	4.86½	4.76½	4.76½	4.76½	4.76½
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	51½d.	51½d.	51½d.	51½d.
Valparaiso, 90 days ..	Pence to peso ..	—	15½d.	15½d.	15½d.	15½d.
Montevideo, T.T. ..	Pence to dollar ..	51d.	64½d.	64½d.	64½d.	64½d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13½d.	13½d.	13½d.	13½d.

## OPEN MARKET DISCOUNT.

		Last week.		This week.	
		Per Cent.	Per Cent.	Per Cent.	Per Cent.
Thirty and sixty day remitted ..	..	3½	3½	3½	3½
Three months ..	..	3½	3½	3½	3½
Four months ..	..	3½	3½	3½	3½
Six months ..	..	3½	3½	3½	3½
Three months fine inland bills ..	..	4	4	4	4
Four months ..	..	4	4	4	4
Six months ..	..	4	4	4	4

## BANK AND DEPOSIT RATES.

		Last week.		This week.	
		Per Cent.	Per Cent.	Per Cent.	Per Cent.
Bank of England minimum discount rate ..	..	5	5	5	5
.. short loan rates ..	..	—	—	—	—
Bankers' rate on deposits ..	..	3	3	3	3
Bill brokers' deposit rate (call) ..	..	3	3	3	3
.. 7 and 14 days' notice ..	..	3½	3½	3½	3½
Current rates for 7 day loans ..	..	3-2	3-2	3-2	3-2
.. for call loans ..	..	2½-3	2½-3	2½-3	2½-3

## The Week's Stock Markets.

So far as dealings are concerned, it has been a poor week on the Stock Exchange, but on the whole the feeling has been amazingly confident, and in the great majority of cases movements have been in favour of holders. First of all the Budget proposals were not nearly so drastic as many people feared, and although the purchasers of the tax-compounded 4 per cent. War Loan have obtained a temporary advantage by the increase in the rate of income-tax, with the result that the price of the issue has had to be raised from par to 101½, there are comparatively few of the holders of the 5 per cent. Loan who would exchange into the other, even if they were given the opportunity. The fine story of the Navy's brilliant exploit on the Belgian coast had a very exhilarating effect, and on the whole the news from the Western front has been quite as favourable as could reasonably be expected in the circumstances. But these things do not tend to encourage business to any great extent, and with a revenue of 840 millions to find, even the lavish expenditure to which the country is committed will be put to a pretty severe strain as a means of raising the money. Roughly speaking, we require about one-third of the war expenditure back in the form of taxation, either direct or indirect, and that is a very heavy proportion, especially as so much of the money goes into pockets from which the country derives no immediate benefit. So we need not look for any decided advantage to the Stock Exchange in the near future, not even if the Hun onslaughts were to be definitely crushed to-morrow.

Very little business has been transacted on the Stock Exchange this week, but on the whole the feeling has been much more cheerful than might have been expected, all things considered. The Budget proposals, especially with regard to income-tax, were less drastic than had generally been feared, and while the new German activity on the Western front continues to cause a good deal of anxiety, the splendid little Naval incident at Zebrugge helped to put heart into markets. With regard to gilt-edged stocks, the principal movement was in the 4 per cent. tax-free War Loan, which at one time advanced over a point owing to the stoppage of sales at par by the Bank of

England and to the fact that on the basis of the new taxation the stock works out at 101½. The 5 per cent. Loan at first

	Last Week	This Week		Last Week	This Week
Consols.	55½	55½	N.S.W. 5%, 1921-3	97	97
War Loan 3½%	86	86½	" 5½%, 1920-2	98½	98½
" 4½%	101	101½	" 5½% Debts	101½	101½
" 5% 1929-47	94½	94½	New Zealand 4½%, 1920	84½	84½
" 4%, 1919-42	100½	100½	Queensland 4½%, 1920-5	92½	92½
India 3%	54	54	S. Australian 5½%, 1922-7	99	99
" 3½%	62½	62½	Union of S. Africa 4½%		
Australian 5½%, 1920-22	99½	99½	1920-5	93½	93½
Canada 4%, 1910-60	80	80	Victoria 4½%, 1920-5	92½	92½
" 4½%, 1920-5	95½	95½	Westn. Aus. 4½%	79	79
Argentine 5% 1886	99	99	French War Loan, 5%	75½	77
Belgian 3½%	62½	62½	Japan 4½% (1st), 1905	92	93
Brazil, 1913	67	67½	" 5%, 1907	83	86
" 5%, 1914	83	83½	Mexican 5%, 1899	57	57
Chinese 1896	88	88	Russia 4 ½%	31½	33½
" 1912	75	75	" 4½%, 1909	35	35
Egypt Unified 4%	87	88	" 5%, 1906	42½	42½
Caledonian defd.	84	84	London and N.-W.	87½	87½
Gt. Central pte.	124	124	London and S.-W. dfd.	212	212
" dfd.	63	62½	Metropolitan	202	202
Gt. Eastern	332	342	Met. District	14	14
Gt. Northern dfd.	332	338	Midland dfd.	54½	55
Gt. Western	812	82	Nth. British dfd.	122	13
Lancs. and Yorks.	634	634	Nth.-Eastern	97½	92½
London Brighton defd.	532	534	Sth.-Eastern dfd.	268	268
London Chatham ord.	8	8			
Canadian Pacific	158	157½	Chesapeake	56	58
E. Indian Guar. 4½% debts.	84	84	Eric	184	184
Grand Trunk ord.	84	84	Southern	232	222½
Do. 1st pf.	50	51			
Do. 3rd pf.	18	19			
Antofagasta dfd.	142	146	Leopoldina	36	36½
B. A. & Pacific	41	41½	Mexican ord.	17	16
B. A. Gt. Southern	68	68	San Paulo (Brazilian)	182	182
B. A. Western	68	68	United of Havana	72½	72
Cent. Argentine ord.	58½	59			
Anglo-South American	82x	8	London & Brazilian	25	25
Bank of Australasia	117	117	London City & Midland	78	78
Bank of N.S. Wales	36	35½	London County & West.	144	144
Barclay & Co. "A"	78	78	London Joint Stock	282	282
Do. "B"	12	12	Nat. Prov. (£10 pd)	25	25
Capital & Counties	25½	25½	Do. (£12 pd)	294	294
Chartered of India	734x	73	Standard of S.A.	111	11x
Hongkong & Shanghai	82	82	Union Discount	109	109
Lloyds	24½	25			
Armstrong, Whitworth	42½	41.6	Kynochs	35½	40½
Birmingham Small Arms	59.6	62.6	Mond Nickel ord.	31	32
Cammell-Laird	68	68	Nobel, £1	67½	71½
Cargo Fleet	26½	26½	South Durham Steel	41	42.6x
Davis, D., & J.	10.9	10.9	Thornycroft	40½	40½
Dorman, Long	34½	36½	Vickers	41	43.6
Associated Cement	3½	3½	Forestral Land	47.6	47.6
Borax dfd.	35½	36½	Hudson's Bay	7½	7½
Bovril	21½	21½	Imperial Tobacco "C" pf.	33.6	33.6
British Amer. Tobacco pf.	17.6	17	Lever Bros. "C" pf.	20.6	20.6
British Aluminium	31½	31½	Lyons, J.	36	32
British Oil & Cake	30½	30½	Marconi	24½	37x
Brunner, Mond	18½	18½	Maypole Dairy dfd.	16.9	16.9x
Castner-Kellner	34	34	Pears, A. & F.	18	18
Eastern Telegraph	153½	154	Underground Inc. Bds.	76	74½
Eastmans	9½	9½			
Onard	4	4x	Coats	5½	5½
Furness, Withy	60½	62.6x	Courtaulds	68	77x
P. & O. dfd.	334	328½x	English Sewing Cotton	53	52½
Royal Mail	120	120	Fine Cotton Spinners	33½	34½
			Harrods Stores	24	24
Anglo-Argentine 1st Pf.	2½	2½	Demais Bros.	35.6	35.6
Brazil Traction	40½	42½	National Steam Car.	17½	17½
Darracq	32.6	30.6x	Rolls-Royce	13	13
Anglo-Egyptian "B"	33.6	34½	Shell	51½	51½
Burmah	6½	6½	Spies (10/-)	5.6	5.6
Lobitos	12	12	Trinidad Leaseholds	31.6	34½
Mexican Eagle pf.	64.3	60½	Ural Caspian		
North Caucasian	14	14	Venezuelan	12	11½
Roumanian Cons.	7.6	7.6			
Allagar 2½	3.1½	3½	Perak 2½	71	71
Anglo-Dutch, £1	30.6	30.6	Port Dickson 2½	41	41
Anglo-Java Rub. 2½	61	61.4½	Rub. Estates Krian 2½	3.5	3.5
Anglo-Malay 2½	13.9	13.9	Rubber Trust £1	26.6	27
Ayer Kuning £1	44.6	44.6	Sampang (Java) 2½	2.4	2.5
Brit. N. Borneo Trust £1	16.9	16.9	Seaport £1	25.9	25.9
Bukit Cloh 2½	4.1x	4.7	Sengat 2½	2.11	31
Bukit Mertajam 2½	4.3	4.3	Seremban £1	36.9	36.9
Bukit Sembawang 2½	3.1½	3.1½	Sialang £1	62.6	65½
Carey United £1	39.6	39.6	Singapore Para 2½	41	41
Chersonese	3.1½	3.1½	Singapore United 2½	2.10½	3.0½
Cheviot 2½	5.6	5.3x			
Dalkeith 2½	2.7½	2.7½	Pataling 2½	40.6	39.9
Grand Central £1	26½	25.9	Straits Beriam 2½	61	61½
Highlands £1	57½	57.6	Sumatra Para 2½	7.10½	7.10½
Java Investment £1	25.7½	25.3	Sungai Bahru £1	36.4½	36½
Johore Rubber Lands £1	30.1	30.9	Taipung 2½	41	41
Kamunin 2½	3.8	3.9	Tanjong	87½	88.6
Kinta Kellas 2½	3.9	3.9	Tanjong Malim £1	30.6	30.6
Labu 2½	8.7½	8.6	Tebrau 1	62	65½
Langen Java £1	37.6	40½	Teloregido £1	40½	41½
Linggi 2½	25.1	25.4½	Tempeh 2½	2.13	2.14
London Asiatic 2½	8.6	8.9	United Serdang 2½	9.7½	10
Malayalam £1	36.6	36.3	Val d'Or 2½	3.6	3.7
Merlimau 2½	4.10½	5.2	Vallambrosa 2½	19.9	19.9
Bechuanaland Exp.	6.3	6.9	Kyshtim	8	8
Brakpan	4½	4½	Mashonaland Agency	6½	6½
Broken Hill Prop. (8½)	38	66½	Meyer & Charlton	41½	41½
Cam & Motor	10.6	11	Modder "B"	7½	7½
Central Mining (£12)	52	52½	Do. Deep	68	72
Chartered	13.7½	15½	Mysore	2.8½	2.8½
City Deep	22	22½	Nigerian Tin		21.6
Cons. Gold Fields	30½	31.3	Pahang (3½)	12.6	12.6
Cons. Langlaagte	18	18	Rand Mines (5½)	2½	2½
Crown Mines (10½)	12½	12½	Renong	2.7½	2.7½
De Beers dfd. (£2 10s.)	12½	12½	Rio Tinto (£5)	64	66½
East Pool (5½)	17x	27.3x	Russo-Asiatic	2.7½	2
East Rand	4.9	4.9	South Crcty (5½)	22½	22½
Geduld	1½	1½	Spring Mines	3½	3½
Geevor (10½)	1½	26½	Tanganyika	2½	3½
Gov. Areas Mod	39	38	Tanahlyk	8	8
Gt. Boulder (2½)	12½	12½	Van Ryn Deep	38½	37½

port. Colonial issues mostly were steady, but very few movements occurred, and the number of transactions recorded was quite trifling. More interest was displayed in Foreign bonds, with French, Japanese, and Brazilian fairly prominent. Spanish, however, showed the most sensational movements owing to the wide fluctuations in exchange, and after advancing 4 points they left off practically at the starting point. Russians were weak, but Greek Monopoly received some support.

Home Railways came into some favour owing to the Budget being more favourable than had been anticipated, and most of the leading stocks gained a fraction. Dealings, however, were on a very small scale. American Railroads were dull where they moved at all, but the movements as a rule were quite trifling. International Mercantile Marine preference lost 2 points. Argentine Rails generally were firm, and were not much affected by the latest news about another general strike on the Buenos Ayres and Pacific. Canadian Pacifics were rather dull, and Trunks, after showing a certain amount of strength on the statements at the annual meeting, fell back and left off without much change. Mexicans were decidedly weak for no particular reasons except that there is no support at present, and United of Havana also gave way, but Antofagastas were conspicuously strong.

Bank shares were firm, but seldom changed hands. Breweries were dull on the Budget proposals, which will tend to curtail the publican's profits. Guinness's lost as much as 10 points and City of London also gave way, but Allsopp's and Watneys were something to the good at the finish. Egyptian securities continued in favour, Salt and Soda and several others putting on substantial gains. Iron and Steel shares have been particularly good, and nearly all the active list has advanced a good fraction. Among Land shares, Hudson's Bays gave way rather sharply, but Nigers improved on a moderate amount of buying. Nitrate shares were in little request, but the tone was satisfactory. Shipping shares moved upwards where any change occurred, in spite of the rather poor results now being declared. Among Miscellaneous, Industrials, Coats and Courtalds, Calico Printers, Salt Unions and Welsbachs all improved to a substantial extent, but Sewing Cottons were weak. Brazilian Tractions had a sharp advance at one time, but closed below the best.

Oil shares generally have been wonderfully firm, with "Shells," Trinidad Leaseholds, Ural Caspians and Venezuelan Concessions all moving steadily upwards; but some of the smaller shares in the Russian division gave way where they changed hands at all. Rubber shares at one time showed considerable strength, owing to the advance in the price of the commodity to 2s. 6d., and although that level has not been maintained, the feeling has continued wonderfully confident. The reduction in certain of the dividends announced is regarded as purely temporary, and the fact that there has been no change in the excess profits duty, which was rather feared in some quarters, has helped to strengthen the market.

## LONDON PRODUCE MARKETS.

Actual transactions were confined to a moderate compass in most directions, buyers merely operating in order to fulfil pressing requirements, though prices maintained a steady level.

**SUGAR.**—Prices were raised, in unison with the increased duty now in force. Tate's cubes, crushed caster, and pulverised, 64s. 9d.; granulated and white pieces, 57s. 9d.; pieces other than white, 55s. 6d. Lyle's granulated, also white and yellow crystals, 57s. 9d. Crystallised West India, 57s. 9d.; muscovado and syrups, 55s. 6d.

**COFFEE.**—This market continued without new feature, trade being of retail proportions and tendency of prices weak. Future delivery market idle.

**COCOA.**—There was a fair inquiry for the small quantities on offer. Sales include Grenada, 80s. to 85s.; Ceylon, 96s.

**SPICE.**—Moderate sales resulted in pepper, and the market ruled steady. Fair black Singapore, spot, sold, 1s. 4d.; white ditto, quoted, 2s. 2½d.; Muntok, sold, 2s. 2½d. Cloves firmer, and fair Zanzibar, spot, sold, 2s. 5d. Pimento, quoted, 5½d. Tapioca quiet of sale, but steady.

**RICE** continued in steady support, also beans and peas.

**HEMP.**—Moderate transactions occurred at regulation rates.

**SHELLAC** nominal, actual trade being quite retail.

**RUBBER** very unsettled during the week, while influenced by the position of the American market, and business was on a fair scale. Plantation, spot, crepe, sold, 2s. 5½d., 2s. 6d., 2s. 5d., and 2s. 5½d.; May-June, 2s. 5½d., 2s. 6½d., 2s. 5½d.; July-December, 2s. 7d., 2s. 7½d., 2s. 6½d., 2s. 6½d. Ribbed standard smoked sheet, spot, sold, 2s. 4½d., 2s. 5d., 2s. 4½d. Fine hard Para, spot, sellers, 3s. 2d.; soft fine, 3s.; ball, 1s. 9d.

**PEPPERMINT OIL** slow. Japanese, spot, 3s. 9d.; and menthol, 14s., sellers.

**CORN** (Mark Lane).—The moderate offers this week met with ready attention, a fully steady tone being maintained throughout. Of imported wheat, No. 1 Northern Manitoba sold at 81s. 6d.; hard winters, No. 2, quoted at 80s. 9d. Australian, 83s. 6d. to 84s. 3d. Flour: Imported grades range at 50s. 3d. to 51s. 3d., ex warehouse, English, 44s. 3d. per sack, ex mill. Barley: English milling, nominal, at 62s. 9d. to 63s. 9d. Maize: American mixed changed hands at 79s. 9d. to 82s.; and some white South African at 88s., delivered, latter being for seeding only. Oats: American white clipped No. 2 sold at 61s. 6d. English held for 47s. 3d. per qr.

**COTTON** (from our Manchester correspondent).—The conditions in the market during the past week have been too unsettled for anything more than a retail business to be done. Wide fluctuations have occurred in raw cotton rates, and a further drop in values has occurred towards the close of the week. Spinners and manufacturers have stood their ground remarkably well, and quotations in yarn and cloth have not fallen to anything like the same extent as raw material rates in Liverpool and New York. The Cotton Control Board has decided to take another census of raw cotton stocks in the hands of spinners, and the returns have to be completed this week. It is expected that the statistics will be available early next month. It is impossible to account for the many ups and downs in the raw material markets, and movements.

## CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING APRIL 26 1918

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 25 8, 98 % polarisation			<b>Wool</b> —per lb.		
Tate's Cubes ..	2 13 9	3 4 9	Australian		
Crushed ..	2 13 9	3 4 9	Scoured Merino	nom.	nom.
Granulated ..	2 6 9	2 17 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 6 9	2 17 9	Greasy Merino ..	nom.	nom.
Foreign granulated, first marks			Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	New Zealand (scoured) Merino	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Greasy Crossbred	nom.	nom.
French Cube	nom.	nom.	Cape snow white	nom.	nom.
Crystallised, West India ..	2 6 9	2 17 9	<b>Indiarubber</b> p. lb. Plantation, Spot		
Beet, 88% f.o.b.	nom.	nom.	Crepe ..	0 2 4	0 2 5
<b>Tea</b> —per lb., duty 1/- lb.	s. d. s. d.	s. d.	<b>Coal</b> —per ton		
Indian Pekoe ..	nom.	1 4	Durham, best ..	nom.	nom.
Broken ..	nom.	1 4	Seconds ..	nom.	nom.
Orange ..	nom.	1 4	East Hartlepool ..	nom.	nom.
Broken ..	nom.	1 4	Seconds ..	nom.	nom.
Pekoe Souchong	nom.	1 4	Steam, best ..	32 6	32 6
Ceylon Pekoe ..	nom.	7 4	Seconds ..	29 6	29 6
Broken ..	nom.	7 4	<b>Lead</b> —per ton.		
Orange ..	nom.	7 4	English Pig ..	£ s. d.	£ s. d.
Broken ..	nom.	7 4	Foreign soft, net	£ 29 ½-£ 28 ½	£ 29 ½-£ 28 ½
Pekoe Souchong	nom.	7 4	<b>Quicksilver</b> —per bottle firsthand	nom.	nom.
<b>Cocoa</b> —per cwt., duty 6d. per cwt.	s. d. s. d.	s. d. s. d.	<b>Tin</b> —per ton		
Trinidad—per cwt.	up to 90 0	86 0 90 0	English Ingots ..	£ 337	£ 356-£ 358
Grenada ..	" 85 0	80 0 85 0	Do, bars ..	£ 338	£ 357-£ 359
West Africa ..	" 65 0	60 0 65 0	Standard cash ..	£ 330	£ 350
Ceylon Plantation	" 100 0	78 0 100 0	Tin Plates, per box	nom.	nom.
Guayaquil ..	" 90 0	up to 90 0	<b>Copper</b> —per ton.		
<b>Coffee</b> —per cwt., duty 42/- per cwt.			English, Tough	nom.	nom.
East India ..	108-0 133-0	110 0 133 0	Best Selected ..	£ 119-£ 123	£ 119-£ 123
Jamaica ..	77-0 150-0	77 0 150 0	Sheets ..	£ 149	£ 149
Costa Rica ..	109-0 135-0	110 0 137 0	Standard ..	£ 110-110 ½	£ 110-110 ½
<b>Provisions</b> —			<b>Wheat</b> —per ton.		
Butter, per cwt.			Native firsts for shipment	nom.	nom.
Australian finest	252/	252/	<b>Oils</b> —		
Argentine ..	252/	252/	Linseed, per ton ..	£ 58	£ 58
Irish Creameries	nom.	nom.	Rape, crude ..	£ 66	£ 66
Dutch ditto ..	nom.	nom.	Cott'n Seed, crude	£ 60	£ 60
Russian finest ..	nom.	nom.	Petroleum Oil, per 8 lbs.	1/7 ½	1/7 ½
Paris baskets ..	nom.	nom.	Water White ..	1/8 ½	1/8 ½
Danish finest ..	nom.	nom.	Oil Seeds, Linseed	—	—
Brittany rolls — doz. lb. ..	nom.	nom.	Calcutta—per ton		
<b>Bacon</b> —per cwt.			Spot	29 15 0	29 15 0
Irish ..	nom.	188/	Rape ..	£ 29-10 £ 30	£ 29-10 £ 30
Continental ..	172/	172/	<b>Iron</b> —per ton		
Canadian ..	171/-172/	171/-172/	Cleveland Cash ..	nom.	nom.
American ..	171/-180/	171/-180/	<b>Tobacco</b> —duty, unmanufactured 8/2 per lb. ..		
<b>Hams</b> —per cwt.			Maryland & Ohio, per lb. bond ..	nom.	nom.
Irish ..	nom.	nom.	Virginian leaf ..	0 8-2 1	0 8-2 1
Canadian ..	162/-165/	162/-165/	Kentucky leaf ..	0 7-0 11	0 7-0 11
American ..	125/-165/	125/-165/	Latakia ..	2 0-5 0	2 0-5 0
<b>Cheese</b> —per cwt.			Havana ..	1 6-6 6	1 6-6 6
Dutch ..	129/6-160/-	129/6-160/-	Manilla ..	nom.	nom.
Canadian ..	nom.	nom.	Cigars, duty 10/6 per lb. ..	2/ upds.	2/ upds.
English Cheddar	126/-168/	126/-168/	<b>Timber</b> —Wood.		
Whits loaf ..	nom.	nom.	Pitch Pine ..	300/-400/	300/-400/
New Zealand ..	nom.	nom.	Indian Teak ..	380/-700/	380/-700/
<b>Rice</b> —per cwt.			<b>Turpentine</b> —		
Japan ..	41 3	41 3	American Spot ..	124/3	124/
Rangoon 2 stars ..	26 3	26 3	<b>Copra</b> —per ton		
<b>Eggs</b> —per 120.			Malabar ..	46 0 0	46 0 0
English ..	32 0-34 0	33 0-34 0	Ceylon ..	46 0 0	46 0 0
Irish ..	32 0-33 0	32 6-33 0	F.M.S. Singapore	45 10 0	45 10 0
Danish ..	33 0-35 0	34 0-36 0	F.M. Straits ..	45 10 0	45 10 0
<b>Spelter</b> —					
G.O.B. as to position ..	£ 54 £ 50	£ 54-£ 50			
<b>Flour</b> —per sack.					
Country Straight	44/3	44/3			
Runs ex Mill ..					

have occurred quite irrespective of any distinct change in the general situation. In the cloth market the feature of interest has been the substantial contracts placed in heavy materials and fine strong goods for the British and French Governments. Many manufacturers are not quite so anxious for this kind of work as a few months ago. Fair offers have been met with in light fabrics for India, with occasional sales. Very little has been done for China. Most shippers to the smaller outlets have looked on. Numerous manufacturers have been harassed by the scarcity of yarns. American spinners have been difficult to deal with, and small lots to be sent in at once have commanded record figures. Buying for distant months has been restricted. There has not been much activity in export numbers. Egyptian spinners have been very stiff in quotation, with a rather irregular demand.

## The Week in Mines.

The uncertainty regarding the new Military Service Act having been largely removed by Sir Auckland Geddes' explanations, and the Chancellor's new taxation proposals having proved much less drastic than had been feared, the mining markets have completely recovered from their recent depression. In practically all departments quotations show a general advance, but this is to be attributed mainly to a change of sentiment and not to any appreciable increase in the volume of business.

### SOUTH AND WEST AFRICANS.

The South African market was at first rather dull in tone on the report of the Select Committee appointed by the Union Government to consider the question of granting assistance to the low-grade mines in order to enable them to continue working. All that the Committee recommends is that the cost of insurance and freight should be reduced by the Bank of England from 25s. per cent. to 17s. 6d. per cent. on the gold shipped to it. This would save the industry about £140,000 per annum, which sum is considered quite inadequate to meet the present position of the low graders, which are very numerous. It is also proposed to remit temporarily the Government's share of claim licences, but what action the Government will eventually take is not disclosed. The market quickly recovered from the disappointment caused by this report. New Modderfonteins have risen  $\frac{1}{4}$  to 21 $\frac{3}{4}$ , Modder B's and Deeps  $\frac{1}{8}$  to 7 $\frac{1}{8}$  and 7 $\frac{1}{2}$  respectively, Springs  $\frac{1}{4}$  to 3 $\frac{1}{4}$  on the coming bonus distributions, Brakpans  $\frac{1}{8}$  to 4 $\frac{1}{8}$ , Daggafonteins  $\frac{1}{4}$  to 1 11-32, and Gold Mines Investments 2s. to 20s. Randfontein Estates have rallied 9d. to 13s. 9d. Wolhuters were scarcely affected by the reduction in dividend, the price being 5s. Among Rhodesian descriptions Tanganyikas have recovered sharply to 3 3-32, Zambesias have risen 2s. 3d. to 22s. 9d., Falcons 1s. 3d. to 21s. 9d., and Chartereds 9d. to 14s. 4 $\frac{1}{2}$ d. In the diamond section De Beers have risen  $\frac{1}{4}$  to 12 $\frac{1}{2}$ s. West Africans have been in some request. Gold Coast Amalgamateds rose 1-32 to par on the maintenance of the dividend and bonus, and Ashanti Goldfields are better at 20s.

### COPPER AND MISCELLANEOUS.

Copper shares have been distinctly firmer. Rio Tintos have spurted  $\frac{1}{4}$  to 65 $\frac{1}{2}$  on a report that the shares will be introduced on the Spanish bourses, and Hampden Cloncurrys have risen 1s. 9d. to 26s. 9d. in anticipation of a resumption of dividends. Tin shares have been active and buoyant on the further rise of £16 to £343 in the price of the metal. East Pools have risen 2s. 6d. to 30s. 6d., Geevors 1s. 6d. to 26s., Tronohs 5-32 to 1 $\frac{1}{2}$ , Anglos 9d. to 14s. 6d., and Keffis 1s. to 5s. Ropps have advanced 4s. to 24s. 6d. on the record March output of 104 $\frac{1}{2}$  tons, while Aramayos have risen  $\frac{1}{4}$  to 2 $\frac{1}{4}$  on the large increase in profits last year. Broken Hills have developed marked strength on the new zinc contract made between the Imperial and Australian Governments. Proprietaries have jumped 3s. 6d. to 66s., British 3s. 9d. to 42s., Norths 3-32 to 3 1-32, and Souths  $\frac{1}{4}$  to 10 $\frac{1}{2}$ . Burma Corporations have risen  $\frac{1}{8}$  to 4 $\frac{1}{8}$  in sympathy, but Mysore has fallen 3-32 to 2 $\frac{1}{2}$ , and Nundydroogs are easier at 22s. 6d.

## MINING NEWS.

**GELDENHUIS DEEP.**—Owing mainly to a drop in grade this company did not do anything like so well in 1917 as in 1916. The tonnage milled was 47,900 less at 648,400, and the yield per ton declined from 25s. 5d. to 23s. 10d. Working costs averaged 3d. higher at 20s. 10d., and the rate of profit consequently dropped from 4s. 10d. to 3s. per ton. The nett profit comes out at £101,197, as compared with £172,911, a reduction of 5 per cent. to 20 per cent. is shown in the dividends declared, and the carry forward is £2,345 less at £180,519. Reserves of ore have been increased from 1,616,000 tons to 1,811,000 tons, but the value is slightly lower at 5.8 dwts. per ton. To avoid the payment of licences 231 claims north of the reef have been abandoned, and a mynpacht of 1.2 claims has been secured.

**IVANHOE.**—During 1917 the output was increased from £383,723 to £391,428. Working costs averaged 22s. 9d. per ton, against 21s. 10d. Owing to the increase in costs the profit has decreased from £119,279 to £106,092, but the dividend is maintained at 10s. 6d. per share by a final payment of 3s. per share, less tax, while the carry forward is reduced from £15,579 to £7,858. Capital expenditure written off profits amounted to £23,550. Despite the smaller amount of development work done, the ore reserves have been increased from 1,002,000 tons to 1,035,874 tons, valued at 34s. 2d. per ton, a decrease of 2s. 1d. per ton. It may be noted that the writing off of £13,600 for investment depreciation more than accounts for the reduction in the carry forward.

**GOLD COAST AMALGAMATED.**—The nett profits for the year ended March 31 were £20,326, against £19,961, but £55,108, or £14,238 less, was brought into the accounts. The reserve has been increased by £11,787, as against £14,088, due to repayment of advances to sub-companies previously written off this account. A dividend of 1s. per share, with a bonus of 6d. per share, is again to be paid, which involves a further reduction in the carry forward to £42,384. It is stated that the issued capital is represented by investments, loans and other assets, valued at £618,022, after allowing for all current

liabilities and without placing any value on mines, property, concessions, plant, buildings, and stores.

**DOLCOATH MINE.**—The report for the half-year ended December 31 shows an appreciable improvement on the results for the previous half-year. Although the tonnage treated declined further, from 35,174 to 34,540, with a diminution in the yield of black tin of 33 tons at 500 tons, the value of the output was £4,918 larger at £67,807. This was due to the average price realised for black tin rising from £125 15s. to £145 os. 3d. per ton, making the average per ton of ore £1 19s. 3-15d., against £1 15s. 9-11d. The total receipts were £71,804, against £64,389, the largest since the second half of 1913. Working costs, however, rose from £55,829 to £61,119, and the nett profit comes out at £6,055, against £4,357 in the first half of 1917, and compares with a loss of £2,910 in the second half of 1916. The receipts per ton were £2 1s. 6 $\frac{3}{4}$ d., against £1 16s. 7 $\frac{1}{2}$ d.; the costs £1 18s. 0 $\frac{1}{2}$ d., against £1 14s. 1 $\frac{1}{2}$ d.; and the profit 3s. 6d., against 2s. 5 $\frac{3}{4}$ d. per ton. After writing off £2,526, £9,549, against £6,019, is carried forward. Since the close of the half-year the company has purchased the lords' royalties over the Dolcoath Mine, and have in conjunction with the East Pool and Agar acquired certain outside areas, for which purpose debenture stock for £75,000 was created and oversubscribed.

**BANTJES.**—Operations in 1917 resulted in a loss of £23,248, as compared with £7,697 in 1916, and the credit balance carried forward is reduced from £61,395 to £49,324. The tonnage milled was 243,500; the value of the yield 22s. 3d., and the working loss 2s. per ton against 8d. Although development operations were disappointing, the ore reserves have been increased from 412,000 tons to 470,100 tons, while the value is  $\frac{1}{2}$  dwt. higher at 6 dwts. The directors state that as present conditions are against moderate working costs, there is little hope of the mine earning more than a nominal profit.

**ROBINSON.**—This mine, which is now nearing the exhaustion stage, suffered a heavy drop in profits last year. There were milled 618,700 tons, against 690,300 tons, the yield being 1s. 9d. less at 22s. 9d. and the profit 7s. 8d. per ton, against 10s. 8d. The nett profit was £181,056, against £351,580, the dividend was reduced by  $\frac{1}{2}$  to 7 $\frac{1}{2}$  per cent., but the carry forward is £281,098, against £187,014. Owing to the receipt of bewaar-plaatsen moneys, the capital expenditure account shows a credit of £152,077. The ore reserves are estimated at 943,000 tons, but given an ample supply of labour to mine the maximum quantity of low-grade ore from the main reef, the maximum tonnage of the past can be maintained for quite two years.

**MUREK.**—The profits of this concern in 1917 were £17,470. It is proposed to pay a maiden dividend of 20 per cent. (1s. per share), less tax, and to carry forward £7,446, against £75.

**CHINESE ENGINEERING.**—This company's profits in the year ended June 30 were materially increased by the improvement in the rates of exchange due to the high price of silver. The gross profit of the Kailan Mining Administration, under which the mines of the company and those of the Lanchow company are worked, amounted to \$5,776,338, against \$5,201,094. After providing \$866,450 for depreciation reserve and for the service of the bonds, the nett profit is \$3,791,986, against \$3,177,538, the company's proportion being \$2,146,973. The nett profit in sterling comes out at £291,562, against £201,725. It is proposed to pay a balance dividend of 7 $\frac{1}{2}$  per cent., tax free, making 12 $\frac{1}{2}$  per cent. for the year, an increase of 2 $\frac{1}{2}$  per cent., and to carry forward £286,654, against £162,123 brought in, but the former amount is subject to excess profits duty. Business of the Kailan Administration shows a slight increase, the sales of coal amounting to 2,766,873 tons.

## American Business Notes.

It was indeed an ungracious thing for Sir Sidney Low to write a letter to the *Times* depreciative of the United States help in this war. One wondered in reading that letter—the first feeling excited was one of pained astonishment—what had this mere *littérateur* to do with public affairs in the United States, but the question was answered by the recollection that his brother, Maurice Low, has for many years been the American correspondent of the *Morning Post*, and that the said Maurice, although a perfectly honourable and straightforward journalist, has his failings, not to say his racial prejudices, and that he has often been the reverse of sympathetic in his attitude to many of the politicians and political ideals that have influence in the great Republic. So far as we have observed—it has been by no means closely—one of Mr. Maurice Low's pet *belles noires* is President Woodrow Wilson. This, perhaps, accounts for Sir Sidney's depreciative estimate of America's help in the war. America has done next to nothing as yet, according to him. "Only one fighting aeroplane has thus far been sent from the United States to France," and—the rest may be inferred. It is meanness unredeemed.

To it all a most effective answer—had answer been needed—has been furnished by Mr. Edward Price Bell, the London representative of the *Chicago Daily News*. This able correspondent points out that it would not be in the interests of America's Allies to proclaim to the world what the country has done or is doing, and the rebuke, we may be sure, was hardly needed by the British public. For no man of Anglo-Saxon race would in a supreme time of crisis like the present have dreamt of casting doubts upon the energy, capacity, or

loyal goodwill of the American people. So far from hanging back, that people is straining every effort, commandeering every resource, and, without ceasing, doing its utmost to take its fair and, it may be, its decisive share in this war. Only the other day a French minister—we forget at the moment who—told us that there were already 500,000 American soldiers in France, and we in this country, although nothing is trumpeted forth about it, are well aware that the support given to us by the American Air War organisation is already important, is every week on the increase. So is it in France, as Mr. Bell points out. Does Sir Sidney Low imagine that it is a light thing to have brought half a million fighting men, with their guns, ammunition, doctors, nurses, food, and provender across the Atlantic in less than a year, as easy, say, as the action of armies on the stage in a play of Shakespeare?

## PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1918, and April 20, 1918:—

	Estimate for the Year 1918-1919.	Total Receipts into the Exchequer from April 1, 1918, to April 20, 1918.	Total Receipts into the Exchequer from April 1, 1917, to April 21, 1917.
Balances in Exchequer on April 1—Bank of England ..	£ —	£ 19,361,578	£ 25,269,947
Bank of Ireland ..	—	1,668,452	1,225,912
		21,030,030	26,435,859
<b>REVENUE.</b>			
Customs .....	—	4,002,000	3,761,000
Excise .....	—	2,445,000	2,780,000
Estate, &c., Duties .....	—	1,416,000	1,679,000
Stamps .....	—	361,000	239,000
Land Tax .....	—	160,000	170,000
House Duty .....	—	—	—
Property and Income Tax and Super Tax .....	—	15,182,000	12,765,000
Excess Profits Duties, &c. ....	—	12,264,000	10,286,000
Land Value Duties .....	—	25,000	60,000
Post Office .....	—	1,850,000	1,850,000
Receipts from Sundry Loans, &c. ....	—	—	500
Miscellaneous .....	—	856,231	406,906
Revenue .....	—	38,561,231	33,997,406
Total .....	—	59,591,261	60,433,265
<b>OTHER RECEIPTS.</b>			
Repayment of Advances for Bullion .....	—	240,000	80,000
For Treasury Bills (for supply) .....	—	247,164,000	109,432,000
For 5 per Cent. Exchequer Bonds, 1922 .....	—	—	9,300,000
For 3 per Cent. Exchequer Bonds, 1930 .....	—	4,100	—
For War Savings Certificates .....	—	6,100,000	2,600,000
For other Debt (War Loan Acts, 1914-1917) ..	—	24,236,020	—
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .....	—	—	36,500,000
For National War Bonds .....	—	*44,176,000	—
Temporary Advances—Ways and Means .....	—	65,500,000	61,055,000
Total .....	—	447,011,381	279,400,265

\*Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1918-19.	Total Issues out of the Exchequer to meet payments from April 1, 1918, to April 20, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1917, to April 21, 1917.
<b>EXPENDITURE.</b>	£	£	£
Permanent Charge of Debt ..	—	2,706,446	2,887,909
Interest, &c., on War Debt ..	—	14,726,069	4,774,840
Payments to Local Taxation Accounts, &c. ....	—	90,000	190,000
Other Consolidated Fund Services .....	—	197,882	230,139
Supply Services .....	—	134,424,000	127,619,000
Expenditure .....	—	154,144,397	135,701,888
<b>OTHER ISSUES.</b>			
For Advances for Bullion .....	—	400,000	200,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	84,909	84,909
Under Telegraph (Money) Act, 1913 .....	—	12,000	20,000
Under Post Office (London) Railway Act, 1913 ..	—	—	—
For Treasury Bills for Supply .....	—	127,167,000	78,975,000
For War Loans, Exchequer Bonds, &c., under Section 34 of Finance Act, 1917 .....	—	1,877,344	13,290
For War Expenditure Certificates under War Loan Act, 1916 .....	—	19,400	—
For other Debt under the War Loan Acts, 1914 to 1917 .....	—	3,451,207	—
For Depreciation Fund under the Finance Act, 1917 .....	—	1,000,000	—
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	20,000	—
Temporary Advances repaid—Ways and Means ..	—	—	40,000,000
		430,676,257	254,995,087
Balances in Exchequer—	1918. April 20.	1917. April 21.	
Bank of England .....	£ 14,629,093	£ 23,163,809	
Bank of Ireland .....	1,706,031	1,241,369	
Total .....		16,335,124	24,405,178
		447,011,381	279,400,265

MEMO.—Treasury Bills outstanding on April 20, 1918. ....\*£948,272,000.

\* Includes £203,000, the proceeds of which were not carried to the Exchequer within the period of the account, besides a part (not yet ascertained and brought to account) of the Bills tendered as subscriptions to National War Bonds.

† Includes part payment of Bills and Certificates tendered as subscriptions to National War Bonds.

## DIVIDENDS ANNOUNCED.

Assam Co.—Interim of 7½ per cent. or £1 10s. per share, less tax, payable June 1.

Agricultural Bank of Egypt.—8s. per share on ordinary shares, against 7s., and £40 per share on deferred shares, the same.

Anglo-Chilian Nitrate and Railway Co.—Further 15s. per preference share, and 15s. per ordinary share, for 1917, both free of tax, payable on May 16. For 1916 a bonus of 5s. was paid.

Broken Hill Proprietary Co.—(No. 181) 1s. per share, payable May 15, the same as a year ago.

Bankers' Investment Trust.—For half-year ending April 30 at rate of 6 per cent. per annum on deferred stock; the same as a year ago.

Bank of Montreal.—2½ per cent. for quarter ending April 30, together with a bonus of 1 per cent., which is at rate of 12 per cent. per annum, same as a year ago.

Canadian Bank of Commerce.—2½ per cent. and bonus of 1 per cent. for three months to May 31, payable June 1, the same as a year ago.

Consolidated Trust.—Final 8½ per cent. on deferred stock, making 12½ per cent. for year, the same as last year.

Consolidated Water Works Co. of Rosario.—Final on ordinary shares of 5 per cent., less tax, making 8 per cent. for 1917, the same as for 1916.

City of Buenos Ayres Tramways Co. (1904).—1s. 3d. per share (being at rate of 5 per cent. per annum), less tax, for three months to March 31, payable May 16, the same as a year ago.

Dunville and Co.—Interim of 5s. per share, less tax, for half-year ended March 31.

Dalgety and Co.—Interim for six months ended December 31 of 4s. per share, together with bonus of 1s. per share, payable on 15th prox.

English, Scottish, and Australian Bank.—Interim of 4 per cent., free of tax, payable May 1, the same as a year ago.

Financial Times.—On ordinary shares for year ended December 31, at the rate of 4 per cent. per annum, against 5 per cent.

Grand Hotel, Eastbourne.—Interim at rate of 10 per cent. per annum, less tax, for six months ended March 31, to be paid May 15, the same as a year ago.

Joshua Hoyle and Sons.—Interim at rate of 20 per cent. per annum, free of tax, for six months ended March 31, payable May 14.

London Guarantee and Accident Co.—Final on ordinary shares of 12s. 6d. per share, making with interim a total of 20s. per share, against 16s. paid in 1916.

Liverpool and London and Globe Insurance.—13s. per share for 1917, making 26s. for year, less tax, as against 24s. for previous year.

Mansfield Railway Co.—Final at rate of 6 per cent. per annum on preference shares for half-year; £840 forward. This, with interim for the June half-year, makes 4¾ per cent. for whole year on the preference shares, against 4¾ per cent.

D. and W. Murray.—Interim of 5 per cent. for half-year ended January 19, the same.

Montevideo Telephone Co.—Interim for half-year to Jan. 31 at rate of 6 per cent. per annum, free of tax, the same as a year ago.

Niger Co.—Interim of 3¼ per cent. for half-year ended June 30 on ordinary shares, less tax, the same as a year ago.

Premier (Transvaal) Diamond Mining Co.—On the deferred shares of 200 per cent. (5s.) per share, less tax, comparing with 6s. 3d. paid in December last.

Rio de Janeiro City Improvements Co.—Final 2s. 6d. per share (less tax), making 5 per cent. for 1917.

Scottish Union and National Insurance Co.—For 1917 at rate of 20 per cent., less tax.

Trust and Agency Co. of Australasia.—1s. per share, making a total for 1917 of 1s. 6d. per share, or 7½ per cent. (free of tax), the same as for 1916.

West India and Panama Telegraph Co.—Final for 1917 of 6d. per share and 3d. per share bonus on the ordinary shares (free of tax).

Wolhuter Gold Mines.—(No. 21) of 3¼ per cent. (9d. per share) for six months ending April 30, as compared with 1s. 3d. a share a year ago.

Yorkshire Insurance Co.—5s. per £5 share (10s. paid) and 10s. per £1 fully-paid share, tax free, same as last year.

SUTHERLAND STEAMSHIP CO., LTD.—Profits fell off heavily in the year to March 31, the trading account showing a balance of only £58,400, against £108,400. Dividends from investments yielded £21,000 more at £30,750, but the amount brought in was £136,000 smaller at £18,200. On the other hand, £116,000 was saved on excess duty, and the nett profit is £150,000 lower at £70,300. Nevertheless, the directors pay 6s. per share, tax free, or the same as last year, and the carry forward is reduced to £10,300. It does not look very cheerful at first sight, but we do not think that things are as bad as they seem. Last year, after striking nett profit, £140,000 was placed to maintenance and reserve fund. Nothing is said about any such appropriation on this occasion, but comparing the balance-sheets for the two years, we find that this fund now stands at £563,000, an increase of no less than £434,000. Moreover, property and investments are up £175,000 at £788,000, and debtors have increased from £5,300 to £112,000, but cash balances are £73,000 lower at £47,000. Without getting behind the scenes, it is impossible to draw any definite conclusions from the figures presented.

## Insurance News.

For 1917 the profits of the Royal Exchange Assurance Corporation amounted to £301,883, as contrasted with £286,008 in 1916. The amount provided for depreciation of investments and losses owing to the war was £140,000, as against £60,000 in the previous year. Available balance £726,434, an increase of £103,154, out of which a dividend making 12 per cent. for the year is to be paid, the same as for 1916. There was issued 1,398 new life policies for £714,832, and the total net premium income was £77,200 higher at £397,704. The amount paid for claims, excluding endowments, was £261,727 (against £225,824); this sum was only slightly in excess of the expectation, notwithstanding the amount paid for war claims. Net fire premiums were £112,694 higher at £1,117,887, but losses and expenses also increased, and the profit of £80,350 showed a reduction of £22,448. An increase of £467,487 in the net marine premiums was accompanied by an increase of £573,687 in the amount paid for losses in respect of 1917 and previous years. After increasing the marine fund from £1,010,110 to £1,216,445, £170,000, or £40,000 more, was transferred to profit and loss.

The Northern Assurance Company did not have such a favourable experience as regards fire business in 1917. While net premiums rose by £252,394 to £1,687,914, claims were £203,883 higher at £925,292, the loss ratio being 62.3 per cent., against 50.3 per cent. for 1916. Expenses were kept down, however, and the ratio was 35.1 per cent., against 37.4 per cent. The company has extended its operations to marine business under the guidance of the Indemnity Mutual Marine Company, and the net premiums were £112,864 for the year; losses being £12,533 and expenses £5,550, leaving a surplus of £94,781. New life business at £313,303 net, showed an increase of £10,784, while claims were lighter by £22,435 at £292,394. By an addition of £66,008, the life funds were raised to £5,007,695. The distribution for the year is again made up to 9s. a share.

In all departments the business of the Atlas Assurance Co. for 1917 showed substantial progress. New life policies for net sums of £645,594 were issued, this total showing an increase of £189,692, with annual premiums of £27,315, or £7,564 more than in 1916. Claims by death, which numbered 314 for £145,861, including bonus additions, were only £4,010 heavier, and of the death claims, 84 were on lives over 70, and 30 of these were on lives over 80 years of age. The premium income at £225,785 showed an increase of £7,376, and the total revenue at £333,777 an increase of £19,258. After carrying £27,399 to life investment reserve fund to cover the depreciation in Stock Exchange securities during the year, the life funds increased by £107,182 to £2,474,867. Net fire premiums at £1,392,698 were £239,837 higher, but claims came to £119,681 more at £652,428. An underwriting profit of £163,463 was made. Premiums in the accident and general account were nearly double the 1916 total, namely, £112,177, against £59,719, but claims and other outgo came to £50,201 more at £93,530, the profit being £16,354, after increasing reserve for unexpired risks. With interest, the available total in profit and loss account was £14,843 more at £261,287. The dividend for the year is maintained at 8s. per share, of which 3s. per share was paid in October, less tax. The remaining 5s. will be paid on April 30, tax free, so that the shareholders are really receiving an increased distribution, and the balance forward is raised by £14,790 to £69,701.

With an increase of £46,924 to £547,150 in the net fire premium income for 1917, the Caledonian Insurance Company reported an increase of £27,226 to £293,372 in the claims, the loss ratio being 53.62 per cent., as compared with 53.21 per cent. in 1916. Expenses and commission were £8,965 higher at £195,428, the ratio, however, being 35.72 per cent. as contrasted with 37.27 per cent. The surplus of £55,473 showed an increase of £6,700, and, with other items carried to profit and loss after writing off investments, &c., there remained, including £110,337, or £20,513 more, brought in, a credit balance of £143,496, an increase of £13,138. After repeating the dividend of 24s. per share, the balance forward was raised to £124,146. In the life department 967 new policies for £815,755 were issued, an increase of 153 in the number and of £13,542 in the amount; the net amount retained was £25,208 less than in 1916 at £706,605. A surplus of £70,354 was disclosed in the valuation, plus £15,443 distributed in interim bonuses, making £85,797, whereof £8,580 belongs to the shareholders. This surplus compared with £245,958 realised at the end of the previous five years. Apart from the depreciation in the value of the securities caused by the war, the surplus now disclosed was the largest in the history of the company. A general distribution of bonus is not recommended, but interim bonuses will be paid to participating policies in force on December 31 last, on which at least three years' premiums had been paid, which become claims during the current quinquennium, at the rate of 15s. per cent. in the case of whole life and 10s. in the case of endowments.

A trading profit of £50,368 is disclosed in the fifth annual valuation of the Edinburgh Life Assurance Co., which compares with £60,344 shown a year ago, and as these figures do not permit, in the directors' opinion, of the distribution of any surplus among the policyholders, the whole amount, as was the case a year ago, is to be placed to reserve. As in each of the previous two years, the fact that no surplus was distributed, the dividend on the shares has to be paid out of the interest earned on the proprietors' funds; the distribution is again at the rate of 4 per cent., comparing with 8 per cent. for the years 1913 and 1914. The company's new business was maintained at nearly the previous year's level, 820 new policies

being issued, against 801, assuring £401,640, as compared with £419,871. Claims were £22,202 higher at £335,230. At £4 6s. 11d. per cent., the net average rate of interest earned on the funds showed a reduction of 3s. 7d. per cent.

The General Accident, Fire and Life Assurance Corporation, in common with other British offices, suffered a heavy loss in the conflagration in Salonica. This net loss is estimated at £72,000, but most of this has been met out of the profits of the year, with the assistance of £10,000 from the special reserve of £40,000, which was carried in the fire account for the purpose of meeting such a contingency. Net fire premiums showed an increase of £40,776 at £234,235, and claims amounted to 40.93 per cent., excluding the Salonica loss, as compared with 40.72 per cent. Accident net premiums at £1,389,705 showed an increase of £136,103, of which claims absorbed 59.36 per cent., as compared with 61.37 per cent. in 1916. In the life department the net new business was £97,059, an increase of £19,207, claims by death were £8,423 against £10,854 in the previous year. The company began writing marine business in January, 1917, the results of which will be ascertained at the end of the current year. The net income from all sources was £1,709,711—an increase of £189,300, but the outgo was £165,068 more at £1,623,942. After adding £16,673 more at £60,794 to the various reserves, the directors repeat the dividend of 5 per cent. on the ordinary shares, which requires only £12,500, and the balance forward is raised from £1,305 to £6,130.

The directors of the London Life Association are asking for power to enable the company to transact sickness and accident business. It is understood there is no immediate intention of transacting this class of business, but there is a possibility of it being done later on in conjunction with life assurance.

Although the surplus of £90,207 disclosed in the valuation of the Century Insurance Company compares with £61,617 realised five years ago, it has been decided not to make any general bonus to participating policies. In the case of policies which may become claims during 1918 the bonus is to be 25s. per cent. for each full year's premium paid since 1912. The directors will in due course consider if a further valuation can be undertaken before the close of the new quinquennium. Shareholders are to receive a dividend for the year of 3s. 3d. per share, the same as for 1916.

The net premium income of the Guarantee Society for 1917 was £9,386 higher at £49,752, but, after providing for claims paid and outstanding and other outgo, the balance on profit and loss account was reduced from £49,725 to £48,366. The dividend of 17s. 6d. a share, less tax, is the same as a year ago.

As illustrating the heavy contributions on behalf of the country which life assurance offices are being called on to make, it is of interest to note that during the first four years of the present quinquennial period the Scottish Provident Institution has paid, over and above the ordinary claims, nearly £400,000 in respect of deaths due directly to the war, the assurances being mostly on young lives, in respect of which no extra premiums were charged. Moreover, the amount paid as income-tax for the same period exceeded by £325,000 the amount paid during the corresponding period.

Shareholders in the Fine Art and General Insurance Company are again to receive a dividend of 35 per cent., and the balance forward is raised from £35,527 to £64,135. Reserves have been increased by £30,666 to £315,875, in addition to the reserve for investment fluctuations of £93,133; this last total is in excess of the depreciation as ascertained at December 31 last. Invested funds at £474,087 show an increase of £17,789. The net premium income was £5,145 higher at £191,851.

## Tea, Oil and Rubber.

Last week 1,173 tons of rubber were landed in this country, notwithstanding the restrictions which were supposed to be enforced, while the deliveries were only 420 tons, and stocks were raised to 15,900 tons, against 10,740 tons at the corresponding date last year. Nevertheless, the market for the commodity made a gallant effort to raise prices, and actually succeeded in putting standard crêpe up to 2s. 6d., from which there has only been a fractional decline. Other influences on the share market this week have been the absence of any increase in the excess duty under the new Budget, which many people anticipated, and the hope that the younger estates will get some concession when their case again comes before the Board of Referees. On the other hand, the annual reports now coming to hand are not very encouraging, and in several cases dividends have been rather drastically cut, but holders are apparently satisfied that future prospects with the enforced restriction of output are sufficiently favourable to hang on. We have repeatedly stated our opinion on the subject, and time alone will show which view is the more correct.

SELABA RUBBER ESTATES, LTD.—Year to December 31. Capital, £125,000, in £1 shares. Reserve, £20,000. Output 660,400 lbs.; decrease, 6,400 lbs.; average price, 2s. 3.03d., against 2s. 5.39d.; all-in cost, 1s. 5.34d., against 1s. 2.75d. Gross proceeds, £68,140, decrease, £12,000; net profit £28,700, decrease £14,500; brought in £12,500, decrease £4,000. Dividend is consequently reduced from 28 per cent. to 18 per cent., and the carry forward is £11,700, subject to claim for return of excess duty. The cultivated area is 2,480 acres, all planted in 1911 or earlier, so that the whole estate ought to be almost

in full bearing, and might be expected to yield between 750,000 and 1,000,000 lbs. without overstrain. But under the restriction arrangement the output for the current year is estimated at only 528,000 lbs., and unless the average price can be raised materially, the outlook is not brilliant. A further advance in average cost is almost inevitable.

**HARPENDEN (SELANGOR) RUBBER CO., LTD.**—Year to December 31. Capital, £30,000, in £1 shares. Reserve, £25,500. Output was 511,300 lbs., an increase of 4,000, but 56,700 lbs. below the estimate. No clear statement is given as to average price obtained, and details of cost are entirely omitted. Gross proceeds amounted to £55,300, decrease £12,400, and nett profit was £15,000 less at £28,430. Consequently the dividend has to be reduced from 125 per cent. to 90 per cent., and after placing £1,500 to income-tax reserve, the balance forward is a trifle less at £1,460. Reduced estimate of output for the current year is 510,000 lbs. The planted area is 1,650 acres, of which 400 acres were planted in 1913, and the rest between 1904 and 1910, so that a considerably larger yield ought to be obtainable whenever it is desired. In the meantime it is inevitable that costs must be heavy.

**CHEVIOT RUBBER, LTD.**—Year to December 31. Issued capital, £88,400, in 28. shares; reserve, £35,000. Output 610,450 lbs., an increase of 214,000 lbs.; average price 2s. 3.07d., against 2s. 7.09d.; all-in cost 1s. 3.33d., against 1s. 3.24d. Crop proceeds £68,870, an increase of £17,400; nett profit £27,950, increase £1,800, after placing £5,000, or £4,000 less, to reserve. The dividend is reduced from 15 per cent. to 10 per cent. for the year, and the carry forward, subject to excess duty, is increased by £14,000 to £25,560. Cultivated area 2,727 acres, of which 775 acres have been planted since 1912, and there are 785 acres in reserve. Output for current year was estimated at 700,000 lbs., but is to be restricted to about 488,000 lbs., and the directors state that an increase in the costs of production must be anticipated. "It is a sad world, my masters, and will be sadder."

**DIMBULA VALLEY (CEYLON) TEA CO., LTD.**—Year to December 31. Issued capital, £189,200; reserve, £32,000. Output 1,458,950 lbs. of tea, decrease 133,000 lbs.; cost 6.50d. against 5.75d.; average price 1s. 2.26d. against 1s. 0.16d.; estimated output for current year 1,546,000 lbs. Planted area remains at 2,573 acres. Rubber output 282,900 lbs., decrease 58,000 lbs.; cost 9.78d. against 8.58d.; average price 2s. 3.76d. against 2s. 7.61d. Area 919 acres planted between 1904 and 1913. Trading profits £40,100, decrease £11,700; nett profit £36,750, decrease £12,400; nil to reserve against £2,000; dividend reduced from 30 per cent. to 25 per cent., and £5,500, or £6,200 less, carried forward. For the current year the restricted output of rubber is estimated at 273,000 lbs., but it is stated that under normal conditions a far larger crop would have been anticipated.

### What Balance Sheets Tell.

**CANADA CO.**—When this company reorganised its capital by multiplying the shares ten-fold, it might have taken the opportunity of simplifying the form of its accounts, which are of a rather mazy description. Revenue receipts were £1,000 higher at £11,870, expenses of management were smaller, but a new item of taxes in Canada absorbs £2,530, and the balance is £1,100 down at £4,430. Land realisation account produced £4,300 less at £7,310, and £1,000 is taken from the reserve, in order to pay a dividend of 2s. per share (equal to 20s. on the old shares), and to carry forward £900, or a trifle more than was brought in. For 1916 the dividend was 30s. per share. Sales and leases of land amounted to 8,300 acres, an increase of 1,140 acres, and the average price was \$20.66, a gain of 1½ per cent. over the book value.

**THOMAS TILLING, LTD.**—The report for 1916 was presented only a couple of months ago, and now the accounts for last year are available. Nett profits amounted to £77,300, an increase of £38,000, but £7,000 less was brought in. The dividend is increased from 10 per cent. to 15 per cent., less tax, and this entitles the income debenture stockholders to additional interest at the rate of 2½ per cent., against 1½ per cent. last time. After placing £3,880 to special reserve, raising it to £10,000, there remains £41,760, or £13,000 more, to be carried forward, subject to excess duty. The cash position is a strong one, the amount in hand being £112,600, while there are also investments amounting to £265,500. That seems more than such a company really requires, but if it is a fault it leans to virtue's side.

**INTERNATIONAL LINOTYPE, LTD.**—For the year to March 31 nett profits amounted to £39,910, an increase of £3,400, and it is therefore possible to raise the dividend from 6 per cent. to 6½ per cent., while the balance forward is slightly larger at £3,800. The company's interests are practically confined to the holding of 14,400 shares in the Mergethaler Linotype Co. of New York, and this concern again paid 12½ per cent. for the year to September 30. Its nett profits, however, were \$15,000 less at \$1,883,000, but it has an accumulated surplus of \$7,350,000, so it can evidently make the business pay, although the brilliant management here made such a mess of things in the old days.

**STEEL BROS. AND CO., LTD.**—Last year this great Anglo-Indian business again did remarkably well, nett profits being £40,000 up at £405,000. Consequently the dividend of 40 per cent. is repeated, £35,000, or £5,000 more, is set aside for bonuses to employees, and the balance carried to special reserve is doubled at £86,600, raising this fund to £265,000. During the year £166,000 was spent on new properties, and stocks increased £480,000 to £1,195,000. It is a most prosperous and progressive company.

### COMPANY MEETINGS.

#### JOSEPH TRAVERS AND SONS.

The ordinary general meeting of the shareholders of Joseph Travers and Sons, Ltd., was held, on Wednesday, at the Cannon Street Hotel, E.C., Sir Edward Bowron (chairman of the company) presiding.

The Secretary (Mr. E. R. Wilkinson) having read the notice convening the meeting and the report of the auditors,

The Chairman said: The only item in the new balance-sheet that requires explanation when compared with last year is the reduction in the war contingencies and staff reserve account from £150,000 to £67,000. This alteration does not represent any real reduction in our reserves, but has been caused by including the liability for taxation in the item of £799,324 7s. 7d. above, under the heading of "Debts, deposits, taxation," &c., to which it more properly belongs. The increased cost of material has been taken into consideration in the write-off for depreciation of premises and plant, and the amount of £6,872 13s. 2d. is, we believe, sufficient for the purpose. The bonus which we recommend might be open to criticism but for the fact that it is the result of a policy which is fully justified from a patriotic point of view. The policy to which I refer is the old-fashioned plan of "quick returns," and a large increase in the turnover, combined with a general advance in values, has resulted in an increase in the total net profit, which enables us to recommend a bonus of 1s. per share on the ordinary shares. If further justification were needed we might add that, after providing for the excess profits tax, there remains less than 2 per cent. on the turnover. The rapidly diminishing supplies, combined with the widening of the Government control, will undoubtedly limit the scope of our activities in the future. We therefore propose a bonus rather than addition to the dividend, which might indicate a degree of hope of permanency which the large increase in taxation may render impossible. The details of the far-reaching effect of Monday's Budget cannot at the moment be correctly gauged, but on one important point there can be no doubt, namely, the extra requirements of capital to do the same amount of business. In sugar alone the amount will be considerable; in fact, the present addition of duty exceeds the total value of some descriptions in pre-war years. The doubling of the spirit duties will also require a large amount of fresh capital, and the additional stamp duties will substantially increase our expenses. We wish it to be clearly understood that we take no exception to the Chancellor's selection for raising the revenue, and we are of opinion that it should be cheerfully borne, having in view the great cause we so much desire should succeed. The old grievance which we have endured for many years is accentuated by the new addition, and our expenses for collection will be largely increased without any recognition for our services or interest on capital employed. Before the war the charge on the business for collection of duties was £8,000 per annum, for which we did not receive a return of one penny. We have not had the opportunity of forming a calculation of our prospective loss, but we feel that it will not be less than double the amount stated. In these very dark days it would seem out of place to be giving our time entirely to the consideration of our own selfish ends, and you will be glad to know that we have not been among those who have hampered the Government with criticism. On the contrary, we have never missed an opportunity of putting our shoulders to the wheel to assist them and at the same time, without relaxing our efforts, we have suggested improvements which have always received consideration. Now that the various methods of distributing foodstuffs are being closely examined, the public utility of the single-shop grocers has been demonstrated in a remarkable degree. In numbers they exceed every other source of supply to the consumer, and they give their wide range of knowledge daily and hourly to the public. They are on the spot, and personally responsible for their actions to all their customers, and the profits they make are spent among their neighbours. Municipal responsibilities are shouldered by them for the benefit not only of their own clientele, but for all the residents in their neighbourhood. In good and prosperous times they have been persistently attacked by all kinds of ingenious "catchpenny" methods, and in some cases narrowly escaped extermination, but they have proved to be indispensable, and it is sincerely to be hoped that after the war their indisputable rights will be recognised by legislative support. Above and beyond this class of retail traders are the secondary, or country, wholesalers, who collect food in bulk in localities from which convenient and cheap distribution to the small class of retailer can be best effected. This is a very important branch of the grocery business, and is manned by traders of great intelligence and experience, whose outlook on the various localities in which they are operating is clear and correct. The State Controllers of food had not proceeded far before they discovered the valuable services which were being rendered by this section. For more than two centuries we have been trading with these branches of the grocery business, and we are confident that, whatever changes there may be in the near future in other directions, this community will justify their position, and we hope we shall long continue to be the recipients of their good will. In common with all good citizens, we are endeavouring to reorganise our business to meet the requirements of the Man-Power Bill. That we shall be severely hit goes without saying, but at the very worst our sacrifices can never be compared with those of our own men who are fighting and dying for us in the great war. Our participation

in the Army is represented by over 300 of our staff, and we are very proud of their records. Twenty-two are officers, ranging from lieutenant-colonel to second lieutenant. Many distinctions have been won both by officers and men; 25 have been killed in battle or died of wounds, and to their sorrowing relatives we would offer our deepest sympathy.

The Deputy-Chairman (Mr. A. H. Stableforth) seconded the motion, which was carried unanimously.

## GRAND TRUNK RAILWAY OF CANADA.

The ordinary general meeting of proprietors of the Grand Trunk Railway Co. of Canada was held at the Cannon Street Hotel, Cannon Street, E.C., on Thursday. Mr. Alfred W. Smithers (chairman of the company) presided.

The Secretary (Mr. H. H. Norman) read the notice convening the meeting.

The Chairman said: I must at once express the deep disappointment with which the board present to you to-day the very unsatisfactory report of the working of your railway for 1917. The results are the worst since 1895, and they arise from causes entirely beyond the control of the board or management. This terrible war has stimulated business of all kinds in Canada, especially in the manufacture of munitions and other requirements of the Armies and in the general demand for wheat and foodstuffs. It has led to a great drain on the man-power of the Dominion in providing and maintaining its contribution to the Imperial Forces. The same causes have been prevalent in America, and the result has been an enormous increase in the cost of labour, coal, and all materials used by the railway companies. The nett result to our company for the past year is that, whereas we carried an increased traffic amounting to £905,742—by far the largest traffic in our history—instead of making any profit, the carrying of that enormous traffic caused an increase of £1,774,867 in expenses, and involved a nett loss on the year's working of £869,125. This occurred in spite of the great efforts of our officers to work economically, evidence of which is clearly shown in the report by a decrease of 3,052,000 train miles, or 13.34 per cent.; while the gross receipts showed an increase, as I have just stated, of over £900,000, or 9.22 per cent. The following are the principal items of increased cost of working:—Maintenance of way and structures, increase £324,000; maintenance of equipment, £421,000; and conducting transportation, £994,000. These increases are caused by the enormous rise in wages and cost of material, the higher cost of coal alone amounting to about £600,000. The obvious and legitimate way to ameliorate this state of affairs was to obtain an increase of rates. To obtain this the companies began their arguments before the Railway Commission in April of last year. I went to Canada in May and did not return until November, and I can assure you we made every possible effort to obtain permission from the Railway Commission, of which Sir Henry Drayton is the chairman, to raise the rates. No relief was granted during the year, and only on March 15 this year was the increase of rates sanctioned of 15 per cent., which we asked for last April—an increase not only totally inadequate to meet the big increase in expenses since that date, but far too late to meet the new conditions that had rapidly developed during the summer and autumn, and had caused such a heavy loss to us for the year 1917. That loss was entirely caused by the war, and as no relief was granted to us to meet conditions quite beyond our control, that loss was tantamount to a forced contribution by the Grand Trunk Co. to the people of Canada for that amount. The Drayton report dealt with the position of the whole of the railways in Canada, and its proposals with regard to the Grand Trunk and Grand Trunk Pacific may be summed up as follows:—That the Grand Trunk should be relieved of all liability with regard to the Grand Trunk Pacific, and that the Grand Trunk Co. should surrender the entire share capital, guaranteed, preference, and ordinary stocks in return for an annuity to be granted by the Government, based on the average net earnings annually distributed by the company during the ten years ended December 31, 1916. No provision is made for the third preference or ordinary stock, the whole value of which would be immediately wiped out, representing a sum of about £5,000,000, even reckoning the low market price of the stocks at the time the Drayton report was issued. This extraordinary and confiscatory proposal the Drayton report recommends as final.

The Chairman reviewed at length the history of the company, and continued: In the 65 years of the company's existence it has never defaulted on its fixed charges. Let me sum up the position. The Canadian Pacific Railway having received assistance from the Government in 35 years of £69,000,000, is expected to be able to bear the increased expenses without infringing on its dividend of 10 per cent. The Canadian Northern, which has received Government assistance in 15 years of £60,000,000, has been taken over by the Government and relieved of all liabilities, while the Grand Trunk, which has received from the Government and municipalities £5,600,000 in 60 years, is at present awaiting the decision of the Government as to its future policy. No increase of rates that it would be possible to levy will meet the case. It is difficult to imagine within the limits of civil life a more difficult or uncongenial task than the statement it has been my duty to make to you to-day. We all know how splendidly Canada has come forward to the aid of the Motherland, we all admire the courage of her men and the devotion of her women, and we feel overflowing with gratitude to her for the great sacrifices she has made. To feel it one's duty to do anything to cause any difficulty or

embarrassment to the Canadian Government in the midst of such a time is indeed revolting to one's feelings. Still, however hard, the call of duty has to be answered, and it has been, and is, the duty of your directors to fight to the best of our ability for fair and just treatment.

Sir Henry Jackson, Bart., seconded the motion, which was carried unanimously.

On the motion of Sir Robert Perks, a resolution was carried unanimously protesting against the unjust terms imposed upon the company during the past year; approving of the steps taken by the chairman and directors during the past year, and strongly supporting them in their efforts to obtain fair and just treatment.

## OOREGUM GOLD MINING.

The ordinary general meeting of the Ooregum Gold Mining Co. of India, Ltd., was held on Tuesday at the Cannon Street Hotel, E.C., Mr. Malcolm Low (chairman of the company) presiding.

The Secretary (Mr. F. H. Williams, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Our report opens with a statement as to the tonnages dealt with at the mill and at the cyanide works, which respectively amounted to 155,080 tons and 205,497 tons, showing a respective decrease of 237 tons and 17,858 tons as compared with the figures of the year before. These decreases notwithstanding, you will see that we have no cause for dissatisfaction in the result of our ultimate aim—namely, the production of gold. That production amounted to 90,687 ozs. of fine gold, showing the very slight increase of 66 ozs. over the figure of the previous year, which recorded a result better than the company had ever before achieved. The decreases in quantities, in fact, are rather more than balanced by a slightly higher average yield of gold at the mills and a slightly better extraction from the slimes. As in former years, I shall leave the whole account of our mining work and of the prospects following it in the able hands of Mr. Edgar Taylor, but I am sure he will forgive me for laying emphasis just on two points in his department. The first is the satisfactory condition of our ore reserves, which at the close of the year stood at the fine figure of nearly 415,000 tons; and the second is the encouraging prospects which we are now having in the deepest levels in Bullen's and Oakley's sections of the mine. Turning to the accounts, the balance-sheet shows that we have charged to capital account three items, amounting in all to £17,020. This is a decrease on the corresponding charge in the previous year of no less than £20,088, which is due, of course, largely to the temporary cessation of work on circular shaft. This year the three items were £14,404 for machinery and plant, £229 for circular shaft, and £2,386 for work on a property on which we held an option, but which option we have since relinquished, finding the property was not worth while pursuing. The effective steps taken to meet capital expenditure will be seen in the profit and loss account, where a total of £28,273 is shown as written off in three items—£25,000 in respect of depreciation of machinery and plant, £229 on account of circular shaft, and £3,043 on account of exploration. Thus the whole capital expenditure of the year has been more than replaced by a good many thousands of pounds. We have further helped the resources of the company by appropriating from the profits £5,000 and adding it to the reserve fund, which now amounts to the fine figure of £90,000, all of it invested outside our own business, and more than half of it in war stocks. We have also added £1,000 to the local insurance and contingency fund, bringing that fund up to £4,242. Having analysed the accounts, he continued: The total amount on the debit side of the profit and loss account is £109,157 14s. 9d., which, deducted from the final figure on the other side, leaves us with a present disposable balance of £63,975 14s. 8d. This will admit of a final dividend of 1s. 6d. per share on both classes of shares, bringing the total dividends of the year up to 4s. per share, or 40 per cent., on the preferred shares, and 3s. per share, or 30 per cent., on the ordinary shares, being exactly the same as last year. The past year has undoubtedly brought with it special war-time difficulties peculiarly besetting overseas enterprises like our own, and these difficulties are still confronting us in, perhaps, a somewhat intensified degree. I do not claim that we have conquered them all, but we on this side and our superintendent on the other side have certainly achieved no small measure of success. They are difficulties mainly, though not exclusively, of maintenance and supply, and here the experience, the vigilance, and the energy of our managers have come conspicuously to our support. What we hope is that you will judge your interests not to have suffered from any menace that it was possible for us to foresee and to avert. I beg now to propose the adoption of the report and accounts.

Mr. John Taylor, M.Inst.C.E., seconded the motion.

Mr. Edgar Taylor said: The paragraphs in the directors' report which refer directly to the company's mining operations will have shown you that the year has been one of continued activity, despite the difficulties of war conditions. We have been passing through a period of unproductive exploration in parts of Bullen's section of the mine, but we have also had favourable features, notably in the deepest workings at Oakley's section. The year's development work of 9,244 ft. compares with 11,159 ft. during the previous year. The shaft-sinking amounted to 626 ft. at Taylor's, Oakley's, and Bullen's shafts, and is practically the same as in the year before. The prin-

cial decreases of footage are to be found under the headings of exploratory crosscutting and winzes on reef. It will have been observed from the directors' report that, although no further sinking of circular shaft had been accomplished during the year under review, principally with a view to economy in explosives, it had now become possible to resume operations here, and sinking has been recommenced. The ore reserves are now estimated to amount to 414,783 tons, the small decrease of some 6,000 tons being due to the exclusion of certain blocks of ore-ground standing in Bullen's section, where the proximity of disturbing cross-courses renders the calculation of tonnages uncertain. It is, nevertheless, reasonable to assume that when stopping operations are commenced in these blocks, they will eventually yield a very considerable quantity of valuable ore. The ore milled was of slightly higher grade, the reduction plants show increasing efficiency, and, by a continuance of careful and systematic experiments, it is hoped that even better extraction than at present will be possible.

The report was unanimously adopted.

## STANDARD BANK OF SOUTH AFRICA.

The 105th ordinary meeting of the Standard Bank of South Africa, Ltd., was held on Wednesday at the Cannon Street Hotel, Mr. Horace Peel presiding.

The Secretary (Mr. John Jeffrey) read the notice and the report of the auditors.

The Chairman, dealing first with the balance-sheet, said that the note circulation had increased by close on £600,000. This, he believed, represented to a large extent an economy in the use of gold, which was good, but in some degree it meant an increase in the total currency, which was undesirable, as every large increase in currency must tend to stimulate the continuing rise in the price of all commodities. Deposits had increased by over 7½ millions, and the total increase under this head since the beginning of the war has amounted to over 11 millions. This might be regarded as a sign that South Africa had been prospering, but it also showed that there had been a falling off in the demand for capital for commercial and industrial enterprise, owing, no doubt, to the conditions of war. When more normal conditions returned they would certainly find that these increased deposits would be largely availed of, and it behoved the bank to see that their position was as liquid as possible, so that they might be in a position to meet the heavy demands which no doubt would arise for the vast amount of capital that would be required for the renewal and reconstructive work which had been necessarily interrupted by war conditions and for the development of new enterprises. On the assets side the cash position showed an increase of £1,650,000, the investments, which had been written down to market price, showed an increase of over £87,000, and their holding of bills had increased by £3,385,000. The two items of cash and bills represented close on 47 per cent. of the deposits and note circulation. Bills discounted and advances to customers showed an increase of just over £3,000,000. The increase in advances was largely due to the assistance they had been able to give to their customers in financing consignments of produce pending shipment. The profit and loss account showed a total of £506,774, which included £100,000 brought forward. They had paid an interim dividend at the rate of 14 per cent. per annum, they had placed £25,000 to bank premises account, and £10,000 had been applied to investment depreciation account. It was proposed to place £30,000 to officers' pension fund, to pay a final dividend at the rate of 14 per cent. per annum, and a bonus of 1s. 4d. per share, making a total distribution for the year of 15½ per cent., and to carry forward £204,333. He thought the shareholders would agree that these figures made a satisfactory showing for the year's operations. Turning to more general matters, he said that the bank had opened branches at Nakuru, in the centre of the agricultural district lying about 120 miles north-west of Nairobi, and at Tabora, in the occupied territory formerly German East Africa. The agencies at Brakpan and Newtown, in the Transvaal, had been converted into full branches. Since the beginning of January this year the bank's activities had been further extended to Kisumu, a port on the north-eastern corner of Victoria Nyanza, and the terminus of the Uganda Railway, and also to Muansa, an important town situated in former German territory on the southern shore of Victoria Nyanza. As regarded trade conditions generally, he thought it might be said that they were good, and that the country, as a whole, had prospered in spite of the dislocation caused by the war and the difficulties which had been experienced in South Africa, as elsewhere, by reason of the serious shortage of freight. Before concluding, he wished to refer to the bank's business in British East Africa, which was expanding satisfactorily. They had now seven branches in Uganda and British East Africa, and the business of these branches, spread over an area almost half as large again as the Union of South Africa, was going to increase, and when normal conditions returned they must be prepared to deal with it. Although in some respects, notably in regard to the currency, the conditions were different from those ruling in South Africa, they had an excellent staff of officers, who were thoroughly conversant with local requirements and the needs of their customers. Their secretary, Mr. Jeffrey, recently made a journey through a great part of this most interesting country, and he had made for the directors an extremely valuable report, which would be of the greatest use to them in their future work. This work, as the business of the bank expanded, tended each year to become more exacting, and no doubt when the war came to an end they would be faced with many difficult problems—more

difficult, he believed, than any they had had to deal with during the war; but if they continued to show as strong a position as they were able to do to-day, he thought the Standard Bank would be able to face the future with confidence. He concluded by moving the adoption of the report and accounts.

Sir David Barbour seconded the motion, which was carried unanimously.

## ARGENTINE TOBACCO CO.

The sixth ordinary general meeting of the Argentine Tobacco Co., Ltd., was held on Friday at Winchester House, Old Broad Street, E.C., Baron Emile B. d'Erlanger, chairman of the company, presiding.

The Secretary (Mr. Geo. Frampton) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that they had approximately £1,050,000 worth of liquid assets as compared with £1,010,000 a year ago—as against some £575,500 of liabilities, including the debentures outstanding. Further, their fixed plant and machinery stood at the very low figure of £40,000. They also owned freehold land and buildings to the amount of £135,000. On the debit side of the balance-sheet the only amount to which he need draw attention was the sum of £154,000 for sundry creditors and credit balances. This showed a reduction as compared with last year of £20,000. As he had stated when addressing the shareholders last year, this figure of £154,000 included a reserve for contingencies now amounting to some £30,000. Passing from the balance-sheet to the profit and loss account, it would be seen that their trading profit was £275,000, which showed a decrease as compared with the previous year of something like £74,000; but, on the other hand, further economies had been made on the other side, with the result that the general charges only amounted to £123,000, showing a reduction of £17,000. After charging their expenses, which had to be deducted from the trading profit of £275,000, there remained a balance of £152,000. To that must be added income from investments and interest received in London, some £7,000, and a small figure in respect of transfer fees; and the net profit, after deducting trustees fees, London office expenses, income-tax, and debenture interest, amounted to £112,000, to which had to be added a transfer from reserve for contingencies of £3,370, making a balance of approximately £116,000, representing the amortisation of £110,400 of debentures at 105 per cent. The manner in which the balance of the profit and loss account had been dealt with was apparent from the appropriation account, viz., £30,400 had been placed to depreciation, and £80,000 had been used in the reduction of goodwill. He had been asked by various shareholders why they applied to the reduction of goodwill the £80,000 remaining out of profits after allowing for premium on debentures and depreciation. They were under the mistaken impression that the £80,000 in question were available for, and might have been applied to, the payment of dividends. Though this point had been dealt with by him on a previous occasion, he thought it was as well to explain it once more. The £80,000 added to the £30,000 for depreciation and the £5,000 representing the premium on debentures made a total of £115,000. That was the exact amount which they had disbursed in cash in respect of the repayment of debentures out of the profits for the year. By that repayment they had reduced their liabilities by £110,000. In order, therefore, that their accounts should balance, they must either reduce their assets, that was to say, the credit side of their balance-sheet, or create a reserve on the debit side. That was a pure matter of bookkeeping, for it was obvious that the cash, having been used in repaying debentures, was no longer available. The reluctance he had displayed at the last meeting to deal prematurely with a reconstruction scheme, which would free the profits for dividend purposes, only too clearly indicated that they had some misgivings as to the possibility of maintaining their profits. The accounts now before them showed that those fears had materialised. They had not yet found it possible to arrest the decline of profits, which was mainly due to the fact that all costs in relation to the production of the article they sold had risen considerably, and that no means had yet been found to raise concurrently and proportionately the selling price. That state of things, which, as long as the war went on, would only have a tendency to become worse, had had, and was having, the consideration and incessant attention of the board, and Baron Portalis, one of their directors, was at present in the Argentine, and was studying the situation thoroughly with a view, if possible, to improving matters. They might depend upon it that, with the assistance of his colleagues here and in Argentina, he would do what was humanly possible to steer their ship clear of troubled waters, and more he could neither say nor do.

Mr. Francis Fitzgerald seconded the motion, which was carried unanimously.

## LONDON AND BRAZILIAN BANK.

The forty-seventh annual ordinary general meeting of the shareholders of the London and Brazilian Bank, Ltd., was held on Friday, at the offices, No. 7, Tokenhouse Yard, E.C., Mr. John Beaton, the chairman of the company, presiding.

The Secretary (Mr. A. W. Saunders) having read the notice convening the meeting and the auditors' report, and the minutes of the last meeting having been taken as read,

The Chairman, in moving the adoption of the report and ac-

counts, said that notwithstanding the restrictions in connection with foreign banking, they were able to put before the shareholders a satisfactory result of last year's business. The nett profits amounted to £238,535, being an increase of £37,000 on that of 1917. Adding thereto the balance brought forward, there was an available balance of £537,385. Comparing the balance-sheet with the preceding one, its total showed a small reduction of £5,700. The deposits and current account at the branches, £8,990,000, were £656,000 more, and those in London £110,000. The bills payable were £920,000 less, and also the bills receivable £1,024,000. Those reductions were the result of a continual larger use of cable payments in which they had done a very large business. The bills for collection, £3,288,000, were £137,000 more. On the assets side the cash, £4,365,000, was £576,000 less. The bills discounted and loans, £8,124,000, showed the large increase of £1,665,000—consequent on greater activity generally, and with better rates of interest. In the bank premises there was an increase of £44,000. Turning to the profit and loss account, the gross profit was £38,000 more, and also the charges to the extent of £34,000, which was due to a higher exchange in Brazil, and to increases of salaries and war allowances, for which he prepared them last year. It also included £1,900 grants to war charities. The available balance amounted to £537,385, which they proposed to deal with as follows: They paid an interim dividend last October of 14s. per share, making the dividend for the year 14 per cent. They also recommended the payment of a bonus of 4s. per share, thus making a total distribution of 16 per cent. on the paid-up capital. These payments would absorb £200,000, leaving a balance of £337,385, which they recommended should be appropriated as follows: £25,000 in reduction of premises account, £12,000 for the payment of a bonus to the staff of 7½ per cent. on their salaries, and £300,385 to be carried forward. Referring to the condition of affairs in Brazil, the Chairman said that with regard to that country's war expenditure and financial position, it was satisfactory to know that she was deriving great advantages from the war, not only by the increased value of her old exports, but also by others that had developed since 1914, and which were being produced each year in larger quantities. Besides these advantages, the Brazilian merchants were doing a much larger business than before the war to the enrichment of their country. The difficulty, however, of moving the main product, coffee, owing to lack of shipping, was undoubtedly causing inconvenience, but the San Paulo State Government were purchasing three million bags. In Argentina the wheat crop was exceptionally large, and was garnered in good condition, about 3½ million tons being available for export. The scarcity of shipping was, of course, a drawback, but things generally in Argentina were looking much brighter than for some years past. The only cloud was the chronic labour unrest. They had arranged an agency at Manchester in combination with Messrs. Williams Deacons and Co., of that city, their object in this arrangement being to afford facilities in the transaction of business generally and particularly with the United States of Brazil. A South American department had been opened, and that firm would act as agent for this bank and the Anglo-South American Bank, which would be the means of avoiding delay in financing business through London.

Mr. W. D. Hoare seconded the resolution, which was carried.

### NEW TRANSVAAL CHEMICAL.

The twenty-second ordinary general meeting of the New Transvaal Chemical Co., Ltd., was held on Tuesday at Winchester House, Old Broad Street, E.C., Baron Emile B. d'Erlanger (chairman of the company) presiding.

The Secretary (Mr. J. M. B. Stubbs) having read the notice convening the meeting and the report of the auditors,

The Chairman said: The report and accounts presented to you to-day are an eloquent testimonial of the steady progress of this enterprise, and consequently I shall be very brief in my explanation of the accounts. As you will see by a comparison between the accounts of last year and this year, the share capital has been increased by £24,500, the sundry creditors have increased by £60,000, the bankers' advances have increased by £47,000, and the profit and loss account has increased by some £11,000. Taking the credit side of the balance-sheet, we show a reduction in our cash balance of £3,500, a reduction of £20,700 in bills payable, and a reduction of some £3,000 in sundry creditors; but, on the other hand, the investments have increased by £72,000 in associated companies and loans, and the shares in stocks have increased by £82,000, while the works, premises, and plant have increased by £8,000. You will see that this year for the first time, instead of deducting depreciation from the amount of our plant, we have opened a special account, which is credited with £7,764, while we are placing a further sum of £7,746 to that account. From the foregoing review of our accounts and the previous balance-sheet it will, in the first instance, be clearly seen that the security for our first preference and "A" preference shares has been steadily and considerably increased. This is due principally to the fact that no moneys have been taken out of the concern beyond an amount approximately corresponding to the dividend received on the 150,000 Lever shares owned by this company. If a 20 per cent. dividend has been or is being paid on the ordinary shares, the whole proceeds thereof are immediately used by the recipients in subscribing to ordinary shares. Indeed, the secret of a prosperous and growing industrial business—a secret which has not yet been understood as it ought to be by

the British investing public—is that it is incompatible with good finance to take out of profits, for purposes of distribution, more than a relatively small proportion of the profits earned. There is another lesson to be gleaned from our reports and accounts, and that is with reference to our duties toward the country from which we derive our profits. Never has the duty of assisting every component part of the British Empire to be self-supporting and self-contained for the essentials of life been greater. In this respect the traditions of the New Transvaal Chemical Co. are being maintained. We were the first to make South Africa independent in respect of sulphuric acid for the mining industry. We subsequently made the country independent of the imports of candles for mining and for the general public. Then we have allowed the whole population of South Africa to use home-made soap. Now we are endeavouring to make South Africa independent of the import of boxes to pack its various produce. Associated with this enterprise since its earliest days was Mr. Perrott, one of your directors, and you will no doubt like to be associated with this board in an expression of regret at the loss sustained by his death. The soul, however, of this business has been, and still is, Dr Schlesinger-Delmore, our managing director in South Africa, and only a few days ago we were apprised of the death of his wife, to whom the Doctor was deeply attached. May I be allowed to convey to him, in our name and yours, with the deep appreciation of his long and loyal services, the expression of our deep-felt sympathy in his bereavement? I beg formally to move: "That the report and accounts now presented be and the same are hereby received and adopted."

The Hon. Cecil A. Campbell seconded the resolution, which was carried unanimously.

### NUNDYDROOG CO.

The twenty-fifth ordinary general meeting of shareholders of the Nundydroog Co., Ltd., was held on Wednesday, at Cannon Street Hotel, E.C. Captain W. B. McTaggart, D.L., J.P., chairman of the company, presided.

The Chairman said: In the 12 months 99,345 tons of quartz were crushed, and 75,762 tons of tailings and 68,354 tons of slime were treated, the total yield being 89,189 ozs. of bar gold, equal to 79,586 ozs. of fine gold, of a value of £337,348 8s. 5d. The quantity of quartz dealt with showed an increase of 1,345 tons, and the gold produced at the mill was greater by 4,452 ozs., but 12,004 tons of tailings and 17,034 tons of slime less were treated than in the previous year, resulting in a falling off of 6,211 ozs. of gold; the net decrease was therefore 1,759 ozs. of bar gold, of a value of £3,438 2s. 11d. Compared with 1916, marked advantages are apparent from the finer grinding of the ore both in the amalgamating and cyaniding processes. The total extraction improved from 93.35 to 96.1 per cent., and the superintendent anticipates that this percentage will be still higher in 1918, as the benefit derived from this treatment of the ore was only partly felt during the period under review. It may be mentioned that the total extraction in December last amounted to 98 per cent.—the combined value of the sand and slime going to waste being only 7.2 grains per ton. The accounts show that the expenditure on revenue was £177,052 19s., and that the receipts, after deducting royalties, amounted to £318,611 7s. 2d., leaving a profit of £141,558 8s. 2d., or £13,011 9s. 1d. less than that of the preceding year. The revenue costs were £9,813 11s. 1d. greater than in 1916, due chiefly to the greatly increased cost of materials and stores and the higher rates of exchange for remittances to the mines. The items on the credit side of profit and loss account total £150,067 13s. 11d., against which has been debited £113,965 14s. 3d., as detailed in the account, leaving a credit of £36,101 19s. 8d., out of which a balance dividend of 1s. 2d. per share was declared payable on March 21 last, requiring £33,016 13s. 4d., and permitting of £3,085 6s. 4d. being carried forward. The total distribution of dividend for the year was 3s. 4d. (less income-tax) per 10s. share, as compared with 3s. 6d. (less income-tax) per share for the preceding year. Having regard to the difficulties under which business is now conducted, the directors propose to pay dividends in two instalments a year instead of three as hitherto, thereby effecting a considerable saving in cost and labour. Under this arrangement the next interim dividend will become due in September, and the balance dividend will be payable in the month of March. Capital outlay on new buildings, machinery, plant and furniture totalled £24,598 19s. 3d., and the expenditure on new circular shaft amounted to £12,003 5s. 4d.; both of these sums have been charged against the profits of the year. Experiments have proved that the accumulated slime at the mines on the Kolar gold field can be used in the manufacture of bricks, crucibles, &c., suitable for mining purposes; a small company called the Kolar Brickmaking Co., Ltd., with a nominal capital of £10,000, has therefore been formed to carry on this enterprise. So far £5,000 has been issued, exclusively to companies operating on the Kolar gold field, out of which this company has taken up 1,250 shares at £1 each. At December 31 last the shares were 10s. per share paid. The Nundydroog Co. entered into an agreement with the Brickmaking Co. whereby the latter undertakes to supply the former with its requirements for mining purposes. The prices of the bricks will be lower than the present rates, and the advantages of a local supply are important. He moved the adoption of the report and accounts.

Mr. John Taylor seconded the resolution.

Mr. Edgar Taylor gave an exhaustive technical report of the working at the mine.

The resolution was agreed to unanimously.

## PARA ELECTRIC RAILWAYS AND LIGHTING CO.

The thirteenth ordinary general meeting of the Para Electric Railways and Lighting Co., Ltd., was held on Monday, at the offices, 9, Cloak Lane, Cannon Street, E.C., Mr. Francis M. Voules presiding, in the absence of Mr. Follett Holt (chairman of the company), who is abroad on urgent work of National importance.

The Secretary (Mr. E. A. Borel) read the notice convening the meeting.

The Chairman said that the delay in holding the meeting was due to the difficulties of communication with Pará, but as the results of the financial year, 1916-17, fully warranted such a course, the directors decided to pay further interim dividends on both classes of shares, without waiting for the much-delayed report. The report had since come to hand, and the shareholders would be asked to confirm these payments as final dividends for the year under review. The ordinary dividend of 7 per cent. constituted an advance of 1 per cent. over last year's rate, and this, he thought, would be considered satisfactory in existing circumstances. He had been a director of the company from its inception, and when he looked back on their early struggles, when they could only pay the interest on the debentures and nothing on either class of shares, it was a matter of especial gratification to him to see the sound basis on which the company was now established—a result which reflected the greatest credit on the local management and on their London managers, Messrs J. G. White and Co., Ltd. The all-important question of Brazilian exchange had on the whole been satisfactory. From 12d in the previous year, the average rate of exchange for their remittances to London had risen to 12½d. during 1917, and there were no indications of an adverse movement at the moment. The company's business showed a gratifying development in several directions, both in the tramway and in the lighting department. The number of passengers carried on their cars was well in excess of 22,000,000, the sale of electric current for lighting and motive power was 10 per cent. higher than in 1916, and the net receipts in local currency, both of the tramways and electricity department, constituted a record in the company's history. This was largely due to further economy in operating expenses which had been realised, notwithstanding the special difficulties incidental to the war. The company's cash position was satisfactory in the circumstances. They had £25,000 invested in War Loan and £20,000 in National War bonds. There were abundant proofs that the company's untiring efforts to give the best possible services to the district of Pará were appreciated both by the Government and municipal authorities, and by the community. The directors had reason to hope that, barring unforeseen developments, the current year's results would be on a level with those of the period under review. In conclusion, he moved the adoption of the report and accounts, and the approval of the dividends, as recommended.

Mr. Wm. C. Burton seconded the resolution, which was unanimously carried.

## KIMBERLEY WATERWORKS CO.

The thirty-eighth annual general meeting of the Kimberley Waterworks Co., Ltd., was held on Thursday at the Cannon Street Hotel, Mr. James Jackson (the chairman) presiding.

The Secretary (Mr. F. W. Archdeacon) read the notice and the auditors' report.

The Chairman said that the company had had, on the whole, the best year since the outbreak of the war, and was able to report steady progress. The consumption of water showed an improvement of 5½ million gallons, and this in face of a much heavier rainfall than in the previous year. The resulting revenue from sales of water, partly owing to the absence of discounts allowed in 1916, was more than £4,000 higher than in that year. Unfortunately, the exigencies of the times had forced expenses to go up, so that the available balance, at £21,804, was only £1,223 more. To this was to be added an improvement of over £300 in interest on investments. Of the total consumption of water, by far the larger portion was taken by the towns, and, though the supply to the mines was an increasing proportion, as long as the reserves of water in the several reservoirs owned by De Beers remained so abundant, the mines' requirements could not be expected to approach those of the towns. The heavy floods which occurred towards the end of the year, when the Vaal River rose to 41 ft. 8 ins. above zero at the company's pumping station—the second highest flood recorded during the existence of the works—caused much damage to agricultural holdings, but the company scarcely suffered even inconvenience from the flood itself directly, though indirectly considerable expense and trouble were occasioned by the long-continued thick condition of the water. This necessitated extended use of various precipitants in the settling tanks at the river, where, by a process of sedimentation, a fixed standard of clearness in the water is attained before it is pumped to Kimberley, where the proportion used for domestic purposes can, if necessary, be further treated in the filter beds. Owing to the war, the most effective precipitating agent formerly in use first rose to an exorbitant price, and latterly had been unobtainable altogether. Others, though still procurable, had become more costly, and extended efforts had been made, under high expert advice, to utilise comparatively cheap materials obtainable locally. The manager at Kimberley had just telegraphed stating that these experiments had been a complete success, and the board had felt justified in stopping a shipment of expensive material which

had been going out. It was true that the company, under its concession, was only strictly obliged to deliver Vaal River water in Kimberley, but there was an implied obligation that the water supplied should not only be potable, but more or less free from impurities in the form of mud and silt, and the board, recognising their responsibility in this respect to the inhabitants of Kimberley, felt that it was incumbent on them to take all reasonable steps, at even greatly increased cost, to secured the desired result.

The report was unanimously adopted.

## Notes on Books.

*Les Garanties de la Paix.* Par Yves Guyot. *Première Partie: Les Leçons du Passé.* (Paris: Librairie Félix Alcan. Prix 3 fr. 50 c., plus 30 per cent. temporary increase.)

Adherents to the idea of a League of Nations will find it worth their while to read this latest book by M. Yves Guyot. It is a continuation of his interesting monograph on "The Causes and Consequences of the War," of which an English translation has been published, and has run into a second edition. The object of this second volume is to trace succinctly the diplomatic history of Europe in regard to its efforts to find a sure basis for peace since the discomfiture of Napoleon Buonaparte. He goes further back than that, indeed, and traces the efforts of despots and statesmen of the sixteenth and seventeenth centuries to organise Europe into a sort of community of dynastic interests dominated by the most ambitious despot who, for the moment, was on the top. But there was always a sort of groundwork idea of attaining a peace so secure that it could not be broken—but without reference to the peoples concerned.

The book also traces the development of Prussia into the latest of the Powers smitten by the dream of peace by universal conquest, and many sidelights are thrown in illustration of the illusory and often hypocritical character of our diplomacy throughout the century. In regard to the Ottoman Empire, for instance, the mistakes France and ourselves made not only in the attitude towards Russia, but in the readiness with which agreements were entered into with Prussia and Austria from motives purely self-seeking—often agreements devoid of any kind of morality whatever—have been most glaring and disastrous. Yet even in these blunders there is traceable a hankering after a consortium of Western Powers, united to keep heads of States, despots for the most part, from organising their victim peoples to be ready to slay each other. This part of the book might well be read as complementary to the valuable treatise by Dr. Seton Watson on "The Rise of Nationality in the Balkans." His is an unfinished treatise, breaking off as it does before the conclusion of the second Balkan War, but it is none the less most valuable for all the last century history of Western European polity in that part of the world. And M. Guyot goes with greater detail than Dr. Watson into some of the episodes in our tortuous and often blind diplomacy. Neither of the books is cheerful reading by any means, and yet a hope may be said to grow out of this study of manifestations of wrong-headedness, calculated selfishness, dynastic projects of ambition, and so on, that this last lesson administered by the present conflict may suffice to cure mankind of the worship of dynasties, of "Divine-right" monarchs, above all, of the man with arms in his hands. The slayer by profession must be brought down from his pedestal and deprived of his magic.

But what of the "guarantees of peace," the subject to which this volume is devoted? It is only an introduction to the subject. Another volume has still to be written which will presumably set forth M. Guyot's conception of what the guarantees must be. So far, however, his ideas, as expressed in the concluding chapter of this volume, point to the elimination of all forms of make-believe and hypocrisy from the intercourse of man with man and nation with nation. Peace will be guaranteed by the moral progress which mankind has made, and he points out, for instance, that for centuries Christians of the West, Frenchmen especially, went to wage war in Asia because they believed in Jesus, and regarded as enemies the men who believed in Mahomet. For centuries religion was the cause of wars there and elsewhere. That time is now passed. Religion has been eliminated as a cause of war amongst Continental peoples as a result of intellectual progress; but dynastic interests remain, and economic interests have to some extent taken the place of religion, as witness this very war we are now agonising over. And we are not sure that M. Guyot has got hold of the entire truth when he says that the most solid guarantee of peace is the intellectual capacity of men who act on the opinion and of those upon whom their influence is exercised. Will intellectual clear-sightedness and reason suffice to woo Germans from coveting the mineral deposits belonging to France and Belgium, but now in the grip of Prussia's hosts? We doubt it. A nobler moral force is wanted, something beyond the material interests and intellectual professions of the more enlightened amongst mankind. Germany is enlightened. Germany contains many men to whom this war is abhorrent, and yet Germany is pouring her life-blood out in the insane endeavour to subdue in order that her ruthless masters may exploit, annex, and enslave. We are persuaded that one result of the terrific chastisement which is now being administered to our own selfishness, as well as to the German, by this war will be the evolving of a moral force through the power and far-spread influence of which the creation of a real League of Nations may become possible. But we have to beat down and subdue the enemy first.

## INDIAN RAILWAYS.

NAME.	Week ending	GROSS TRAFFIC FOR WEEK.		Wks.	GROSS TRAFFIC TO DATE.	
		Amount	In. or dec. on last year.		Amount	In. or dec. on last year.
Assam Bengal	Feb. 23	Rs. 1,41,194	+ 6,645	1	Rs. 29,33,470	+ 2,79,958
Barsi	Mar. 9	10,200	+ 6,400	1	7,78,700	+ 2,28,700
Bengal & N.W.	Feb. 16	5,33,390	+ 61,507	1	79,52,944	+ 4,67,608
Bombay Nagpur	Mar. 11	13,17,000	+ 2,22,000	1	5,03,95,138	+ 41,43,997
Bombay, Baroda	Apr. 13	18,21,000	+ 2,51,000	1	32,68,000	+ 3,37,000
Boma	Feb. 23	5,64,430	+ 7,612	1	1,95,32,021	+ 52,431
Delhi Umballa	Apr. 13	89,000	+ 14,234	1	1,61,635	+ 19,967
East Indian.	" 20	24,76,000	+ 1,000	1	68,52,000	+ 58,000
Gt. Indian Penin.	Feb. 13	40,37,400	+ 3,19,300	1	40,37,400	+ 3,19,300
Lucknow-Bareilly..	Feb. 16	61,959	+ 3,732	1	10,04,189	+ 99,088
Madras and S.						
Mahratta ..	Mar. 9	11,00,000	+ 2,604	1	2,37,36,398	+ 12,49,258
Nizam's Gd. (Broad)	Feb. 9	1,41,527	+ 149	1	25,05,155	+ 64,334
" (Metre)	" 9	1,23,720	+ 11,775	1	15,51,324	+ 38,895
Robilkund and						
Kumaon ..	" 16	51,218	+ 10,740	1	8,56,433	+ 1,03,767
South Indian	" 9	6,68,223	+ 55,068	1	1,22,56,027	+ 9,08,470

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

Dublin United	Mar. 1	£ 7,305	+ £ 1,364	1	£ 61,814	+ £ 11,088
Hastings and Dist.	" 18	1,093	+ 124	1	10,521	+ 840
Isle of Thanet	" 16	194	+ 55	1	4,110	+ 1,843
Lancashire United..	Apr. 17	2,865	+ 997	1	40,363	+ 12,143
Provincial ..	Mar. 30	2,590	+ 813	1	62,130	+ 11,225
Yorks. (West. Rding.)	Apr. 21	2,158	+ 291	1	38,040	+ 8,666

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

Alabama Power	Mar. 11	£ 126,829	+ £ 20,143	1	£ 126,829	+ £ 20,143
Anglo-Argentine	Apr. 22	59,417	+ 5,792	1	879,953	+ 61,743
Auckland Electric.	Oct. 26	22,308	+ 880	1	92,118	+ 7,532
Brazilian Traction	Feb. 8	£ 3,565,000	+ £ 320,000	2	£ 7,261,500	+ £ 626,000
Brisbane Elec. Inv.	Mar. 11	35,530	+ 2,190	3	102,399	+ 5,879
British Columbia	Feb. 8	£ 131,940	+ £ 30,260	7	£ 902,899	+ £ 131,034
B.A. Lacroze	Mar. 11	42,647	+ 1,310	9	346,421	+ 69
Burmah Electric	" 11	Rs. 27,906	+ Rs. 774	1	185,428	+ Rs. 991
Calcutta	Apr. 20	Rs. 73,744	+ Rs. 7,126	1	Rs. 1004,993	+ Rs. 64,816
Carthage and						
Herreries	Mar. 11	5,316	+ 2,361	1	13,358	+ 3,198
Cordoba Light						
P. & T.	Feb. 11	12,972	+ 1,076	11	147,938	+ 435
Hongkong	" 16	£ 18,149	+ £ 5,635	1	£ 94,318	+ £ 102
La Plata	Mar. 11	5,347	+ 819	3	14,803	+ 1,867
Lima	" 11	42,106	+ 4,520	1	127,555	+ 18,900
Madras Electric	Apr. 15	Rs. 40,805	+ Rs. 2,097	1	Rs. 277,813	+ Rs. 35,666
Manila Electric...	Aug. 8	65,467	+ 4,667	8	547,492	+ 70,625
Mexico	Nov. 8	£ 215,256	+ £ 108,669	1	£ 3,193,106	+ £ 197,227
Rangoon	Mar. 11	5,955	+ 271	1	16,978	+ 1,514
Singapore Electric	Feb. 9	£ 13,337	+ £ 1,292	1	£ 75,114	+ £ 5,447
Toronto	" 11	£ 433,447	+ £ 7,769	2	£ 911,109	+ £ 908
United of Monte V.	" 11	36,059	+ 4,680	5	172,333	+ 14,941
Vera Cruz	Feb. 8	42,200	+ 6,300	2	84,200	+ 19,300
Winnipeg	" 11	£ 71,403	+ £ 7,107	2	£ 150,195	+ £ 16,837

b 28 days. \* From Jan. 1. § Nett. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

Alooyand Gandia ..	Apr. 20	Ps. 8,000	+ 2,500	1	Ps. 145,900	+ Ps. 19,970
Antofagasta (Chili)	" 21	49,055	+ 8,080	1	659,180	+ 81,315
Arauco	Feb. 11	12,500	+ 2,500	1	26,500	+ 4,500
Argentine N.E.	Apr. 20	9,800	+ 400	1	352,600	+ 64,998
Bilbao R. and Cants	Mar. 11	4,486	+ 1,341	3	12,548	+ 907
Bolivar ..	" 11	11,000	+ 6,101	9	100,775	+ 13,668
Brazil	Jan. 11	£ 5,202,000	+ £ 1,704,999	1	£ 5,202,000	+ £ 1,704,999
Brazil Gt. Southern	Nov. 11	£ 414,050	+ £ 850	1	£ 471,527	+ £ 151,057
B. Ayres & Pacific	Apr. 13	161,000	+ 78,000	1	3,744,000	+ 209,000
Do. Central	Mar. 11	38,675	+ 14,004	9	232,258	+ 35,451
Do. Gt. Southern	Apr. 14	141,000	+ 24,000	1	4,535,705	+ 110,549
Do. Western	" 21	85,000	+ 44,000	1	2,116,000	+ 37,000
Central Argentine.	" 20	180,000	+ 93,500	1	4,634,200	+ 252,100
C. Ur'g'ay of Mto V.	" 20	19,009	+ 5,080	1	773,225	+ 220,129
Do. East'n Ex.	" 20	5,636	+ 328	1	211,357	+ 7,760
Do. North'n Ex.	" 20	3,733	+ 237	1	136,618	+ 34,902
Do. West'n Ex.	" 20	2,083	+ 282	1	91,326	+ 16,633
Cordoba Central	" 20	41,000	+ 11,540	1	1,275,850	+ 47,330
Costa Rica	Mar. 16	3,690	+ 601	1	104,620	+ 89,971
Cuban Central	Apr. 20	35,419	+ 7,378	1	845,958	+ 161,668
Dorada Extension..	Mar. 11	8,200	+ 400	3	23,900	+ 2,700
Egyptian Delta	Feb. 28	6,519	+ 1,253	1	264,360	+ 62,069
Entre Rios ..	Apr. 20	23,500	+ 9,000	1	653,900	+ 152,300
French Sante Fé	Jan. 11	147,488	+ 55,713	1	147,488	+ 55,713
Gt. South. of Spain	Apr. 13	Ps. 31,236	+ Ps. 55,614	1	Ps. 448,144	+ Ps. 100,996
Gt. West. of Brazil.	" 20	16,000	+ 3,700	1	293,800	+ 83,750
Havana Central	" 20	10,911	+ 2,841	1	371,020	+ 78,402
Inter. of C. Amer.	Feb. 11	24,247	+ 9,386	1	47,671	+ 17,585
La Guaira and Car.	Mar. 11	5,500	+ 4,000	1	19,250	+ 8,250
Leopoldina ..	Apr. 20	32,908	+ 13,397	1	510,957	+ 147,847
Midland Uruguay ..	Mar. 11	14,894	+ 156	9	119,824	+ 4,266
Mogana	Dec. 11	£ 312,000	+ £ 534,708	1	£ 240,410	+ £ 812,420
N.W. of Uruguay ..	Mar. 11	£ 23,500	+ £ 5,258	1	£ 237,093	+ £ 16,015
Nitrate	Apr. 15	32,117	+ 1,147	1	805,843	+ 14,301
Paraguay Central	" 20	2,770	+ 190	1	120,030	+ 14,390
Paulista	Dec. 11	£ 3,461,000	+ £ 752,637	12	£ 34,115,000	+ £ 2,188,775
Peruvian Corp'n	Mar. 11	£ 1,119,530	+ £ 102,530	9	£ 9,323,560	+ £ 1,020,668
Salvador	Apr. 6	£ 4,295	+ £ 2,257	1	£ 80,387	+ £ 56,670
State of Bahia S.W.	Mar. 11	£ 47,000	+ £ 200,000	3	£ 237,000	+ £ 53,000
S. Paulo (Brazilian)	Apr. 21	24,945	+ 2,958	1	514,471	+ 167,289
Sorocabana ..	Jan. 11	£ 1,952,000	+ £ 199,895	1	£ 1,952,000	+ £ 199,895
Taitai ..	Mar. 11	20,392	+ 119	9	224,678	+ 57,023
United of Havana..	Apr. 20	84,237	+ 18,209	1	2,367,579	+ 593,686
West'n of Havana..	" 20	14,917	+ 3,910	1	371,693	+ 103,998
Zafra and Huelva..	Feb. 11	11,570	+ 1,610	1	22,493	+ 2,392

\* Months. † From Jan. 1. † From July 1. c Nett. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

Belra ..	Dec. 11	£ 49,448	+ £ 1,841	1	£ 173,777	+ £ 6,532
Canadian Northern	Apr. 21	£ 929,500	+ £ 103,900	1	£ 33,475,100	+ £ 995,800
Canadian Pacific	" 21	£ 3,016,000	+ £ 308,000	1	£ 41,564,000	+ £ 2,104,000
Gr. Trk. Main Line	" 21	11,953	+ 54,912	1	2,803,326	+ 36,670
Gr. Trk. Western	" 21	44,610	+ 3,473	1	520,534	+ 3,292
Detroit G. H. & M.	" 14	12,678	+ 2,096	1	172,646	+ 16,885
Gr. Trk. Pac. Prairie	Nov. 14	28,016	+ 7,208	1	302,299	+ 107,760
Mashonaland	Feb. 11	56,698	+ 1,486	1	56,698	+ 1,486
Mid. of West'n. Aus.	Mar. 11	8,617	+ 88	8	61,134	+ 3,915
New Cape Central.	Mar. 11	2,524	+ 341	1	21,157	+ 3,320
Rhodesia	Dec. 11	79,220	+ 2,472	3	269,405	+ 11,925

\* Months. † July 1. † Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME	Month.	NETT EARNINGS FOR MONTH.		No. of Mths.	NETT EARNINGS TO DATE.	
		Amount.	In. or Dec. on last year.		Amount.	In. or Dec. on last year.
Atchafalpa T. & S. Fe	Jan.	Dols. 1,912,000	+ 1,688,900	12	47,829,000	+ 1,248,000
Atlantic Coast Line	"	1,075,000	+ 212,000	12	12,014,000	+ 607,000
Baltimore & Ohio ..	"	1,852,000	+ 1,165,000	12	30,589,000	+ 3,425,000
Canadian Northern	Feb.	b 480,400	+ 598,600	8	2,279,700	+ 4,606,700
Canadian Pacific	"	591,000	+ 1,395,000	2	1,759,000	+ 2,659,000
Chesapeake & Ohio	Jan.	b 81,000	+ 1,334,000	12	14,099,000	+ 1,400,000
Chicago & N.W.	"	b 785,000	+ 2,797,000	12	27,015,000	+ 3,034,000
Chicago Burl. & Q.	Nov.	1,042,000	+ 2,031,000	11	31,281,000	+ 3,956,000
Chicago G.W.	Jan.	b 10,000	+ 322,000	12	3,876,000	+ 1,006,000
Chicago Mil. & S.P.	"	b 628,000	+ 2,292,000	12	21,967,000	+ 9,350,000
Chicago, Rock I. & P.	"	80,000	+ 1,288,000	12	17,823,000	+ 2,953,000
Colorado & Southern	Dec.	"	+ 11,000	11	5,330,000	+ 370,000
Cuba ..	Jan.	454,171	+ 245,735	7	1,597,444	+ 1,98,910
Delaware & Hud.	"	3,600	+ 720,000	12	5,686,000	+ 2,124,000
Denver & Rio Gran.	"	415,000	+ 252,000	12	7,418,000	+ 1,963,000
Erie ..	Dec.	507,000	+ 1,848,000	12	10,538,000	+ 5,277,000
Gr. Tr. Main Line.	Feb.	b 241,700	+ £ 219,400	12	b 2,499,700	+ £ 601,550
Grand Trunk Westn	"	b 440,150	+ £ 27,000	12	£ 79,300	+ £ 6,750
Detroit G.H. & M.	"	b 13,100	+ £ 3,900	12	£ 28,100	+ £ 6,750
Gt. Northern	Dec.	1,165,000	+ 1,401,000	12	22,987,000	+ 6,179,000
Illinois Central	Jan.	b 477,000	+ 2,034,000	12	18,606,000	+ 1,847,000
Kansas City Southn.	Feb.	455,000	+ 59,000	2	824,000	+ 2,876,000
Lehigh Valley	Jan.	b 986,000	+ 1,346,000	12	9,403,000	+ 3,090,000
Louisville & Nashv.	"	622,000	+ 1,264,000	12	17,761,000	+ 3,090,000
Minn. S.P. (So.)	Dec.	357,000	+ 297,000	12	9,331,000	+ 3,648,000
Miss. K. & Texas	Jan.	125,000	+ 280,000	12	8,215,000	+ 2,467,000
Missouri Pacific	Nov.	1,690,000	+ 321,000	5	9,425,000	+ 1,920,000
New York Cent. & H.	Jan.	b 1,149,000	+ 4,776,000	12	52,218,000	+ 12,063,000
N.Y. N. Haven & H.	Dec.	1,182,000	+ 870,000	12	23,815,000	+ 2,245,000
New York Ont. & W.	"	b 7,000	+ 125,000	12	8,228,000	+ 97,000
Norfolk & Western	"	223,000	+ 1,467,000	12	19,654,000	+ 3,808,000
Northern Pacific	"	803,000	+ 1,424,000	12	27,423,000	+ 4,110,000
Pennsylvania East						
and West Lines..	"	5,940,000	+ 1,107,000	1	5,940,000	+ 1,107,000
Phil. and Reading	"	b 1,299,000	+ 1,898,000	11	14,877,000	+ 6,626,000
Reading .....	Feb.	131,541	+ 40,038	2	249,000	+ 80,230
St. Louis & San F.	Dec.	1,225,000	+ 244,000	6	9,576,000	+ 632,000
Seaboard Air Line..	"	673,000	+ 205,000	12	8,628,000	+ 24,000

# The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

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## THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	...	...	£1,500,000
Capital Issued	...	...	1,125,000
Capital Paid Up	...	...	562,500
Reserve Fund (Undivided Profits)	...	...	708,432

### Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS  
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

## ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

PAID-UP CAPITAL	£2,000,000
RESERVE AND UNDIVIDED PROFITS	814,868
DEPOSITS	26,177,865

Head Office: ST. ANDREW SQUARE, EDINBURGH.

Cashier and General Manager, A. K. WRIGHT. Secretary, J. B. ADSHEAD.  
London Office: 3, BISHOPSGATE, E.C. 2.

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167 Branches throughout Scotland.

Banking Business of every description transacted. Accounts opened and Agency business undertaken for Foreign and Colonial Banks and other financial establishments. Drafts, Circular Notes, and Letters of Credit issued—available throughout the world. Cable transfers are also made. Deposits received at interest repayable at call or at notice. Correspondence invited.

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The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	..	..	..	Yen 48,000,000
Capital Paid Up	..	..	..	Yen 42,000,000
Reserve Fund	..	..	..	Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Bombay.	Honolulu.	Newchwang.	Shimonoseki.
Calcutta.	Hong Kong.	New York.	Singapore.
Changchun.	Kobe.	Osaka.	Sourabaya.
Dairen (Dalny).	Los Angeles.	Peking.	Sydney.
Fengtien (Mukden).	Lyons.	Rangoon.	Tientsin.
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		Shanghai.	Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

## HONGKONG AND SHANGHAI BANKING CORPORATION.

Capital (all paid up)	..	..	..	\$15,000,000
Sterling Reserve, held in London at exchange of 2s. per \$	£1,500,000	..	..	\$15,000,000
Silver Reserve	..	..	..	\$19,500,000
Reserve Liability of Proprietors	..	..	..	\$15,000,000

HEAD OFFICE—HONGKONG. Chief Manager—N. J. STABB.

BRANCHES AND AGENCIES:—Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Colombo, Foochow, Hankow, Harbin, Hongkew (Shanghai), Ipoh, Johore, Kobe (Higo), Kuala Lumpur, London, Lyons, Malacca, Manila, Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San Francisco, Shanghai, Singapore, Sourabaya, Tientsin, Tsingtau, Yloilo, Yokohama.

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H. D. C. JONES, | W. M. BLACKIE, Accountant.

# LONDON COUNTY WESTMINSTER & PARR'S BANK, Ltd.

ESTABLISHED IN 1836.

**AUTHORISED CAPITAL** £30,000,000, in 1,500,000 Shares of £20 each.  
**Reserve** . . . . . £6,800,000.

**Chairman:** WALTER LEAF, Esq. **Deputy Chairmen:** Sir MONTAGU TURNER, R. HUGH TENNANT, Esq.

**HEAD OFFICE:** 41, LOTHBURY, E.C. 2.

**Joint General Managers:** F. J. BARTHORPE, J. W. BUCKHURST, J. C. ROBERTSON.

**Foreign Branch Office:** 82, Cornhill, E.C. 3.

*The Bank is represented by Branches or Agents in all the principal cities and towns of the United Kingdom and has Correspondents throughout the World.*

**Spanish Branches:**—Barcelona: Paseo de Gracia 8 & 10. Madrid: Calle de Alcalá 43.

**Affiliated in France:** London County and Westminster Bank (Paris) Limited.  
 Paris: 22, Place Vendôme. Bordeaux: 22 & 24, Cours de l'Intendance.

**Affiliated in Ireland:** Ulster Bank Limited.

*All Cheques on the Ulster Bank will be collected for Customers of this Bank, free of Commission.*

**EXECUTOR AND TRUSTEE DUTIES UNDERTAKEN.**

## ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

**Head Office—38, Lombard Street, E.C. 3.**

Subscribed Capital .. .. .	£1,078,875 0 0
Paid-up Capital .. .. .	519,437 10 0
Further Liability of Proprietors .. .. .	539,437 10 0
Reserve Fund .. .. .	500,000 0 0

**LETTERS OF CREDIT and DRAFTS** on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

**REMITTANCES** made by TELEGRAPHIC TRANSFER.

**BILLS NEGOTIATED** or forwarded for COLLECTION.

**BANKING and EXCHANGE** Business of every description transacted with Australia.

E. M. JANION, Manager.

## THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

<b>Authorised Capital</b> .. .. .	£1,000,000.	<b>Subscribed Capital</b> .. .. .	£825,000
Paid-up Capital .. .. .	£500,000		
Reserve Fund .. .. .	540,000		
	£1,040,000		
Uncalled Capital .. .. .	125,000		
Reserve Liability of Shareholders .. .. .	625,000		
	£1,790,000		

**London Office—11, Leadenhall Street, E.C. 3.**

**BILLS** on Australasia purchased or collected.

**DRAFTS** issued and **REMITTANCES** cabled.

**DEPOSITS** received for fixed periods at rates to be ascertained on application.  
 PERCY ARNOLD, Manager.

## THE LONDON BANK OF AUSTRALIA, LIMITED.

**Head Office—77, Old Broad Street, E.C.**

Subscribed Capital .. .. .	£1,276,747 10 0
Paid up Capital .. .. .	669,685 0 0
Reserve Fund and Undivided Profits .. .. .	375,680 11 8
Reserve Liability of Proprietors .. .. .	806,962 10 0

**REMITTANCES** made by CABLE.

**DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES** issued upon Branches and Agents.

**BILLS** on Australasia NEGOTIATED or sent for collection.

**DEPOSITS RECEIVED** for periods and at rates which may be ascertained on application, and **Banking Business** of every description conducted with Australia.

## THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

**Authorised and Issued Capital, £6,000,000.**

Paid-up Capital, £2,000,000; Reserve Fund, £2,000,000; together .. .. .	£4,000,000
Reserve Liability of Proprietors .. .. .	4,000,000
<b>Total Capital and Reserves .. .. .</b>	<b>£8,000,000</b>

**HEAD OFFICE** . . . . . 71, CORNHILL, LONDON, E.C. 3.

**DRAFTS** are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

**TELEGRAPHIC REMITTANCES** are also made.

**BILLS** are purchased or sent for Collection.

**DEPOSITS** are received for fixed periods on terms which may be ascertained on application.

## THE WESTERN AUSTRALIAN BANK.

Established 1841.

**Paid-up Capital** .. £250,000 0 0 25,000 Shares of £10 each.

**Reserve Fund** .. £700,000 0 0 | **Reserve Profits** .. £19,339

**Reserved Liability of Shareholders** £250,000.

**Drafts** issued, **Remittances** cabled, **Bills** negotiated or collected, **Deposits** received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents. The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

## BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital .. .. .	£3,904,860
Reserve Fund .. .. .	2,875,000
Reserve Liability of Proprietors .. .. .	3,904,860
	£10,684,720

**Head Office: SYDNEY, NEW SOUTH WALES.**

**London Directors:**

Sir FREDERICK GREEN, Chairman.

H. L. M. TRITTON, Esq. WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager. J. S. CAMPBELL, Secretary.

HALKERSTONE MELDELM, Assistant Manager. DAVID GEDDIE, Accountant.

The Bank has 331 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

**London Office: 29, THREADNEEDLE STREET, E.C. 2.**

## THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

<b>Authorised Capital</b> .. .. .	£4,000,000
<b>Paid-up Capital</b> .. .. .	1,800,000
<b>Reserve Fund</b> .. .. .	2,000,000

**BRANCHES—**

**ARGENTINE.**—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires) **URUGUAY.**—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). **BRAZIL.**—Rio de Janeiro, São Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). **CHILI.**—Valparaíso, Santiago. **FRANCE.**—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

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## BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

**BANKERS TO THE NEW ZEALAND GOVERNMENT.**

**London Office: 1, Queen Victoria Street, London, E.C. 4.**

**AUTHORISED CAPITAL** .. .. . £5,500,000

**SUBSCRIBED CAPITAL.**

Four per Cent. Guaranteed Stock .. .. .	£529,988
"A" Preference Shares issued to New Zealand Government .. .. .	500,000
"B" Preference Shares issued to New Zealand Government .. .. .	250,000
Ordinary Shares .. .. .	1,500,000
	£2,779,988
<b>Reserve Fund and Undivided Profits</b> .. .. .	<b>£2,440,595</b>

Negotiates and collects Bills of Exchange.

Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

# The Investors' Review.

Vol. XLI.—No. 1,061  
New Series.

SATURDAY, MAY 4, 1918.

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## PUBLISHER'S NOTICES.

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*The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and he cannot accept responsibility for statements made therein.*

## ANSWERS TO QUERIES.

**One Reply to One Question — One Shilling.** Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

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Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

## Passing Events.

More and more disappointing grow the proceeds of the National War Bond campaign. It was laid down by the Treasury and advertised abundantly that a minimum average of £25,000,000 a week was necessary if we were to carry on the war without inconvenience, not to say embarrassment, but last week the total received by the new Bank of England issue of National War Bonds was £14,306,756. That was the amount applied for by 9,946 applicants, which was 2,120 fewer than the number of the preceding week. The money also is £2,129,000 less, and the total thus far provided by National War Bonds is even now only £670,141,000. Add the proceeds of the Post Office issue, which is given for the previous week ended April 20, and we are not much better off. There were 35,400 applicants in that week, or £36,860 less in cash, at £928,720. Add these to the previous figures and we get 1,093,866 applications through the Post Office, resulting in £27,177,000 in money. Thus the total product of National War Bond sales in all forms up to the middle of last month was £697,318,000, and if it had been twice as much it would not have been a penny more than the market required. The War Savings Certificates also again begin to diminish in fertility, and the sales in the week ended April 20 came down to just under 3,222,000, making the aggregate number of certificates sold to that date 186,365,405, which represents £144,433,000 in money, but of that total only about £2,400,000 came in in the week named. Now this simply will not do, and we hope the Government will not shilly-shally and mumble or snivel about patriotic effort and all that sort of thing until it is too late, because to be too late in making financial arrangements may be almost as fatal as defeat in the field to the kind of triumph required if this war is going to end in the deliverance of mankind from all sorts of tyrannies—not merely the tyranny of the sword-clinking bully, but of the self-aggrandiser of all types. At the present hour the market, with the assistance of the moneyed interests the world over, is carrying on the war for the Government by providing it with unstinted credit, but it cannot go on doing that indefinitely, and in view of the fact that—assuming the war to continue to the end of the present financial year, which it may very well do—we shall require to borrow in that time at

least £2,000,000,000. The Government must cast about and search diligently until it finds some means of inducing the multitude of the nation to cultivate a habit of systematic thrift. We must be taught somehow to deny ourselves, to rise above that sort of faith which feels strongest when backed by a substantial bank balance. We must *give* as well as lend, lest the enemy should prevail and we lose all. It is useless to try to offer hints to the Treasury. They are too fully persuaded of their own wisdom for any good to come of that, but some of the bankers to whom they are constantly having recourse might pluck up courage to warn them, not once, but every day, that the present method of leaning on the market for quite three-fourths of the amount the war is consuming day by day involves a risk of ending the war in a financial cataclysm that might obliterate civilisation altogether. Such obliterations have occurred before now. A broad-minded, far-seeing, and intelligent system of educating the people to the height of their duty and obligations is wanted, but the time is too short now for it to be found and applied. What is next best? What is most effective in swaying humanity in ordinary?

Last week's figures emphasise the above remarks, but not, perhaps, sufficiently, in the existing apathy of the official mind, to stir the Government and the people to common action. Revenue from taxes and monopolies was only £8,999,000 in the week ended April 27, and the total expenditure of the week on supply services alone was £55,581,000. Add war debt interest paid, £733,000 and £100,000 of miscellaneous outgoings, and the total actual disbursements of the week came to £56,413,000, or £8,059,000 per diem. Supply alone meant an outlay of £7,940,143 per diem, and the actual revenue of the week was therefore not much more than one day's expenditure. But the total overturn of the week was £147,902,000, or £21,128,855 per diem, and with all scrapings possible to help the Treasury was short of providing the required sum by £1,225,000. It sold no less than £86,915,000 of Treasury bills for supply, for it had £81,531,000 due on these bills to redeem. In this way the net increase in the floating debt under the form of Treasury bills was £5,451,000, bringing up the aggregate outstanding to £953,723,000; so that week by week this debt, which was reduced with

a sort of rush towards the end of last financial year, is again being piled up. The Treasury also got £3,200,000 from the sale of War Savings certificates, a form of debt which efforts are now being made to further popularise in the *gauche* fashion of Treasury financiers, £15,648,000 was received from other war debt sources, and £22,294,000 was credited as proceeds of War Bond sales received. Then the Government raised £12,000,000 on call loan for ways and means, or £4,000,000 more than it paid off. Amongst the items of expenditure outside the current demands of the military and naval services of the administration was £1,660,000 absorbed by "depreciation," £106,000 was also paid out to meet obligations created by the Housing Act, and £41,000 of War Loan and Exchequer bonds was paid off. Even so, with all helps, the income was short of the outgo, and the Exchequer balances were therefore reduced from £17,560,000 to £16,335,000. A year ago they were £23,250,000. But we rub along somehow.

Surprise cannot be avoided at sight of the indifference of the Government to simmerings of profound labour unrest and dissatisfaction in all parts of the kingdom. One might have thought Mr. Bonar Law, in scheming out his taxes this year, would have tried to do something to reconcile the interests of employer and employed, taken a step towards allaying the discontent. He never even alluded to the subject, and continues his excess profits tax without any reference whatever to the wage-earners. Yet he expects these wage-earners to work strenuously and without revolt year in and out, and while grudgingly bribing them with increases in wages, when these cannot be longer refused, looks to them also to provide considerable amounts of money towards carrying on the war. The Savings Certificates were expressly designed to benefit by attracting the working man and still offer him advantages for which he does not as a rule seem to care. Now supposing Mr. Law had, at last and long length, adopted another and more enlightened plan. If he had said to the employers with regard to the excess profits duty, "Your men have done the work which has enabled you to earn these excess profits, and if I leave a portion of them to you—although really the State requires all of them—and is entitled to all so far as they spring from the execution of public orders—I must stipulate that you shall divide that portion left to you with your men on an equitable basis to be agreed upon between you," what then? The employers would have been really no poorer by having to submit to such a stipulation. On the contrary, they might have been richer, because the excess or bonus coming to the men, beyond their regular wages, would have had a powerful influence in contenting their minds, in awakening a sense of independence which the mere receipt of wages, however high, can never give. But Mr. Law never thought of that. Did the employers ever think of it? We have not heard of one so much as hinting at any such arrangement. Nevertheless, the day when the workman can be treated merely as a chattel is drawing near its end. And in other countries the coming change is already shadowed. Look what a correspondent in Italy tells us about the action of the manufacturers of Ferno, whose managing council has decided to give each workman the same dividend as the shareholders, the workman's dividend being calculated upon the aggregate of his earnings for the year. He thus becomes a proprietor, a capitalist, in virtue of his labour, and in that there is surely the germ of a far-reaching change in the relations of masters and men.

Lord Selborne is not a great land-owning magnate. He is of the *noblesse de la robe*, as the French phrase it, and cannot, therefore, be expected to look at the land question from the point of view of the nobles of great territorial possessions. That explains why he has been preaching to the farmers at York as elsewhere the doctrine of State control over agriculture. "There must be a new land and forestry policy," he

has been telling them, and explained that policy to mean State interference with landlords and farmers to an extent and of a character greater than ever before. This interference or control would fall to be a duty of the Government, because "agriculture must be recognised as an integral part of the defence of the realm," and the wastage of land would have to stop as well, and the over-preservation of game. Bad farming must disappear, and the State would have to see that "the national policy, whether of tariffs or anything else," was not allowed to cripple any branch of agriculture. This is all very fine, your lordship, but surely the landlords themselves do not relish a prospect of this kind, which implies that their land should be taken completely out of their control and that "a department of State" should direct the treatment of the soil, the management of the forests, the nature of the crops to be cultivated, and so forth; that the game laws also should be suspended or abolished and all the old usages of the territorial despot set at nought and uprooted in obedience to the exigencies of a country living under a *régime* whose governing impulse is self-defence. We hope it is not to be so bad as that, but if so, landowners of all ranks do well to be afraid.

It is true enough that the land has been neglected to a shameful extent in this country, that it has not been put to the best uses, that the owners of the soil have treated it as a luxury from which they, and they alone, should reap most of the benefit; but, all this granted, there is surely time yet for those who have sinned to mend their ways, and themselves bring about that revolution and reorganisation which may be necessary to make the United Kingdom a land of the free in a sense that is real and true. Would it not be a finer exhibition of self-denial, of kinship with one's fellow-men, of loyalty to the best interests of mankind, were the owners of the land voluntary to lay down the privileges they have amassed in their own hands, and range themselves alongside those who toil, to take their part in the risks and rewards of a higher ideal in cultivation than has ever yet been attained? The Marquis of Lincolnshire, whose original name, we believe, is Smith, has been promoting in Parliament a measure to protect farmers against rent-raising landlords—but only for the duration of the war. His marquissship would neither allow the farmers to be evicted nor to be made to pay more rent while the war lasts, and evidently he regards it as a measure of great, and prudent, liberality and self-denial on the part of those who own the soil. Is it that? What is the good of a brief immunity of that kind? Will it tempt any farmer to put his best into the land? Why should it? The war ends, and all is to be as before. The farmer's improvements, if he makes any meanwhile, are again to be at the mercy of the landlord, and may be confiscated, probably will be; his rent, subject to the caprice of landowners and their agents, may be raised, and will be, without a doubt, for life will be hard even for the landowner in too many instances after the war is over, all the harder, probably, because of his faineantism. Cannot men like the noble marquis rise to something nobler, more hope-instilling? In their own interests, landowners ought to be able to conceive something more useful for them to do than to live as parasites, on the watch to foreclose on new chances to reap "unearned increment." Ornamental they may be, but of no use in the society which will have to be constituted in these islands of ours when peace comes back to us—"of ours," please note, no longer exclusively of the landlords. They ought to be useful and capable of much reinvigorating labour, these landlords; but it will not be by subscribing to the doctrine of the Earl of Selborne, or by supporting trivial projects of farmers' temporary relief, such as that furthered by the Marquis of Lincolnshire, that they will reform their position and take their place as real leaders of the nation. Have either of these gentlemen, have any men of this class, given a thought to what is going to be the composition of the Parliament to be elected under the new franchise? Will it be tolerant of the hoary privileges that disguise

infinite liberty to do injustice, still possessed by the landlords of the country, who, from time immemorial, have made laws through a subservient Parliament in their own interests? They had better ponder a question of this kind, and try and wake up to the dangers of their position while yet there is time.

It says much for the business ability of Lord Rhondda that nothing but regret should be heard when the news became public that he had been compelled through ill-health to resign his position as Food Controller. He has had a most thankless job in that position, and it would be extremely difficult to replace him, although he has an able and loyal assistant in Mr. Clynes. We hope, therefore, it is true that as his health has improved, his courage has returned, and that the appreciation of his services shown by the nation has contributed to the withdrawal of his resignation. Everybody has had a dig one time or another at his lordship while he worked to save the country, not, perhaps, from actual famine, but from, on the one hand, excessive prices for the essentials of life, and, on the other, from foolish or selfish waste of the stocks in hand or available. It has been a stupendous and quite thankless undertaking. Every restriction has been the source of grumblings without end, and yet, on the other hand, as the means taken became effective the discontent died down, especially as it gradually became apparent that Lord Rhondda was working unselfishly and democratically for the good of all the community. It was hardly expected that a man who had taken the trouble to disguise himself in a peerage would stand so loyally on the side of the multitude as his lordship seems to have done. We bless him, and hope he may be able to stay at his post. There is much yet to be done for the food difficulties are by no means at an end, rather they seem not unlikely to increase, especially if the great armies now on foot have to be maintained until after the harvest, throughout next winter, and should

the world's harvest at any point prove a failure. Famine is beyond doubt spreading all over the empires of the Habsburgs and Hohenzollerns. It is there now, and no matter what the harvest may be, or how soon the war may end, it will recoil on the rest of mankind, rendering life harder all over the world. Apart, too, from aught else the necessity of keeping armies amounting, perhaps, to between 10,000,000 and 12,000,000 of fighting men and their camp followers of all kinds sufficiently fed must continue to make enormous inroads upon the world's supplies, however bountiful the harvest may be. Therefore, strong men and wise will be needed for many a month yet to see to it that no one here is left to starve, and equally that no one is free to indulge selfishly in over-abundance. We must help to feed the hungry among our Allies everywhere, and in all this labour of giants the head and hand of a man like Lord Rhondda could ill be spared.

Herr Havenstein, the President of the German Imperial Bank, has been imitating the Kaiser in blowing the trumpet about this last, the eighth, German loan. He declares the subscriptions to have amounted to 14,776,000,000 marks, or at gold par—and the mark is by no means near that now—to £738,300,000. This, he declared, is £87,500,000 above the "record" made by the sixth War Loan, hitherto the biggest bluff of the series, and it is indeed a wonder that an exhausted country whose commerce has gone, which has no live manufactures and nothing to manufacture except war tools and poison gases, guns and shell, and whose males are being destroyed or maimed probably at the rate nearer five than four millions a year, should be able to exhibit such dazzling subscribing power. But, after all, what can such loans be made up of? Have the Junkers contributed their estates to the refreshment of the Imperial Treasury? Catch them. Have the industrial magnates, great banks, the idle wealthy or middle classes, still plentiful, planked down their all? You



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may be sure they have done nothing of the sort. Where has the money come from, then? Principally from the conversion of Government debts into war bonds, as we explained long ago. Krupp, as the type, shows how the thing is done. With each loan that comes out the great Krupp firm appears as a fresh subscriber for a large amount, and the mob of lesser State creditors follow suit. It is all most simple; they cannot help themselves. Their bills cannot be paid because the Government has nothing to pay with except I.O.U.'s. So a more or less large proportion of the unpaid debt is subscribed into the loan, and the wheel of fortune goes round until the next notch comes up. And financiers, bankers, the potentates of make-believe finance of all ranks make great profits by manipulating the sales of paper given in exchange for unpaid "accounts rendered," prey upon each other and grow rich also on paper. Some of them may even to-day believe that war is glorious and an unfailing source of riches. And the tyranny of hunger grows stronger in all the land.

What is the matter with the Food Control, which seems to have a "Press" almost equal to Mr. Lloyd George's own particular? According to the Board of Trade figures, there are relatively huge stocks of cocoa in the country—far more than the average of pre-war days. At the same time, consumers have to pay 200 to 300 per cent. more for the article than they used to do, and that position has always been a puzzle to us while the Food Ministry bawls through its gramophones that it has stopped profiteering. We cannot pretend to be experts in every branch of commerce, except when there is some definite reason for making a special investigation, but the report of the Caamaño Tenguel Estate, Ltd., has just come into our hands, and the first point that strikes us is that in the past year (1917) the average price realised for its crop of 36,150 quintals only realised \$16.27, against \$25.05 per quintal in 1916. Production was as near as possible the same in both years. We know, of course, that the cost of manufacture has increased, and the price of sugar is higher, but when the raw material which this typical company supplies is 33 per cent. down it is very hard to find any excuse for the finished article being raised to the extent that it has been. Possibly if the Food Control had taken any notice of the business the position might have been worse, and as a wag in the House of Commons said, if a price were fixed for rats, these pests would immediately disappear! Anyhow, the Caamaño Estate does not appear to be profiteering. Its profits last year were £2,000 smaller at £16,500, but with a larger balance brought in, it was able to repeat the dividend of 5 per cent. on the ordinary shares, and to carry forward a slightly larger amount at £12,000. But there is something wrong somewhere, and we hope it may be explained by the chairman of the company at the forthcoming meeting.

There is plenty of evidence of the prosperity being enjoyed in the north in the report and balance-sheet of the Union Bank of Scotland for the year to April 2. Notes in circulation have risen to £2,536,000, an increase of £640,000, which follows an advance of £300,000 in the previous year, and deposit, &c., accounts are up no less than £6,400,000 at £23,650,000. Gold and silver coin, notes, &c., have increased £800,000 to £3,163,000, other cash balances £950,000 to £3,273,000, British Government securities £470,000 to £6,028,000, and bills discounted £7,600,000 to £9,644,000, but loans on stocks, &c., have fallen £2,600,000 to £2,573,000, and other securities are £320,000 lower at £680,000. The balance-sheet now totals at £28,860,000, an increase of £6,500,000, and the changes generally indicate a healthy expansion in business. Consequently, the gross profits show an increase of £57,000 at £520,000, and the nett profits are £29,000 up at £279,000, but £40,000 less was brought in, and

the amount available is £11,000 smaller at £340,000. After again paying 15 per cent., or 30s. per share, £100,000 is placed to reserve against £120,000 written off investments last year, and £20,000, or just double, is written off properties, leaving £60,450 to be carried forward, or practically the same as last time. It is a gratifying record at all points.

No doubt the military operations of the Allies at Salonika have indirectly benefited Greece in a variety of ways, and the report of the Ionian Bank, Limited, for the past year shows exceptional progress. Current accounts have increased £560,000 to £2,835,000, and deposits £300,000 to £2,100,000, while a new item of "other liabilities and credit accounts" appears at £2,740,000. This is evidently due mainly to large operations which the bank, jointly with others, has been conducting on behalf of the Greek Government for the provisioning of the country, in connection with which liabilities amounting to about 2½ millions are still outstanding. Cash balances have risen £275,000 to £986,000, advances on securities are £800,000 up at £1,807,000, and loans, &c., have increased £2,300,000 to £3,038,000, but bills receivable are £950,000 lower at £577,000. The nett result is that the balance-sheet now totals £9,572,000, an increase of 3½ millions. Gross profits consequently rose £58,000 to £239,000, and the nett profit comes out £29,000 to the good at £72,900. After again placing £10,000 to reserve, £23,000 is written off the Greek 2½ per cent. gold loan, and the dividend is raised from 6 per cent. to 7 per cent., tax free, which still leaves £2,000 more at £9,130 to be carried forward.

Sir Donald Maclean has a most interesting article in the *Contemporary Review* on the probable effects of raising the age for military service from 41 to 51. As chairman of the London Appeal Tribunal, he has dealt in the past two years with 54,000 cases, including 11,000 applications for renewal, so that his experience is unique, and his conclusions deserve the most serious consideration. The whole article ought to be carefully read, but we must be content with quoting one or two points. A record was kept, he says, during a recent period of two months of the categories and grades of men coming before the Tribunal. In that period 2,600 cases were decided, of which nearly 45 per cent. were in Grade 3. Recent re-examinations have placed the majority of men between 39 and 41 in that category. The latest test was in the week ending April 20, when 90 cases of men between 38 and 41 were dealt with. Eight men only were in Grade 1, 39 in Grade 2, and 43 in Grade 3. Sir Donald proceeds to state that military experience has shown that the proportion of sickness casualties is two and a-half times greater between the ages of 35 and 40 than in the case of men between 27 and 35, and he asks: "What, then, are likely to be the sickness casualties of men between the ages of 41 and 51? There is serious danger that unless great care is taken the greater number of them will break down under the strain of subjection to Army conditions in war time, even on home service. Each man will cost £225 a year, and to this must be added the inevitable cost of permanent pensions. I do not need to dilate upon the personal tragedies of shattered prospects, broken homes, and physical suffering. Turning to the disturbance of business, only those who have had during the past two years constant experience of the hearing of individual cases can grasp fully the significance of the vitally necessary work performed by men between 40 and 51 in the essential businesses and social life of the nation." Assuming that the present medical standard is not lowered—and surely after the scandals of the past that is inconceivable—and that reasonable regard is paid to the maintenance of the business of the country, Sir Donald finds it difficult to believe that more than 3 or 4 per cent. of the nominal numbers can be obtained. Is such a meagre proportion worth all the trouble and anxiety that has been caused? We begin to wonder more and more what the present Government is driving at.

Considering the conditions, the Eagle Oil Transport Co., Ltd., did wonderfully well last year. It is true the trading profit of £264,000 shows a reduction of £40,000, but the decline would have been greater if the charterers had not again made a substantial contribution towards the increased cost of operating the fleet. With £9,000 more brought in and £14,000 less at £101,000 required for depreciation, the balance available is only £17,000 lower at £205,500, and on this occasion nothing has to be written off for the expenses of the preference share issue, which last year absorbed £46,000. Consequently, the ordinary dividend can be raised from 6 per cent. to 7 per cent., and the preference shares also receive an additional 1 per cent., leaving £6,000 more at £48,900 to be carried forward. Several losses have occurred through enemy action, but the amounts received by way of insurance exceed the book value, and we find the replacement and other reserve funds £600,000 up at £635,000. Construction remains suspended except in respect of two vessels which it is hoped will be delivered during the current year. Creditors have increased £300,000 to £478,000, while debtors are £264,000 up at £424,000, and cash balances are £716,000 higher at £1,136,000. The value of the fleet and shares in the San Antonio Steamship Co., Ltd., is put at £2,280,000, a reduction of £150,000. Of course, the company is in an exceptional position, but it looks as strong as could be desired.

Although we have constantly urged for years past that the immense water resources of the country ought to be utilised for the development of electric power on a large scale, we are not sorry that the Lochaber scheme has been quashed. There is a good deal to be said for the sporting and artistic views on the subject, especially the latter, and while they need not prevail to the extent of arresting enterprise which would benefit the whole community, they can only be properly safeguarded if the question is considered from the broadest national standpoint. The desires and ambitions of private companies are not to be trusted in such cases, and the only satisfactory way to proceed would be the appointment of a small commission to study the whole problem, with an instruction to have due regard to the amenities of the different localities which may be found suitable for the utilisation of water power. The object could easily be attained without undue disfigurement of the natural beauties of places like Lochaber, but it cannot be done satisfactorily in a haphazard way, and it is better to wait a few years for a comprehensive scheme than to proceed without proper consideration, and probably have to expropriate vested interests later at an exorbitant price.

Engineering works generally have been so fully and profitably occupied that it comes as something of a shock to find a business like the British Westinghouse Electric and Manufacturing Co., Ltd., tumbling back to the pre-war level. Last year the trading profits amounted to £194,400, a decrease of £117,000, and after paying debenture interest and providing £5,500 less for depreciation of works, plant, &c., the nett profit is £110,000 lower at £88,120. Accordingly the 15 per cent. preference shares have again to be content with 7½ per cent. paid, less tax, this time instead of tax free. However, £4,000 more at £48,000 is written off as special depreciation allowance, and the balance forward is reduced by £38,500 to £51,200. During the year 110,000 preference shares of £2 each, as well as 500,000 deferred shares of 1s. each, were issued, raising the total share capital to £1,395,000. Prior lien debentures for £8,400 were redeemed, reducing the amount to £183,000, but the 4 per cent. mortgage debenture stock remains at £1,241,000, and sundry creditors have risen £230,000 to £850,000. Stocks have increased £330,000 to £1,490,000, and sundry debtors £270,000 to £742,000. Cash is lower at £138,000, but investments are £105,000 up at £204,000. Of course, 15 per cent. preference shares are a terrible weight to carry, but the results cannot be described as brilliant.

Newspapers generally have had exceptional difficulties to contend with recently, and the *Financial Times*, Ltd., is to be congratulated on maintaining the improvement which it secured in 1916. Indeed, last year the nett profits were £800 higher at £20,060, and with £2,000 more brought in there is a balance of £47,000 for disposal. In view, however, of the uncertainty of the outlook, the directors recommend a dividend of only 4 per cent., as against 5 per cent. a year ago, and as £2,000 against £3,750 is reserved for income-tax, £32,650, or £5,650 more, remains to be carried forward. Changes in the balance-sheet are not of much importance, but we may note that while cash and investments are lower, work in hand, stocks, &c., have risen from £13,900 to £33,300. Plant and machinery have been written down to £57,800, and printing works, offices, &c., to £55,000. It is a very satisfactory display when all the circumstances are taken into consideration.

In the circular issued last December the directors of John I. Thornycroft and Co., Ltd., stated that the questions outstanding with regard to war taxation involved such considerable amounts that it was quite impracticable to make up the accounts to July 31, 1916, without running serious risk of misleading the shareholders. The annual meeting adjourned on December 8, 1916, is to be resumed next Wednesday, but another meeting held on December 11 last was also adjourned, and surely it would have saved a great deal of trouble and inconvenience if both had been held on the same day. Now that it has at last been possible to complete the accounts for 1916 there cannot be any very valid reason for further delay in issuing those to July 31, 1917. A basis of settlement must have been arrived at, and any difference still in dispute with respect to the later period can only be of a more or less trumpery character. As it is, we cannot, without prolonged search, tell exactly how matters stand at present, and we shall defer any attempt to analyse the figures until those for 1917 are available. Including £78,150 brought forward from 1915, the balance of profit at July 31, 1916, was £105,300, after deducting excess duty, &c., so that the nett profit appears to have been about £27,000. Interest and dividends, however, seem to have absorbed £52,000, and after placing £25,000 to reserve and contributing £5,000 to the benevolent fund, there remained £23,120 to be carried forward. It is stated that practically the whole of the resources of the company continue to be employed on war work, and the turnover of the business (which in 1916 was more than four times the pre-war average) is still on the increase. The accounts for the past twelve months will therefore be awaited with exceptional interest.

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At the meeting of the Army and Navy Co-operative Society, Ltd., last week, an advisory committee was appointed with instructions to report to an adjourned meeting to be held on June 25, on a scheme to absorb the Army and Navy Auxiliary Supply Co., Ltd., and to recommend "for inclusion in the directorate as managing directors gentlemen having commercial training and experience." To a great many people this will come with the shock of a thunderbolt. That the world-famed "stores" should at this time of day be in need of "gentlemen of commercial training and experience" as managing directors will be regarded in some quarters as little short of rank blasphemy. But it is evident that a very strong body of the shareholders are dissatisfied with the existing management, and especially with the relations between the society and the Auxiliary Co., it being alleged, and not seriously challenged, that the interests of the former are often sacrificed for the benefit of the latter. We are sorry that these domestic troubles should have arisen, for the society has done, and is doing, magnificent work, but it is certainly better that the questions at issue should now be thoroughly investigated, and we hope the committee's report will be issued with as little delay as possible. In the year to January 26 the trading profits amounted to £550,000, an increase of £22,000, while the working expenses were £9,000 lower at £308,400. Consequently the nett profit was £241,000, which compares with £210,000 for the previous year, and £195,000 in 1915, a very satisfactory record, although it lends colour to the allegation that the society is not particularly generous in the treatment of its employees. Shareholders again receive a dividend of 3s. per share (300 per cent.), and in addition a bonus of 4d. per share, absorbing altogether £200,000, while the cash bonus to the staff is raised from £14,200 to £25,700 and the balance forward is only a trifle less at £24,900. The dividend is large, but the capital is a mere bagatelle compared with the amount of business which is handled.

It is satisfactory to learn that the British Columbia Parliament has granted full powers to the City of Vancouver to eliminate the "jitney" motor-car competition as regards both the city and inter-urban services of the British Columbia Electric Railway. In January last we dealt fully with the position in connection with a report by Professor Shortt, appointed by the Government of British Columbia to deal with the whole of the matters in dispute between the City authorities and the company, both parties agreeing to abide by the Professor's decisions. His main finding was that the "jitney" competition was grossly unfair to the Electric Railway, and incidentally he emphasised the fact that the jitney cars merely provided a fair weather service, and disappeared from the routes at such times as they were most urgently needed. There was also a good deal of friction between the City and the company with regard to the terms of compulsory expropriation, but Professor Shortt's report was so eminently sane on all points that we have no doubt it helped to remove every cause of friction. As British capital is involved to the tune of over 4½ millions, much of which has earned no dividends since the troubles arose, a complete settlement of the dispute will be very welcome to the holders of the company's securities.

Another scheme for the readjustment of the capital account of Meux's Brewery Co., Ltd., is put forward, and as it is much more favourable than the one proposed a few years ago, it has every chance of going through. In the interim the deficiency account has been reduced by £160,000 to £641,000, and it is proposed to deal with this by reducing the capital from one million to £360,000. The 5,000 ordinary shares will be cut down from £100 to £2 and the 50,000 preference from £10 to £7. But the latter are to receive generous compensation both in respect of arrears of interest and loss of capital. They are at present entitled to 5 per cent. cumulative, but in future it will be 10s. per share, and will bring in the same return as before.

Arrears amount to 70 per cent., and nine-tenths of any surplus profits after paying the fixed dividend will be allocated to the holders, the remaining tenth going to the ordinary. Moreover, on a winding-up the preference shares will be entitled to a bonus of £3 per share, and that is an important consideration in view of the possibility of Government purchase. It is to everyone's advantage that the scheme should go through, and we see no objection, unless it is too generous, a point which the preference holders are not likely to take.

The Lace Proprietary Mines, Ltd., is about to be reconstructed. This company, which was formed in 1904, owns the Droogfontein and Vlakfontein farms on the Far Eastern Rand, the latter being situated about five miles south of the Springs property. The company has proved the existence of the main reef on both farms by borehole, the result on the Vlakfontein assaying 13.2 dwts. over 13.5 inches. It is proposed to reduce the nominal value of the existing 255,000 shares of £1 each to 10s., and then to invite shareholders to subscribe for the same number of new shares at 10s. each. This will bring the capital up to its present amount of £255,000, and provide the company with £127,500 in cash for working capital purposes. An option on 255,000 shares at 10s. is to be given to the guarantors of the new issue, which if exercised would bring the capital up to £382,500. A new company is to be formed to exploit and develop the Vlakfontein farm, and it will have a capital of £1,500,000, which may be increased to £1,750,000 subsequently by the cash capital which the Lace Proprietary will have at its disposal. Other properties on the Far Eastern Rand at present lying dormant will shortly be exploited actively, for we learn that the Mining Leases Bill will shortly be passed through the Union Legislature. This Bill will enable a number of properties, which cannot be worked economically owing to their limited area, to obtain fresh ground. The Lewis and Marks Anglo-American group has a number of big projects, involving an expenditure of 6 to 7 millions, held in abeyance pending the passage of this Bill.

## Trade and Finance After the War.

Much comment has been excited by the publication of the final report of the Committee on Commercial and Industrial Policy After the War. Amongst Free Trade papers the comment is mostly adverse. Yet the report is a painstaking document, which, even with all our Free Trade predilections, we can advise readers to study. It has been carefully drawn up, and the succinct *résumés* given of the position of our trade and industry on the eve of the war, together with the discussion of present circumstances and the measures to be adopted during the period of transition after the war, as well as the chapter on steps to be taken to maintain our trade active when peace is re-established, are all informative and sometimes suggestive. There is not much that can be deemed new, but the facts presented have been gathered together with industry and intelligence, and some of the conclusions appear to be less offensive to democratic ideals than critics represent them to be.

The Committee, which readers may recollect was set up to study the commercial and industrial policy to be adopted after the war, with special reference to the conclusions reached at the Economic Conference of the Allies in Paris, appears to be hypnotised by the present dominance of Government control over industries everywhere. Not that it accepts that control in all circumstances, but even when the formation of independent committees of traders is recommended, there is always a hark back to the permanent official. Thus in the fifth chapter, which deals with Essential Industries, we have a discussion relating to the establishment of a Special Industries Board to consist of commercial and industrial experts "associated with whatever department of State is entrusted with the care of the commercial and manufacturing interests of the

country, and represented in Parliament by the political head of that department." That is a modest ambition as far as Government control is concerned, but the chapter winds up thus, "Failing efficient and adequate output, the Government should itself undertake the manufacture of such articles as may be essential for national safety." And we don't like that at all. Who is to decide what is and what is not "essential"? In dealing with what are called the key, or "pivotal," industries "which must have protection in certain circumstances"—we see no "must" about it—this Committee admits, in stultification of itself, that old-established industries may be superseded and disappear. Supposing the Government, then, with its usual short-sightedness, ignorant of this coming decay, puts the nation's money and a portion of its energies into the propping up of a perishing industry, what is going to happen? Who will make the loss good? There is far too much of this let-us-lean-on-the-official spirit now abroad, and we must get out of it, if we are to survive. This Committee is of another opinion, and its recommendations will, we trust, be ignored.

Naturally, the tariff suggestions have been pounced upon and condemned by the independent and intelligent section of public opinion. We are not surprised. They are evidently compromise proposals, and clumsy at that; a product of weak thinking strongly tinged by class selfishness. The essence of the matter is to be found in the 254th paragraph of the report under "Conclusions." In summary, the most essential of these conclusions are:—Producers here are entitled to require from the Government "protection in the home market against dumping." Key, or pivotal, industries should be maintained in this country "at all hazards and at any expense." "No ordinary economic rules apply to the situation of these minor but important industries," the Committee informs us, "but they will be necessarily subject to Government supervision." As regards other industries, "carefully arranged protection" is recommended, on the pretext that production must be maintained either for reasons of national safety or on the ground that it is undesirable that any industry of real importance to our economic strength and well-being should be allowed to be weakened by foreign competition. There is more of like sort which we need not bother with.

Preferential treatment is recommended to be applied to British Oversea Dominions and Possessions in respect of any Customs duties now or hereafter to be imposed in the United Kingdom. Consideration, the report goes on, "should also be given to the expediency of other forms of Imperial preference." And in the delightful jumble-headed fashion of these amateur philosophers, when referring to our present Allies and neutrals, the naive suggestion is made that "the present opportunity should be taken to endeavour to promote our trade with the Allies, and consideration should be given to the possibility of utilising for purposes of negotiation with them and with present neutrals any duties which may be imposed in accordance with the principles which we have laid down above." "Principles"? Where are they?

We give merely the gist of the tariff proposals, but enough has been said to indicate how hopeless the muddle still is in the minds of business men with regard to their task and their duty after the war. As we turned over the report, while recognising the painstaking conscientiousness with which it had been put together, the feeling stole into the mind that after all we are not yet ready to see the war ended, for if it is not to bring a more masterful feeling of mutual relationship, of brotherhood, between man and man in this country, between class and class, here and everywhere, then will these good men please tell us what we have been fighting for? Why are we submitting in grief inexpressible to the loss of thousands of the country's best men every day that passes, and why are France, Italy, and Belgium submitting? We see our wealth being devoured beyond hope of recovery in this cataclysmic war, and maunder along as if it all meant nothing, that once past it would leave us at

liberty to be as selfish as before. These worthy gentlemen and their brethren do not seem at all to realise what lies ahead for us. They go on in the old grooves, and talk about making "concessions" to labour here, granting assistance to this industry and the other, of the State doing this and preventing that, of barriers to be erected in their interests, of this and the other point, all as if there were none to be thought about except themselves. They plainly imagine that things will go on after the war much as they did before, that the land speculator and the company promoter—"bubble" and other—will have the same freedom to prey upon his fellowman, and the monopolist in all ranks of the plutocracy remain still in a position to "sweated" labour, and all the markets of the world remain as ready to receive, and as able to pay for, our productions as before the war. The spirit of the report is selfish throughout, and the outlook as short-sighted as it is narrow.

The world is not going to be like this at all when war ends. It will then be a world denuded of its manhood to an extent not yet realised, or even suspected, and therefore crippled in its recuperative capacity for certainly the ten succeeding years. It will be a world also stripped of its available property and sunk to the eyes in debt. We ourselves, should the war last to the end of this fiscal year, as in some form or other it probably will, will have to shoulder a debt that will cost for some considerable period at least £300,000,000 a year as first charge on the nation's labour. It is the fashion of Chancellors of the Exchequer to reckon off from the gross total of the war debt—some £7,000,000,000 gross it will by then be—the money we have lent to our Dominions and Allies; but we dare not delude ourselves with the hope that any one of these debtors will be in a position to repay this money after the war, or even to pay interest upon it. Can Russia do so, or Serbia, or Greece, or our Australian Colonies, or even Canada, let alone Belgium? No, not

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one of them within a measurable date. We cannot reckon on any early assistance from those to whom we have lent the means to enable them to sustain their part in this civilisation-obliterating struggle. For a time, now, as after the Napoleonic wars, the whole responsibility must fall on us.

That is not all. Not only shall we owe an unprecedented mass of debt "to ourselves," as it is the fashion to say—although what sensible difference that makes to the distress or overburden laid upon the lower strata of society we do not know—but we shall be heavily in debt abroad, to the United States especially, and the consequence will be that, instead of being able as before the war to sit with folded hands and allow tribute in the form of foreign produce sent in payment of debt interest to roll in and keep us comfortable, we shall have to work hard to find the means of paying the interest owed, for a time probably to export more than we import. We have parted with hundreds of millions of our foreign investments in addition to the actual money borrowed of foreigners, and will therefore be all round crippled and impoverished when peace comes.

To talk of "adjusting commercial interests" by means of a tariff, of "protecting" ourselves from "dumping" by means of special duties, of differentiating our treatment of neutrals and Allies, of States in the British Dominions receiving favoured treatment at the expense of the rest of the world, all which, if attempted, would mean added misery, the laying upon the shoulders of the nation the cost of maintaining a swarm of tax-collectors, spies, gaugers, appraisers and police at the ports, is surely to exhibit a shortsightedness, an obliviousness to facts, marvellous to behold at this fateful hour. There is in sober truth only one thing that can save us, and that is systematised—unremitting labour, joined to the utmost possible economy in administration. To use the slang of commerce, we have, alas for it! "pooled" the lives of the nation in this deadly conflict, and the devotion of our men, of the men of France and of all our other Allies will enable us to bring the war to a triumphant conclusion. When it is over the nation must "pool" its resources of all kinds, abolish the profiteer of all grades and types of mind, and, man to man, stand loyally and helpfully together, content with little as individuals so be that the common good may be attained. There is nothing at all of that spirit of self-abnegation in this final report of Lord Balfour of Burleigh's Committee, and that it should be thus sterile is disappointing to an extent we cannot define.

## Are Treasury Bills Liable to Income-tax?

(BY A CORRESPONDENT.)

A novel income-tax question of great importance has been raised: Do Treasury bills yield taxable income?

As soon as the question is stated, it is obvious that it affects many millions sterling, not merely in the sense that the capital reaches colossal figures, but that the actual amount of income-tax at stake is enormous. Of course, the officials maintain the official view, as is most fitting; but most eminent counsel have advised that in many cases no tax is payable. These opinions would result in immunity from tax in the case of individual investors.

For this purpose the holders of these bills may be divided into three groups. The first is banks, discount houses, and investment companies, taxed not on "income," but on "profits"; for them there is no hope. The purchase of such securities is part of their business, and the gain on realisation is in these cases taxable, as, indeed, for that matter is all appreciation on the turning over of any investments.

The second group is companies taxed, not on "profits," but on "income." This embraces most, if not all, life insurance companies. Their holdings of Treasury bills are immense. The opinions of the counsel referred to would result in such cases escaping the tax.

The third and last group is the private investor. He or she will stand or fall with the second group, except, indeed, that it is suggested that, even if that second group should have to pay, an individual who has had one or two isolated transactions in these securities would be able to maintain a separate case for immunity.

### INTEREST OR DISCOUNT.

If tax is leviable, it must apparently be on alleged interest or discount. These two are not the same, either arithmetically or in an ordinary legal sense, or under the Income Tax Acts.

Now, can it be said that, if I buy a £1,000 bill at 12 months for £950 I am receiving £50 interest? Of course, there is a pecuniary gain, or advantage, or profit. Equally there is an interest calculation at the bottom of the transaction.

But these are not the questions. The only question here is: Does the investor receive interest from his debtor? He certainly gives no receipt for interest. The document contains no covenant for or reference to interest. Interest on what? Is it on £950 or on £1,000? When is it suggested that the alleged interest is received by the purchaser—when he pays the £950, or when he receives the £1,000? We suggest the view that, however the final question of liability may be determined, there is no interest, and that, therefore, there can be no tax on interest.

If that be so, the result in the second and third groups of investors is that either tax is not payable or it is payable on discount. Now, it is, of course, true that the Acts contain a special head of charge in the form of "profit from discounts."

But is the operation of investing money in a British Treasury bill correctly described by saying that the investor has discounted the bill for the Government? As to that, we notice that at least some banks include these investments under the heading of "bills discounted" in their balance-sheets. If commercial and business evidence were unanimous to the effect that that is a correct mode of statement, it would no doubt go far to solve the question. We shall not be expected to advise here, or to commit ourselves to one view or another.

It is sufficient that we raise this novel "point," and state that learned counsellors have advised that the purchase of these bills is not the class of transaction covered by the taxation of "profits" from discounts.

### DIFFERENT FORMS OF INVESTMENT.

Treasury bills are sometimes taken direct from the Bank of England on the original issue, and sometimes they are purchased in the market during their currency. Until the present writer heard of the learned opinions, his own view was that in the latter case it was more than doubtful whether income-tax could be claimed, but, like most other people, he assumed that it would have to be paid in the former case.

This distinction certainly is not supported by the opinions. If I buy from the present holder a twelve months' Treasury bill which has six months yet to run, at the end of which time I get back, say, £25 more than I paid, how does that differ, in either principle or form, or even detail, from the purchase at a "discount" of an endowment life policy, or a company debenture, or a War Bond, or terminable War Stock?

In none of these four cases could it be suggested that the present discount or final appreciation was taxable. Why, then, should it be otherwise in the case of a Treasury bill? Take the National War Bonds; they are issued at par, and repaid with a bonus or premium. Yet no one will suggest that the excess over par is or will be taxable. It would make no difference if these bonds had been issued at a discount and repayable at par, which, indeed, is just the form in the case of War Stock.

### RESULTS TO THE TAXPAYER—

If the profit is not income for tax purposes, the results to the investor are two-fold. In the first place, he escapes income-tax on what would have been the income from the capital sums so invested if they had been invested in some other and more usual form. In the second place, he may become entitled to a lightening of taxation on his other income.

This latter may, according to his financial position, take several shapes. Thus he may escape super-tax. He may become entitled to the benefit of rates less than the standard 5s. per £ on his income, earned or unearned, or both. If his taxable figure falls to £700 or less, he will become entitled to a (or a larger) scale abatement, and to the abatement for children. In an extreme case he might be exempt.

### —AND TO THE EXCHEQUER.

It may be said that the above results would never be allowed, for if the Courts sustained counsel's opinions, there would be legislation. Even if so, it would scarcely be made retrospective. But it is to be remembered that Treasury bills have short currencies, and even without any change in the law the Exchequer would in future years lose less than might be thought; probably nothing at all.

The reason is that, if these bills carried the privilege of tax exemption, their attractiveness would be increased, and they would be saleable by the bank at a better price. What was lost on tax would be squared on discount.

## Profits and Profit-Sharing in Italy.

During a recent visit to Bologna, General Dallolio, the Italian Minister of Munitions, speaking of the amazing industrial progress accomplished by Italy during the war, made the following statements:—While at the close of 1915 we had but 125 auxiliary plants employing 115,000 men, at the end of 1917 they had grown up to 3,800, with more than 800,000 hands.

Small industries were prevalent in Italy before the war: statistics gave the number of 221,513 concerns employing about 10 people, and only 22,413 employing more. The average and big industries employed but one million and a-half workmen, a very small number in proportion to the population.

But present conditions have greatly changed. The war has enabled a group of industries to realise large gains, and consequently to reach a considerable development. One of our best

economists, Gino Borgatta, in an article on joint stock companies, says that in 1916 the following companies have attained nett profits above the 15 per cent. :—

Companies.	Number.	Capital.		Nett Profit.	
		Min. Lire.	Min. Lire.	Per Cent.	
Chemicals .....	102	286.7	44.2	15.39	
Food .....	108	275.028	41.3	15.03	
Steel and iron .....	42	250.5	41.4	16.55	
Flax and hemp .....	10	23.7	3.8	16.35	
Wool .....	19	54.6	10.2	18.70	
Insurances .....	13	40.8	7.5	18.48	
Shipping .....	22	188.1	49.5	26.31	
Motor cars .....	17	49.04	15.0	30.50	
Leather, boots .....	11	16.8	5.8	34.67	
Textile .....	12	28.1	8.78	31.24	
Jute .....	3	16.3	6.87	42.07	

No definite figures are yet available as to the profits of each single concern since the Decree of February, 1917, forbidding commercial companies to pay to the shareholders more than the 8 per cent. unless they had already done so during the last three years. We can, however, infer the financial result from the tax on war profits: these have yielded to the State 461,200,552 lire, corresponding to a revenue of 1,111,538,994 lire. These figures were published at the end of September, 1917; but the whole amount is expected to reach about 600 millions, equal to a taxable income of one milliard and a-half.

Joint stock companies in Italy at the beginning of 1914 were reckoned to be 2,200, representing about 7.1 milliards of invested capital. To give an idea of their development during this time of war, it will be enough to say that in the last two quarters, 1917, capital has increased by 861,279,286 lire. This shows that the money invested in joint stock companies has surpassed the sum ascertained as war profits up to the present.

A very important reform has been put into practice by the manufacturers of Ferno. The managing council has decided to give each of the workmen a percentage on the net yearly profits in equal proportion to the sum assigned to capital. The workmen will share the nett profits to the extent of the total sum of their yearly wages on equal terms with capital, and before any sum has been subtracted as dividends upon that capital. The individual share to each workman will be awarded, according to a definite rule issued by the manager, in direct proportion to the wages of a whole year. According to this rule it has been arranged that a dividend of 6 per cent. having been assigned to the joint stock capital of the company, the same dividend shall be awarded to each workman as his right to profits in proportion to the amount reached by his fortnightly wages earned during the whole year.—*From our Italian Correspondent.*

### The Canadian Budget.

Mr. MacLean, Acting Minister of Finance, presented his Budget in the Dominion House of Commons on Wednesday, and was able to give an excellent account of the finances. The revenue for the fiscal year ended March 31 was £51,600,000, taking the dollar at the convention five to the £. This was an increase of £5,200,000 on the preceding year. Civil expenditure absorbed £34,600,000, that including the payment of £9,000,000 in interest and £5,000,000 to the Canadian Northern Railway, as well as £1,500,000 to the Grand Trunk Pacific. There was also capital expenditure to the amount of £6,000,000, raising the total outlay of the civil Government to £40,600,000. That left £11,000,000 to be devoted to war costs. These war costs amounted last year to about £69,000,000, of which £33,400,000 had been spent in Canada, and raised the total cost of the war to the Dominion to £175,600,000, or £878,000,000. The nett debt of Canada is now approximately £240,000,000. During the year £22,600,000 of the revenue has been devoted to war expenditure over and above the demands for interest and pensions.

In the current year the war expenditure is expected to be again up by £5,000,000, but the expenditure on capital account has been materially reduced, allowing for the money required to carry out the soldiers' land settlement scheme and to rebuild Halifax. The total expenditure will be met up to July next from the unspent portion of the Victory Loan and by the temporary issue of Treasury bills.

Some changes are made in taxation, but none of great importance. A war surtax upon incomes over £1,200, running from 5 per cent. on incomes between \$6,000 and \$10,000 to 25 per cent. on incomes over \$200,000, is to be imposed, and, apparently, besides the super-tax in existence upon incomes up to \$50,000, or £10,000, incomes of \$1,000,000, or £200,000, will pay 50 per cent. The Excise duty on tobacco is increased by 5d. per lb. to 10d., a dollar is added to the duty on each thousand cigars, making it \$6, and the cigarette duty is doubled, making it also \$6 per thousand, while on foreign raw leaf tobacco the duty rises from 28 to 40 cents, or to 1s. 8d. per lb., and on stemmed foreign tobacco from 42 cents to 60 cents., or to 2s. 6d. per lb. A tax of 10 cents per lb. on tea is also mentioned, and the duty on coffee is to be raised to 5 cents for British and 7 cents for other kinds. As the result, the revenue is estimated at \$270,000,000, or £54,000,000 for the current year, and the total expenditure is put at \$980,000,000, or £196,000,000, of which £65,000,000 is provided by advances from the Imperial Government to Canada, including, we presume, £60,000,000 advanced from the home Government to pay Canadian troops abroad, but from all sources only £140,000,000 will be available. Consequently, to balance the Budget, £56,000,000, or \$280,000,000, will have to be raised by loan.

### THE JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED,

announces that owing to the irregularity and delay in the mails the issue of the quarterly reports to the Shareholders of the Mines of the Barnato Group is discontinued for the time being. In place thereof the following cabled Summary of the quarter's operations is advertised in the Press. 10 and 11, Austin Friars, London, E.C., 29th April, 1918.

#### GOVERNMENT GOLD MINING AREAS (MODDERFONTEIN) CONSOLIDATED, LIMITED.

Report for Quarter ended 31st March, 1918.

	Tons Crushed, 320,000.	Per ton, based on Tonnage Crushed.
Total Working Revenue .. ..	£478,537	£1 9 11
Total Working Costs .. ..	300,936	0 18 10
Working Profit .. ..	£177,601	£0 11 1
Sundry Revenue .. ..	1,627	

Total Profit for the quarter .. .. £179,228

No allowance has been made in the above for the Government's share of the profits. The expenditure on Capital Account amounted to £13,545.

As compared with the previous quarter, crushing was increased by 10,100 tons. Working costs and the grade of ore milled were practically the same as the previous quarter. The Gross Profit was £3,885 higher than last quarter.

The payable Ore reserves were increased by 370,000 tons to 7,300,000 tons. Excavations have been started for extension of reduction plant, and practically all the material has been purchased.

#### VAN RYN DEEP, LIMITED.

Report for Quarter ended 31st March, 1918.

	Tons Crushed, 130,200.	Per ton, based on Tonnage Crushed.
Total Working Revenue .. ..	£288,364	£2 4 3
Total Working Costs .. ..	130,177	1 0 0
Working Profit .. ..	£158,187	£1 4 3
Sundry Revenue .. ..	2,995	

Total Profit for quarter .. .. £161,182

No allowance has been made in the above for Colonial taxation. The expenditure on Capital Account amounted to £5,487.

As compared with the previous quarter crushing was decreased by 3,860 tons. Costs were 7d. per ton higher. The recovery value shows an increase of 11d. per ton. The Gross Profit was £3,928 less than last quarter.

Good progress has been made with the additions to the Reduction Plant; excavations completed. All necessary plant and material secured. Erection will be commenced at an early date.

#### CONSOLIDATED LANGLAAGTE MINES, LIMITED.

Report for Quarter ended 31st March, 1918.

	Tons Crushed, 128,450.	Per ton, based on Tonnage Crushed.
Total Working Revenue .. ..	£159,933	£1 4 11
Total Working Costs .. ..	119,132	0 18 7
Working Profit .. ..	£40,781	0 6 4
Sundry Revenue .. ..	571	

Total Profit for quarter .. .. £41,352

No allowance has been made in the above for Colonial taxation. The expenditure on Capital Account amounted to £3,352 and Debenture interest £1,719.

As compared with the previous quarter crushing was decreased by 700 tons. Costs were 5d. per ton lower. The recovery value shows a decrease of 1s. 2d. per ton. The Gross Profit was £5,202 less than last quarter.

The West Incline Shaft was sunk 42 feet to a total depth of 3,752 feet. Operations adversely affected by abnormal rains necessitating additional expenditure.

#### WITWATERSRAND GOLD MINING COMPANY, LIMITED.

Report for Quarter ended 31st March, 1918.

	Tons Crushed, 105,200.	Per ton, based on Tonnage Crushed.
Total Working Revenue .. ..	£124,723	£1 3 8½
Total Working Costs .. ..	101,214	0 19 3
Working Profit .. ..	£23,509	£0 4 5½
Sundry Revenue .. ..	4,434	

Total Profit for quarter .. .. £27,943

No allowance has been made in the above for Colonial taxation. The expenditure on Capital Account amounted to £1,924.

As compared with the previous quarter crushing was increased by 583 tons. Costs were 1s. 4d. per ton higher. The recovery value shows a decrease of 1s. per ton. Gross profit was £12,498 less than last quarter.

The Southern Incline Shaft was sunk 14 feet to a total depth of 2,808 feet. Operations adversely affected by abnormal rains necessitating additional expenditure.

#### RANDFONTEIN CENTRAL GOLD MINING CO., LTD.

Report for Quarter ended 31st March, 1918.

	Tons Crushed, 445,000.	Per ton, based on Tonnage Crushed.
Total Working Revenue .. ..	£527,836	£1 3 8½
Total Working Costs .. ..	483,518	1 1 8½
Working Profit .. ..	£44,318	£0 2 0
Sundry Revenue .. ..	2,815	

Total Profit for quarter .. .. £47,133

No allowance has been made in the above for Colonial taxation. The expenditure on Capital Account amounted to £79,152, and Debenture Interest £38,106.

As compared with the previous quarter crushing was decreased by 55,960 tons. Costs were 2s. 2½d. per ton higher. The recovery value shows an increase of 3½d. per ton.

The Gross Profit was £54,072 less than last quarter. Shaft sinking accomplished totalled 735 feet.

Operations here were much more severely hampered than on the other Mines by the heavy rains. Previous extensive on crop workings rendered the lower levels exceptionally liable to flooding. Pumping and baling charges extremely heavy.

#### LANGLAAGTE ESTATE AND GOLD MINING CO., LTD.

Report for Quarter ended 31st March, 1918.

	Tons Crushed, 117,320.	Per ton, based on Tonnage Crushed.
Total Working Revenue .. ..	£138,946	£1 3 8
Total Working Costs .. ..	117,908	1 0 1
Working Profit .. ..	£21,038	£0 3 7
Sundry Revenue .. ..	376	

Total Profit for quarter .. .. £21,414

No allowance has been made in the above for Colonial taxation. The expenditure on Capital Account amounted to £6,728.

As compared with the previous quarter crushing was decreased by 9,340 tons. Costs were 2s. 1½d. per ton higher. The recovery value shows an increase of 1s. 6½d. per ton. The Gross Profit was £5,348 less than last quarter.

Operations adversely affected by abnormal rains necessitating additional expenditure.

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## The Investors' Review.

### Money and Credit Notes.

**BANK RATE 5 PER CENT.** (Reduced from  $5\frac{1}{2}$  per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Money is now being called in by the Scotch banks in preparation for the Scotch mid-May term payments. That helped to make credits in a manner scarce at the end of last week and beginning of this, so that 3 per cent. was for a day or two the minimum quotation for call money. Then the Government requirements also influenced rates once or twice in the same direction, but it all passed over without causing anything more than a ripple on the surface, and discount rates were never altered from the  $3\frac{1}{2}$  to  $3\frac{3}{8}$  per cent. quoted in our table.

The Bank return is as uninteresting as the condition of the market itself, and the movements of credit were insignificant, the largest being a decline of £2,502,000 in the other deposits, and next to that came a shrinkage of £1,980,000 in other securities, but the note circulation has increased £1,030,000, and although £355,000 of coin and bullion came in, the reserve is therefore £675,000 down. Its proportion, however, thanks to the fall in the liabilities, remains at  $17\frac{1}{2}$  per cent.

The official reply to the complaint of holders of the 5 per cent. War Loan that they will be taxed on last year's dividends at 6s. in the £ instead of 5s., as the result of the "no deduction at source" concession, has not satisfied holders. It is true that as last year's dividends were excluded from the return for income-tax purposes; the assessments were consequently reduced, and holders gained in more ways than one from this arrangement, but the holder of inscribed stock who has converted his holding into bearer bonds will have to pay two years' taxes out of one year's interest. But the real point is this, that holders were led to believe when the concession was made that they would not have to pay a higher rate of tax as the price of the concession. They are therefore very resentful of this effect of "no deduction," especially those liable to the full rate of tax, for they have derived no advantage whatever from the concession, but actually lose 1s. for every pound of interest received.

The British Trade Corporation, in conjunction with the London and Brazilian Bank, has just formed a company, entitled the Anglo-Brazilian Commercial and Agency Company, with a capital of £250,000. Its purpose will be to recapture the import and export trade which the Germans acquired before

the war from British firms. This is the first of the British Trade Corporation's activities that has so far been revealed.

Further details are now available regarding the terms of the Swiss credit for Great Britain, to which we referred some weeks ago. By this agreement, a Swiss financial group consents to make monthly advances to a British financial group, the amount of these advances to be regulated by the quantities of merchandise arriving in European ports for Swiss destinations. Each monthly advance will not exceed 10 million francs, and the arrangement covers the ten months ending on January 31. The credits will be secured by the deposit of securities of neutral countries which have been mobilised by the American Dollar Securities Committee. The loans will have to be redeemed in three years.

The principal movement in the foreign exchange market this week has been the improvement in Spanish, the rate being 35 points in our favour on the week at 17.20 pesetas to the pound sterling. This advance is the outcome of an agreement signed last week by a consortium of Spanish banks and by French and United States banks. The Spanish banks have agreed to grant a credit to the French and American banks of 50 million pesetas (£2,000,000), the consortium including the principal banking firms of Madrid, Bilbao, and Barcelona. Of course, the amount is really very small, and inadequate to meet the financial situation, but the Spanish banks are quite unused to granting credits of this nature, and want to proceed with their financial evolution slowly. At the same time, it is rather unfortunate that Spain has failed to realise the enormous sum she might have made and could still make by the active use of her large gold holding, which at present is being merely hoarded, and, therefore, losing interest. The lira has depreciated afresh, and is now quoted at 42.80 lire to the pound, against 42.45 lire. Amsterdam has fallen to the fresh low record of 9.82½ fl. to the pound, but the Scandinavian exchanges have moved slightly in our favour, Stockholm being obtainable at 14.05½ kr., and Christiania at 15.07½ kr.

### SILVER.

Silver has weakened  $\frac{1}{4}$ d. this week, but is now quoted firm at 49½d. Mocatta's circular tells us that the market was quiet throughout the week, with little doing, and only receded the minute fraction on Thursday owing to the presence of a larger supply of the metal than had been looked for.

Applications for the Rs. 60,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,19,55,000. Of these Rs. 59,50,000 were allotted in deferred transfers, and Rs. 41,000 in immediate transfers. Tenders for bills and deferred transfers at 1s. 4 29-32d., and for immediate transfers at 1s. 5d., received about 27 per cent. Next week India bills will be issued on Tuesday, instead of Wednesday.

### BANK OF ENGLAND.

**AN ACCOUNT** pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, May 1, 1918.

#### ISSUE DEPARTMENT.

Notes Issued	£	Government Debt..	£
79,092,540		11,015,100	
		Other Securities ..	7,434,900
		Gold Coin and Bullion ..	60,642,540
		Silver Bullion ..	—
£79,092,540		£79,092,540	

#### BANKING DEPARTMENT.

	£	Government Securities ..	£
Proprietors' Capital ..	14,533,000	56,499,732	
Reserve ..	3,104,816	Other Securities ..	102,822,454
Public Deposits (including		Notes ..	29,653,320
Exchequer, Savings		Gold and Silver Coin ..	718,447
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	34,372,863		
Other Deposits ..	137,652,105		
Seven Day and other Bills	11,079		
	£189,693,953		£189,693,953

Dated May 2, 1918.

J. G. NAIRNE, Chief Cashier.

#### BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. May 2.		April 24, 1918.	May 1, 1918.	Increase.	Decrease
£	Liabilities.	£	£	£	£
3,112,748	Rest ..	3,064,714	3,104,816	40,102	—
47,226,402	Pub. Deposits ..	34,831,045	34,372,872	—	458,173
128,858,993	Other do.	140,154,188	137,652,195	—	2,501,993
42,978	7 Day Bills ..	10,720	11,079	359	—
	Assets.			Decrease.	Increase.
45,025,328	Gov. Securities.	56,723,832	56,459,732	264,100	—
114,933,180	Other do.	104,842,901	102,862,454	1,980,447	—
34,675,613	Total Reserve ..	31,046,934	30,371,767	675,167	—
				2,960,175	2,960,175
				Increase	Decrease
£		£	£	£	£
38,849,620	Note Circulation	48,409,305	49,439,220	1,029,915	—
55,075,233	Coin and Bullion	61,006,239	61,370,987	354,748	—
197 p.c.	Proportion ..	177 p.c.	177 p.c.	—	—
5 "	Bank Rate ..	5 "	5 "	—	—

## LONDON BANKERS' CLEARING.

Date.	1918.	1917.	Increase.	Decrease.
January	2,073,224,000	1,865,125,000	208,099,000	
February	1,605,654,000	1,779,524,000		173,870,000
March	1,784,836,000	1,492,825,000	292,011,000	
April 3	324,156,000	359,347,000		65,191,000
" 10	401,307,000	253,411,000	148,196,000	
" 17	358,580,000	396,311,000		37,731,000
" 25	368,203,000	365,133,000		2,850,000
May 1	378,749,000	364,905,000	13,785,000	
Total ..	7,288,769,000	6,768,867,000	662,091,000	279,642,000

## CURRENCY NOTES.

Return of Currency Notes for the week ended May 1, 1918.

	Issued.	Cancelled.	Outstanding.
£1 notes .. ..	4,887,594	2,697,729	171,676,658
10s. notes .. ..	1,510,362	1,133,230	38,640,947
Note certificates .. ..	310,000	10,000	27,740,000
Previous total .. ..	893,337,493	658,146,607	—
	900,945,450	661,987,845	238,057,605

Ratio of gold held against notes, this week, 13.55 p.c.; last week, 13.74 p.c.

PUBLIC INCOME AND EXPENDITURE.  
(For 7 days ended April 27.)

REVENUE.	EXPENDITURE.
Customs .. ..	National Debt Service ..
Excise .. ..	Interest, &c., on War Debt ..
Estate, &c., Duties ..	Development & Road Impvt ..
Stamps .. ..	Payments to Local Taxation ..
Land Tax and House Duty ..	Other Consolidated Fund ..
Property and Income Tax ..	Charges .. ..
Excess Profits Tax ..	Supply Services .. ..
Land Values .. ..	Bullion Advances .. ..
Post Office .. ..	For Advance for Interest ..
Crown Lands .. ..	on Exchequer Bonds under ..
Sundry Loans .. ..	Capital Expenditure ..
Miscellaneous .. ..	(Money) Act, 1904 .. ..
Bullion advances repaid ..	For Treasury Bills .. ..
For Treasury Bills for Supply ..	Other Debt under War Loan ..
3% Exchequer Bonds, 1930 ..	Acts, 1914-16 .. ..
2% Exchequer Bonds, 1922 ..	For War Loan and Ex- ..
6% Exchequer Bonds, 1920 ..	chequer Bonds under ..
National War Bonds ..	Section 61 of Finance Act, ..
War Savings Certificates ..	1916, and Section 34, 1917 ..
4% War Loan, 1929-1942 ..	Under Telegraph (Money) ..
5% War Loan, 1929-1947 ..	Act, 1913 .. ..
Other Debts created under ..	Under Post Office (Lon- ..
War Loan Act, 1915, and ..	don) Railway Act, 1913 ..
Finance Act, 1916 .. ..	Under Military Works Acts ..
Telegraph Money Act, 1913 ..	Under Housing Act, 1914 ..
Under Post Office Rly. Act, ..	Public Buildings Expendi- ..
1913 .. ..	ture Act, 1903 .. ..
Under Military Works Act, ..	Old Sinking Fund, 1907-8 ..
1897-1903 .. ..	Sinking Fund, 1910-11 ..
Under Public Buildings ..	China Indemnity .. ..
Under Housing Act .. ..	East African Loan .. ..
Repayment of Advance for ..	Conard Agreement Act ..
Interest on Exchequer ..	Expenditure Certificates ..
Bonds .. ..	Depreciation Fund .. ..
China Indemnity .. ..	Suez Canal Drawn Shares ..
East Africa Loan repay- ..	Temp. Advances Repaid ..
ments .. ..	Increase in Exchequer ..
Suez Canal Drawn Shares ..	balances .. ..
Ways and Means Advances ..	
Decrease in Exchequer ..	
balances .. ..	
£149,126,371	£149,126,371

\*Excluding sales through banks which have not yet been brought to account.

## FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Apr. 5, 1918.	Mar. 28, 1918.	Apr. 6, 1917.
Gold coin and certificates ..	96,756,000	97,989,600	72,494,400
Gold Settlement Fund ..	76,232,630	79,913,630	42,225,000
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks ..	183,488,630	188,403,230	112,519,400
Gold with Federal Res. Agent ..	174,615,400	170,438,400	75,090,000
Gold Redemption Fund ..	4,680,800	4,290,200	501,000
Total gold reserves ..	362,784,830	363,140,800	188,710,400
Legal tender notes, silver, &c. ..	12,701,800	11,671,800	3,823,000
Total reserves ..	375,486,630	374,812,600	192,533,400
Bills discounted—Members' ..	114,776,600	116,645,600	3,585,000
Bills bought in open market ..	65,300,600	60,813,000	16,547,000
Total bills on hand ..	180,077,200	177,458,600	20,132,000
U.S. Gov. long-term sec. ..	12,080,600	11,638,000	7,325,800
U.S. Gov. short term sec. ..	52,080,000	50,515,800	14,008,400
All other earning assets ..	614,400	704,600	3,062,800
Total earning assets ..	244,882,200	240,317,000	45,129,000
Due fm other Fed Res bank—n. ..	1,991,400	5,389,000	682,400
Uncollected items ..	69,399,400	67,826,000	29,284,400
Total deducts. fm gross dep. ..	71,390,800	73,215,000	29,966,800
5% Red. Fund ag Fed. Res. bknts ..	107,400	107,400	80,000
All other resources ..	64,800	741,800	660,400
Total resources ..	691,931,800	689,196,800	268,669,200
Capital paid in .. ..	14,898,800	14,844,600	11,220,000
Surplus .. ..	226,800	226,800	—
Government deposits ..	20,963,600	20,817,200	9,292,200
Due to members—Res. account ..	294,658,800	299,880,000	151,643,800
Collection items ..	45,227,800	43,379,400	21,087,200
Other dep's inc. For Govt crdts ..	16,413,400	16,211,800	—
Total gross deposits ..	377,263,600	380,288,400	182,023,200
F.R. notes in actual circulat'n ..	295,984,000	290,567,600	75,302,000
F.R. bk nts in circn—nett liab. ..	1,522,000	1,595,600	—
All other liab. in for Govt crdts ..	1,906,600	1,673,800	124,200
Total liabilities ..	691,931,800	689,197,800	268,669,200
Gold res. ag nett deposit liab. ..	60.0%	61.4%	74.0%
Gold res ag F.R. nts in act circ ..	60.6%	60.1%	101.2%
Ratio of gold res to nett dep. ..			
and F.R. nts liabilities comb ..	60.3%	60.8%	89.0%
Ratio of total res. to nett ..			
deposit and F.R. note lia- ..	62.4%	62.7%	81.7%
bilities comb ned ..			

## NEW YORK ASSOCIATED BANKS (dollar at 4s.).

	April 27, 1918.	April 20, 1918.	April 13, 1918.	April 28, 1917.
Loans .. ..	901,584,000	898,830,000	872,890,000	735,786,000
Reserve held in own Vaults ..	—	3,464,000	3,478,000	90,030,000
Reserve held in Fed. Res. Bk. ..	—	106,000,000	105,174,000	49,786,000
Cash in own Vaults .. ..	21,148,000	20,848,000	21,083,000	1,670,000
Reserve held in Other Depos. ..	—	1,668,000	1,670,000	12,603,000
Nett Demand Deposits .. ..	746,684,000	753,740,000	750,858,000	743,190,000
Nett Time Deposits .. ..	36,292,000	36,328,000	36,422,000	40,510,000
Circulation .. ..	7,212,000	7,214,000	7,180,000	5,740,000
Excess Lawful Reserve .. ..	12,224,000	10,970,000	10,430,000	24,384,000

Lawful Reserve consists of 18% of the Demand Deposits and 5% of the Time Deposits.

## NEW YORK STATE BANKS &amp; TRUST COMPANIES (dollar at 4s.).

	April 20, 1918.	April 13, 1918.	April 6, 1918.	April 21, 1917.
Loans .. ..	153,790,000	152,364,000	150,082,000	162,178,000
Specie .. ..	3,102,000	3,044,000	3,014,000	13,848,000
Deposits .. ..	143,824,000	142,370,000	142,012,000	171,930,000
Legal Tenders .. ..	13,228,000	13,340,000	13,610,000	2,252,000

## BANK OF FRANCE (25 francs to the £).

	April 25, 1918.	April 18, 1918.	April 11, 1918.	April 26, 1917.
Gold in hand .. ..	133,670,200	133,625,360	135,568,080	131,780,960
Silver in hand .. ..	10,242,840	10,143,040	10,205,320	10,263,800
Bills discounted .. ..	41,751,280	57,649,760	63,330,640	20,015,600
Advances .. ..	55,891,160	44,079,960	45,142,920	46,301,440
Note circulation .. ..	1,055,810,040	1,049,270,840	1,043,471,560	760,394,120
Public deposits .. ..	2,237,560	1,679,000	2,287,360	4,885,160
Private deposits .. ..	132,530,120	128,540,280	131,878,200	100,351,480
Foreign Bills .. ..	342,080	425,400	462,000	—

Proportion between bullion and circulation 21.34 per cent., against 21.47 per cent. last week. Advances to the State £626,000,000, increase £12,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £19,272,960, decrease £39,520, and at the branches £24,616,800, decrease £52,840.

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	April 23, 1918.	April 15, 1918.	April 6, 1918.	April 23, 1917.
Total Coin & Bullion ..	123,236,250	126,409,400	126,375,750	127,456,600
Treasury Notes .. ..	73,235,150	73,023,300	76,077,950	27,521,300
Bills discounted .. ..	634,934,950	698,240,700	710,137,950	424,240,500
Advances .. ..	361,900	317,750	299,150	464,050
Note circulation .. ..	578,201,550	586,359,900	595,852,300	407,246,650
Deposits .. ..	314,919,150	368,765,900	379,745,150	200,716,800

Clearing House return during March £459,815,355, against £420,879,905 in February.

## BANK OF SPAIN (25 pesetas to the £).

	April 20, 1918.	April 13, 1918.	April 6, 1918.	April 1, 1917.
Gold .. ..	81,104,753	80,877,818	80,570,477	54,995,961
Silver .. ..	28,280,814	28,171,310	28,127,316	23,087,039
Foreign Bills .. ..	3,736,343	3,644,077	3,582,035	3,377,759
Discounts and Short Bills ..	30,230,376	30,977,141	31,528,746	33,966,726
Treasury Account, &c. ..	25,011,067	24,986,708	24,963,401	25,346,025
Notes in Circulation .. ..	116,501,009	116,576,005	116,024,147	96,541,192
Current Accounts, Deposits ..	34,875,995	35,234,664	34,823,592	30,208,659
Dividends, Interests, &c. ..	2,109,813	1,850,053	2,241,086	1,504,744
Government Securities .. ..	3,410,170	3,788,563	4,283,847	9,596,806

## BANK OF SWEDEN (18 kroner to the £).

	Apr. 13, 1918.	Apr. 6, 1918.	Mar. 30, 1918.	Apr. 14, 1917.
Gold .. ..	14,327,000	14,331,000	14,337,000	10,727,000
Balance abroad and Foreign Bills ..	7,538,000	7,307,000	7,306,000	7,358,000
Swedish and Foreign Govt. Securities ..	3,901,000	3,924,000	3,920,000	3,250,000
Discounts and Loans ..	15,075,000	15,769,000	15,841,000	9,160,000
Notes in circulation ..	33,855,000	34,662,000	35,037,000	23,331,000
Deposits at notice ..	7,168,000	6,552,000	7,062,000	7,315,000

## NETHERLANDS BANK (12 Florins to the £).

	Apr. 27, 1918.	Apr. 20, 1918.	Apr. 13, 1918.	April 28, 1917.
Gold and Silver .. ..	61,087,000	61,383,666	61,440,666	50,282,000
Bills and Advances .. ..	17,021,750	14,059,583	14,184,333	16,198,082
Note circulation .. ..	78,244,250	71,847,916	74,761,000	61,725,333
Deposits .. ..	5,275,416	6,059,833	6,124,083	4,957,666

## SWISS NATIONAL BANK (25 francs to the £).

	April 23, 1918.	April 15, 1918.	April 6, 1918.	April 23, 1917.
Gold and silver .. ..	17,276,252	17,207,788	17,141,492	15,764,868
Bills .. ..	10,889,266	10,241,904	12,655,992	7,544,280
Note circulation .. ..	26,410,880	26,619,944	27,349,076	20,101,972
Current and deposit accounts .. ..	3,447,212	3,592,244	5,220,316	4,861,784

## BANK OF NORWAY (18 kroner to the £).

	April 15, 1918.	April 8, 1918.	Mar. 30, 1918.	April 15, 1917.
Gold .. ..	6,735,000	6,737,000	6,739,000	7,170,000
Balance abroad and Foreign Bills ..	3,648,000	3,429,000	3,340,000	4,274,000
Gov't Securities .. ..	713,000	713,000	713,000	700,000
Discounts & Loans .. ..	18,572,000	18,614,000	18,473,000	11,063,000
Notes in Circulation .. ..	19,675,000	19,390,000	19,255,000	15,093,000
Deposits at notice .. ..	6,736,000	6,971,000	6,834,000	6,311,000

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	April 30, 1918.		May 2, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	9 87	9 92	9 80	9 85
Paris ..	Cable transfers ..	27 14	27 19	27 14	27 19
Switzerland ..	Three months' bills ..	27 55	27 60	27 55	27 60
Genoa, &c. ..	Cable transfers ..	20 05	20 15	19 93	20 03
Spain ..	Three months' bills ..	20 40	20 50	20 28	20 38
Lisbon and Oporto ..	Cable transfers ..	42 70	42 80	42 90	43 00
Copenhagen ..	Cable transfers ..	17 05	17 15	17 10	17 20
Christiania ..	Three months' bills ..	65 3	65 3	65 3	65 3
Stockholm ..	Cable transfers ..	28 2	28 2	28 2	28 2
	Cable transfers ..	15 13	15 13	15 15	15 25
	Cable transfers ..	15 03	15 13	15 09	15 19
	Cable transfers ..	14 00	14 10	14 05	14 15

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25 22 1/2	27 15 1/2	27 16
Amsterdam, cheques ..	Florins to £1 ..	12 107	9 45 1/2	9 82
Italy, sight ..	Lire to £1 ..	25 22 1/2	42 55	42 82 1/2
Madrid, sight ..	Pesetas to £1 ..	25 22 1/2	17 65	17 77 1/2
Lisbon, sight ..	Pence to milreis ..	53 1/2 d.	29 1/2 d.	29 1/2 d.
Switzerland, sight ..	Francs to £1 ..	25 22 1/2	20 07 1/2	19 92 1/2
Christiania, sight ..	Kroner to £1 ..	18 159	15 10	15 13 1/2
Stockholm, sight ..	Kroner to £1 ..	18 159	14 10	14 07 1/2
Copenhagen, sight ..	Kroner to £1 ..	18 159	15 24 1/2	15 17 1/2
Petrograd, sight ..	Roubles to £10 ..	94 57	nom.	nom.
Alexandria, sight ..	Piastres to £1 ..	97 1/2	97 1/2	97 1/2
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/5 3/4	1/5 3/4
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/5 3/4	1/5 3/4
Hong Kong, T.T. ..	Sterling to dollar ..	—	3/1 1/2	3/1 1/2
Shanghai, T.T. ..	Sterling to tael ..	—	4/5 1/2	4/5 1/2
Singapore, T.T. ..	Sterling to dollar ..	—	2/1 1/2	2/1 1/2
Yokohama, T.T. ..	Sterling to yen ..	24 58 d.	2/2 1/2	2/2 1/2
New York, cable ..	Dollars to £1 ..	4 86 1/2	4 76 1/2	4 76 1/2
Buenos Aires, T.T. ..	Pence to dollar ..	47 58 d.	51 d.	51 1/2 d.
Valparaiso, 90 days ..	Pence to peso ..	—	15 1/2 d.	15 1/2 d.
Montevideo, T.T. ..	Pence to dollar ..	51 d.	64 d.	65 1/2 d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16 d.	13 1/2 d.	13 1/2 d.

## OPEN MARKET DISCOUNT.

	Last week.	This week.
Thirty and sixty day remitted ..	3 1/2 - 1/2	3 1/2 - 1/2
Three months ..	3 1/2 - 1/2	3 1/2 - 1/2
Four months ..	3 1/2 - 1/2	3 1/2 - 1/2
Three months fine inland bills ..	4 1/2 - 1/2	4 1/2 - 1/2
Four months ..	4 1/2 - 1/2	4 1/2 - 1/2
Six months ..	4 1/2 - 1/2	4 1/2 - 1/2

## BANK AND DEPOSIT RATES.

	Last week.	This week.
Bank of England minimum discount rate ..	5 ..	5 ..
" short loan rates ..	— ..	— ..
Bankers' rate on deposits ..	3 ..	3 ..
Bill brokers' deposit rate (call) ..	3 ..	3 ..
" 7 and 14 days' notice ..	3 1/2 ..	3 1/2 ..
Current rates for 7 day loans ..	3 1/2 ..	3 1/2 ..
" for call loans ..	2-3 ..	2-3 ..

## The Week's Stock Markets.

With a holiday in the middle of the week the Stock Exchange generally prefers to play "doggo." It will sell you anything you fancy at 1-32 or 1/4 over the real "touch" with the greatest gusto, but if you happen to be on the other side the price flops 1/2 or 1/4, and as likely as not the jobber will tell the broker that he is no gentleman. However, on this occasion the May Day recess happened to coincide with good news from the Western front, and business was resumed on Thursday in an atmosphere of general cheerfulness. The accumulation of orders raised the number of recorded bargains to a higher level than has been touched for quite a long time, and for once in a way there was nothing really distressing to disturb the general equanimity. It is true that the Canadian Pacific and Grand Trunk statements showing a terrific further advance in working expenses caused some anxiety in that section, but prices did not weaken to any great extent because there was practically no stock on offer. Argentine Railways were not seriously affected by reports of fresh labour troubles, as last week's traffics showed substantial increases, and it was argued that the position could not be quite so bad as the cables represented. In the Foreign market Spanish soared up in a dazzling way on the exchange position, but that is a terribly unstable basis for the purchaser to depend upon, and actual holders would possibly be prudent to take advantage of the high prices now ruling. Japanese stocks have again been in favour owing to the steady improvement in the finances of the country, but Russian stocks are and must be of more or less nominal value until the outlook is clearer. Rather more interest has been taken in miscellaneous industrials, and there has been a notable revival in Brewery, Shipping, Explosive, and some other shares. We rather deprecate any kind of speculative investment at present, but it has its uses, and the established industries of the country must be supported even when it is only a question of their shares changing from hand to hand.

With the "House" closed on May 1, as usual, business was very much restricted in the first two days of the week, and everything was allowed to slip into almost complete stagnation. The number of bargains recorded was unusually small, and in no direction was there any appearance of enthusiasm.

After the holiday, however, the position improved very materially. There was a much larger accumulation of orders

	Last Week.	This Week.		Last Week.	This Week.
Consols ..	55 1/2	55 1/2	N.S.W. 5%, 1921-3 ..	97	97 1/2
War Loan 3 1/2% ..	86 1/2	87	" 5 1/2%, 1920-2 ..	9 1/2	9 1/2
" 4 1/2% ..	101 1/2	99 1/2	" 5 1/2% Debs. ..	101 1/2	101 1/2
" 5% 1929-37 ..	94 1/2	94 1/2	New Zealand 4%, 1920 ..	84 1/2	85
" 4%, 1939-42 ..	100 1/2	100 1/2	Queensland 4 1/2%, 1920-5 ..	92 1/2	92 1/2
India 3% ..	54	54	S. Australian 5 1/2% 1922-7 ..	99	99 1/2
Australian 5 1/2%, 1920-22 ..	99 1/2	99 1/2	Union of S. Africa 4 1/2% ..	93 1/2	93 1/2
Canada 4%, 1940-60 ..	80	80	1920-5 ..	92 1/2	92 1/2
" 4 1/2%, 1920-5 ..	95 1/2	93 1/2	Victoria 4 1/2%, 1920-5 ..	92 1/2	92 1/2
Argentine 5% 1886 ..	99	99	Westn. Aus. 4% ..	70	70
Belgian 3% ..	62 1/2	62 1/2	French War Loan, 5% ..	77	78
Brazil, 1913 ..	67 1/2	67 1/2	Japan 4 1/2% (1st), 1905 ..	93	93 1/2
" 5%, 1914 ..	8 1/2	8 1/2	" 5%, 1907 ..	86	86
Chinese 1896 ..	88	88	Mexican 5%, 1899 ..	57	57 1/2
Egypt Unified 4% ..	75	76	Russia 4% ..	33 1/2	33 1/2
Caledonian defd. ..	88	87 1/2	" 4 1/2%, 1909 ..	55	55
Gt. Central pta. ..	12 1/2	12 1/2	" 5%, 1905 ..	42 1/2	42 1/2
Gt. Eastern ..	6 1/2	6 1/2	London and N.-W. ..	87 1/2	87 1/2
Gt. Northern defd. ..	34 1/2	34 1/2	London and S.-W. defd. ..	21 1/2	21 1/2
Gt. Western ..	32 1/2	32 1/2	Metropolitan ..	20 1/2	20 1/2
Lancs. and Yorks. ..	82 1/2	82 1/2	Met. District ..	14	14
London Brighton defd. ..	6 1/2	6 1/2	Midland defd. ..	55	55
London Chatham ord. ..	5 1/2	5 1/2	Nth. British defd. ..	13	13 1/2
Canadian Pacific ..	157 1/2	157 1/2	Nth.-Eastern ..	92 1/2	93 1/2
E. Indian Guar. 4 1/2% debs. ..	84	84	Sth.-Eastern defd. ..	26 1/2	27
Grand Trunk ord. ..	8 1/2	8 1/2	Chesapeake ..	58	58
Do. 1st pf. ..	51	50	Erie ..	18	18
Do. 3rd pf. ..	19	18 1/2	Southern ..	22 1/2	23
Antofagasta defd. ..	146	145	Leopoldina ..	36 1/2	37
B. A. & Pacific ..	41 1/2	41 1/2	Mexican ord. ..	16	16
B. A. Gt. Southern ..	68	68	San Paulo (Brazilian) ..	182	182
B. A. Western ..	68	68	United of Havana ..	72	7 1/2
Cent. Argentine ord. ..	59	59	London & Brazilian ..	25	25
Anglo-South American ..	117	117	London City & Midland ..	72	72 1/2
Bank of Australasia ..	35 1/2	35 1/2	London County & West ..	142	142
Bank of N.S. Wales ..	78	78	London Joint Stock ..	22 1/2	22 1/2
Barclay & Co. "A" ..	12	12	Nat. Prov. (£10 pd) ..	25	25
Do. "B" ..	25 1/2	27	Do. (£12 pd) ..	29 1/2	29 1/2
Capital & Counties ..	73 1/2	74	Standard of S.A. ..	11 1/2	11 1/2
Chartered of India ..	8 1/2	8 1/2	Union Discount ..	10 1/2	10 1/2
Hongkong & Shanghai ..	25	25	Kynochs ..	4 1/2	39 1/2
Lloyds ..	41 1/2	41 1/2	Mond Nickel ord. ..	3 1/2	3 1/2
Armstrong, Whitworth ..	62 1/2	64 1/2	Nobel, £1 ..	71 1/2	73 1/2
Birmingham Small Arms ..	6 1/2	6 1/2	South Durham Steel ..	42 1/2	42 1/2
Cammell-Laird ..	26 1/2	26 1/2	Thornycroft ..	40 1/2	40 1/2
Cargo Fleet ..	10 1/2	10 1/2	Vickers ..	43 1/2	43 1/2
Davis, D./J ..	36 1/2	35 1/2	Forestral Land ..	47 1/2	47 1/2
Dorman, Long ..	36 1/2	35 1/2	Hudson's Bay ..	7 1/2	7 1/2
Associated Cement ..	36 1/2	37 1/2	Imperial Tobacco "C" pf. ..	33 1/2	33 1/2
Borax defd. ..	21 1/2	21 1/2	Lever Bros. "C" pf. ..	20 1/2	20 1/2
Bovril ..	17 1/2	17 1/2	Lyons, J. ..	3 1/2	3 1/2
British Amer. Tobacco pf. ..	31 1/2	30 1/2	Marconi ..	3 1/2	3 1/2
British Aluminium ..	30 1/2	30 1/2	Maypole Dairy defd. ..	16 1/2	16 1/2
British Oil & Cake ..	13 1/2	13 1/2	Pears, A. & F. ..	1 1/2	1 1/2
Brunner, Mond ..	35 1/2	35 1/2	Underground Inc. Bds. ..	74 1/2	74
Castner-Kellner ..	154	154	Coats ..	5 1/2	5 1/2
Eastern Telegraph ..	9 1/2	9 1/2	Courtaulds ..	7 1/2	7 1/2
Eastmans ..	4 1/2	4 1/2	English Sewing Cotton ..	52 1/2	52 1/2
Gunard ..	62 1/2	61 1/2	Fine Cotton Spinners ..	34 1/2	34 1/2
Furness, Withy ..	32 1/2	32 1/2	Harrods Stores ..	2 1/2	2 1/2
P. & O. defd. ..	120	120	Demais Bros. ..	35 1/2	35 1/2
Royal Mail ..	23 1/2	23 1/2	National Steam Car. ..	17 1/2	17 1/2
Anglo Argentine 1st Pf. ..	2 1/2	2 1/2	Rolls-Royce ..	1 1/2	1 1/2
Brazil Traction ..	4 1/2	4 1/2	Shell ..	5 1/2	5 1/2
Darracq ..	20 1/2	20 1/2	Spies (10/-) ..	5 1/2	5 1/2
Anglo-Egyptian "B" ..	34 1/2	35 1/2	Trinidad Leaseholds ..	34 1/2	35 1/2
Burmah ..	6 1/2	6 1/2	Ural Caspian ..	1 1/2	1 1/2
Lobitos ..	1 1/2	1 1/2	Venezuelan ..	1 1/2	1 1/2
Mexican Eagle pf. ..	6 1/2	6 1/2	Perak 2/- ..	7 1/2	7 1/2
North Caucasian ..	7 1/2	7 1/2	Port Dickson 2/- ..	4 1/2	4 1/2
Roumanian Cons. ..	7 1/2	7 1/2	Rub. Estates Krian 2/- ..	3 1/2	3 1/2
Allagar 2/- ..	3 1/2	3 1/2	Rubber Trust £1 ..	27 1/2	27 1/2
Anglo-Dutch, £1 ..	30 1/2	30 1/2	Sampang (Java) 2/- ..	2 1/2	2 1/2
Anglo-Java Rub. 2/- ..	6 1/2	6 1/2	Seaport £1 ..	25 1/2	25 1/2
Anglo-Malay 2/- ..	3 1/2	3 1/2	Sengat 2/- ..	3 1/2	3 1/2
Ayer Kuning £1 ..	44 1/2	44 1/2	Seremban £1 ..	5 1/2	5 1/2
Brit. N. Borneo Trust £1 ..	16 1/2	16 1/2	Sialang £1 ..	65 1/2	65 1/2
Bukit Cloh 2/- ..	4 1/2	4 1/2	Singapore Para 2/- ..	4 1/2	4 1/2
Bukit Mertajam 2/- ..	4 1/2	4 1/2	Singapore United 2/- ..	3 1/2	3 1/2
Bukit Sembawang 2/- ..	39 1/2	39 1/2	Pataling 2/- ..	39 1/2	39 1/2
Carey United £1 ..	3 1/2	3 1/2	Straits Bertam 2/- ..	6 1/2	6 1/2
Chersonese ..	5 1/2	5 1/2	Sumatra Para 2/- ..	7 1/2	7 1/2
Chevi 2/- ..	5 1/2	5 1/2	Sungei Bahr £1 ..	36 1/2	36 1/2
Dalkeith 2/- ..	2 1/2	2 1/2	Taipung 2/- ..	4 1/2	4 1/2
Grand Central £1 ..	25 1/2	25 1/2	Tanjong £1 ..	8 1/2	8 1/2
Highlands £1 ..	57 1/2	57 1/2	Tanjong Malim £1 ..	30 1/2	30 1/2
Java Investment £1 ..	25 1/2	24 1/2	Tebrau £1 ..	65 1/2	65 1/2
Johore Rubber Lands £1 ..	3 1/2	3 1/2	Telogedjo £1 ..	4 1/2	4 1/2
Kamunin 2/- ..	3 1/2	3 1/2	Tempeh 2/- ..	2 1/2	2 1/2
Kinta Kellas 2/- ..	3 1/2	3 1/2	United Serdang 2/- ..	10 1/2	10 1/2
Labu 2/- ..	8 1/2	8 1/2	Val d'Or 2/- ..	3 1/2	3 1/2
Langen Java £1 ..	40 1/2	40 1/2	Vallambrosa 2/- ..	19 1/2	19 1/2
Linggi 2/- ..	25 1/2	25 1/2	Kyshtim ..	6 1/2	6 1/2
London Asiatic 2/- ..	8 1/2	8 1/2	Mashonaland Agency ..	6 1/2	6 1/2
Malayalam £1 ..	36 1/2	37 1/2	Meyer & Charlton ..	4 1/2	4 1/2
Merlimau 2/- ..	5 1/2	5 1/2	Modder "B" ..	7 1/2	7 1/2
Bechuanaaland Exp. ..	6 1/2	7 1/2	Do. Deep ..	7 1/2	7 1/2
Brakpan ..	4 1/2	4 1/2	Mysore ..	2 1/2	2 1/2
Brok-n Hill Prop. (8/-) ..	66 1/2	65	Nigerian Tin ..	21 1/2	21 1/2
Cam & Motor ..	11 1/2	11 1/2	Pahang (3/-) ..	12 1/2	12 1/2
Central Mining (£12) ..	5 1/2	5 1/2	Rand Mines (5/-) ..	2 1/2	2 1/2
Chartered ..	15 1/2	15 1/2	Renong ..	2 1/2	2 1/2
City Deep ..	2 1/2	3 1/2	Rio Tinto (£5) ..	66 1/2	66 1/2
Cons. Gold Fields ..	3 1/2	3 1/2	Russo-Asiatic ..	2 1/2	2 1/2
Cons. Langlaagte ..	1 1/2	1 1/2	South Crefty (5/-) ..	2 1/2	2 1/2
Crown Mines (10/-) ..	1 1/2	1 1/2	Spring Mines ..	32 1/2	32 1/2
De Beers defd. (£2 10/-) ..	12 1/2	12 1/2	Tanganyika ..	3 1/2	3 1/2
East Pool (5/-) ..	27 1/2	27 1/2	Tanayik ..	1 1/2	1 1/2
East Rand ..	4 1/2	4 1/2	Van Ryn Deep ..	3 1/2	3 1/2
Geduld ..	1 1/2	1 1/2			
Geevor (10/-) ..	26 1/2	26 1/2			
Gov. Areas Mod ..	38 1/2	38 1/2			
Gt. Boulder (2/-) ..	12 1/2	11 1/2			

to be dealt with on Thursday than has been experienced for some time past, and the feeling was correspondingly cheerful. This no doubt was mainly due to the defeat of the German offensive

on the Western front, and the belief that every day's delay is in favour of the Allies. Consols gained a very substantial fraction, and War Bonds, after giving way to some extent, more than recovered the lost ground. Colonial issues also were firm, without prices moving to any noticeable extent, and with so many competitive securities it is gratifying to find that they hold up as well as they do. In the Foreign market, Japanese towards the end of the week made a notable spurt, which carried the stocks up another point or two, and Spanish also were particularly prominent with a jump of 3 points. Portuguese, Greek, Brazilian, and Chinese also gained substantially, but Guatemalas fell a point, and Mexican Fives, on very small transactions, receded 3½. Russians naturally gave way on any offer of stock, but Cuban Ports advanced on the settlement which has been already announced.

Home Railways generally have maintained a firm appearance, but except for an advance of ¼ in Brighton deferred, the changes have been comparatively insignificant, and although the tone has been good, the amount of business transacted has been almost negligible. Americans have been firm, but the only change noticeable is an advance of one point in International Mercantile Marine. Canadian Pacifics have just maintained their ground, and Grand Trunks, after showing some strength, fell back below the opening level. Argentines were weak at first on further labour troubles, but on the receipt of good traffics they hardened up again. Antofagastas at one time were conspicuously strong, but they finished without much improvement.

Bank shares have received more support than for some time past, and where changes have occurred they have been almost invariably in favour of holders. Capital and Counties gained as much as a point, and National of South Africa also improved, but the amount of business has been comparatively trifling. Brewery shares have shown a very much firmer tone, in spite of the Budget regulations. It begins to look as though the more the industry is controlled, the more profit is expected to accrue to the big houses; at any rate, City of London shares have advanced nearly 10 points, Guinness's are up 8, Allsopps have gained anything from 4 to 6, and Watney, Combes 2½, while Meux, in spite of the excellent reorganisation scheme, have not yet advanced more than a couple of points. Iron and Steel shares have been good, and National Explosives, Nobles, and a few others in this group have gained materially on the expectation of an early realisation of the amalgamation rumours. Birmingham Small Arms also advanced on the bonus distributions, but Swan, Hunters were weak. Egyptian securities have been dull, and Land shares have not attracted much attention, but Hudson's Bays, after a weak opening, gained a substantial fraction. Nitrates were weak where they moved at all, and Fortunas and Rosarios sagged rather severely in spite of the fact that the prospects of the industry generally are extremely favourable. Shipping shares have shown considerable strength under the lead of Cunards, while Court Line, Indo-China, and P. and O. deferred have improved considerably. Among miscellaneous industrials, Coats, Courtaulds, English Sewing Cotton, Cements, National Steam Car, and Nitrogen Products have all improved, but Brazilian Tractions, Van den Berghs, Price's Candles, and a good many others were rather inclined to ease off.

Oil shares generally have shown much greater strength than might have been expected in the circumstances, and especially with regard to the restriction of shipping facilities. Of course, the Eagle Transport report was regarded favourably, and Mexican Eagles, "Shells," Burmahs, Anglo-Egyptians, and Trinidad Leaseholds all improved. A few of the minor shares gave way a trifle, but on the whole the tone of the market has been very satisfactory. Rubber shares have continued to receive a fairish amount of support, in spite of the restriction of output and the consequent inevitable increase in cost of production, but as the amount of stock available is generally less than the demand on the part of investors, nothing appears to stop the upward tendency.

### LONDON PRODUCE MARKETS.

There was no new feature to record in most markets, a generally quiet tone being apparent, and, in some instances, quotations in a great measure were quite nominal.

**SUGAR.**—No alteration was made in previous prices.

**COFFEE.**—The market remained in a very slow condition, and actual transactions were on a retail scale, while prices were barely maintained. Chiefly Brazilian descriptions were on offer, only a few lots of mild liquoring parcels being available at the moment. Quite a nominal market resulted respecting the position for future delivery.

**COCOA.**—Market steady, and there was a sustained inquiry during the week at graded prices.

Rice in steady request, also beans and peas.

**SPICE.**—Pepper steady for black, while white descriptions ruled firmer. Fair black Singapore, spot, sold, 1s. 4d.; Tellicherry, 1s. 4½d.; white Singapore, 2s. 2½d.; Muntok, 2s. 2½d. Cloves quiet. Fair Zanzibar, spot, sold, 2s. 5d. At public sale, West India mace and nutmegs realised firm rates.

**SHELLAC.**—Small spot sales resulted on the basis of 350s. for fair second orange.

**RUBBER.** rather irregular, with moderate dealings. Tenders for May helped to keep the market in a quiet state. Plantation spot crepe, sold, 2s. 4½d to 2s. 4d. and 2s. 4½d.; June, 2s. 4½d. to 2s. 4½d.; July-December, 2s. 6d. to 2s. 6½d. and 2s. 6d. Standard ribbed smoked sheet, spot, sold, 2s. 3½d. to 2s. 3½d.; fine hard Para, spot, sold 3s. 1½d.

**CORN (Mark Lane).**—Though comparatively subdued, the market presented a distinctly steady tone all round since last week, price changes being unimportant. Wheat—Native grain remains at 76s. 9d. per qr., 504 lbs. Imported—No. 1 and 2 Manitoba changed hands at 82s. 3d. and 80s. 9d. respectively. Hard winters, No. 2, quoted at 80s. 9d.; Australian, 84s. 3d. Flour—Canadian export patents, 51s. 3d. to 51s. 9d., according to quality. English, 44s. 3d. per sack, ex mill. Barley—English milling nominal, at 62s. 9d. to 63s. 9d. Maize—Mixed American, 79s. 9d. ex ship, and 81s. 3d. landed. Oats—American white clipped, No. 2, was closed at 61s. 6d. English, quoted at 47s. 3d.

**COTTON (from our Manchester correspondent).**—The market during the past week has not been at all active, but in some quarters a few more sales have been arranged. Wide fluctuations have again occurred in raw cotton rates, and there is still a good deal of nervousness as to the future course of events. A stronger feeling has prevailed in the New York

### CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING MAY 3, 1918

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 25 8, 98% polarisation	£ s. d.	£ s. d.	<b>Wool</b> —per lb.	£ s. d.	£ s. d.
Fate's Cubes ..	3 4 9	3 4 9	Australian	nom.	nom.
Crushed ..	3 4 9	3 4 9	Scoured Merino	nom.	nom.
Granulated ..	2 17 9	2 17 9	Scoured Cr'sabr'd	nom.	nom.
Lyle's granulated	2 17 9	2 17 9	Greasy Merino ..	nom.	nom.
Foreign granulated	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., first marks	nom.	nom.	New Zealand (scoured) Merino	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Greasy Crossbred	nom.	nom.
French Cubes	nom.	nom.	Cape snow white	nom.	nom.
Crystallised, West India ..	2 17 9	2 17 9	<b>Indiarubber</b> p. lb.		
Beet, 88% f.o.b.	nom.	nom.	Plantation, Spot	0 2 5	0 2 4
<b>Tea</b> —per lb., duty 1/- lb.	s. d.	s. d. s. d.	<b>Coal</b> —per ton		
Indian Pekoe ..	1 4	1 4	Durham, best ..	nom.	nom.
Broken ..	1 4	1 4	Seconds ..	nom.	nom.
Orange ..	1 4	1 4	East Hartlepool ..	nom.	nom.
Broken ..	1 4	1 4	Seconds ..	nom.	nom.
Pekoe Souchong	1 4	1 4	Steam, best ..	32 6	32 6
Ceylon Pekoe ..	1 4	1 4	Seconds ..	29 6	29 6
Broken ..	1 4	1 4	<b>Lead</b> —per ton.	£ s. d.	£ s. d.
Orange ..	1 4	1 4	English Pig ..	nom.	nom.
Broken ..	1 4	1 4	Foreign soft, net	£29½-£28½	£29½-£28½
Pekoe Souchong	1 4	1 4	<b>Quicksilver</b> —per bottle firsthand	nom.	nom.
<b>Cocoa</b> —per cwt., duty 6d. per lb.	s. d. s. d.	s. d. s. d.	<b>Tin</b> —per ton		
Trinidad—per cwt.	86 0 90 0	86 0 90 0	English Ingots	£356-£358	£358-£370
Grenada ..	80 0 85 0	80 0 85 0	Do, bars ..	£357-£359	£369-£371
West Africa ..	60 0 65 0	60 0 65 0	Standard cash ..	£370	£360
Ceylon Plantation	7 0 00 0	7 0 00 0	Gun Plates, per box	nom.	nom.
Guayaquil ..	up to 90 0	up to 90 0	<b>Copper</b> —per ton.		
<b>Coffee</b> —per cwt., duty 42/- per cwt.			English, Tough	nom.	nom.
East India ..	110 0 133 0	110 0 133 0	Best Selected ..	£119-£123	£110-£123
Jamaica ..	77 0 150 0	77 0 150 0	Sheets ..	£149	£149
Costa Rica ..	110 0 137 0	110 0 137 0	Standard ..	£110-110½	£110-110½
<b>Provisions</b> —			<b>Jute</b> —per ton.		
Butter, per cwt.			Native firsts for shipment	nom.	nom.
Australian finest	252/-	252/-	<b>Oils</b> —		
Argentine ..	252/-	252/-	Linseed, per ton ..	£58	£58
Irish Creameries	nom.	nom.	Rape, crude ..	£66	£66
Dutch ditto ..	nom.	nom.	Cott'n Seed, crude	£60	£60
Russian finest ..	nom.	nom.	Petroleum Oil, per 8 lbs.	1/7½	1/10½
Paris baskets ..	nom.	nom.	Water White ..	1/8½	1/11½
Danish finest ..	nom.	nom.	Oil Seeds, Linseed	—	—
Brittany rolls ..	nom.	nom.	Calcutta—per ton	29 15 0	29 15 0
doz. lb. ..	nom.	nom.	Rape ..	£29-10/30	£29-10/30
<b>Bacon</b> —per cwt.			<b>Iron</b> —per ton		
Irish ..	188/-	188/-	Cleveland Cash ..	nom.	nom.
Continental ..	172/-	172/-	<b>Tobacco</b> —duty, unmanufactured		
Canadian ..	171/-171½	171½-172½	8½ per lb. ..		
American ..	171/-180/-	170½-180/-	Maryland & Ohio	nom.	nom.
<b>Hams</b> —per cwt.			per lb. bond ..	0 8-2 1	0 8-2 1
Irish ..	nom.	nom.	Virginialeat ..	0 7-0 11	0 7-0 11
Canadian ..	162½-165½	162½-165½	Kentucky leaf ..	2 0-5 0	2 0-5 0
American ..	125½-165½	125½-165½	Latakia ..	1 6-6 6	1 6-6 6
<b>Cheese</b> —per cwt.			Havana ..	nom.	nom.
Dutch ..	129½-160/-	nom.	Manilla ..	2/ upds.	2/ upds.
Canadian ..	nom.	nom.	Cigars, duty 10/6 per lb. ..		
English Cheddar	126½-168/-	126½-168/-	<b>Timber</b> —Wood.		
Wilt's loaf ..	nom.	nom.	Pitch Pine ..	300/-400	300/-400
New Zealand ..	nom.	nom.	Indian Teak ..	380/-700	380/-700
<b>Rice</b> —per cwt.	s. d.	s. d.	<b>Turpentine</b> —		
Japan ..	41 3	41 3	American Spot ..	124/-	120/-
Rangoon 2 stars ..	26 3	26 3	<b>Copra</b> —per ton		
<b>Eggs</b> —per 120.			Malabar ..	46 0 0	46 0 0
English ..	33 0-34 0	34 0-35 0	Ceylon ..	46 0 0	46 0 0
Irish ..	32 6-33 0	31 6-33 0	F.M.S. Singapore	45 10 0	45 10 0
Danish ..	4 0-36 0	34 0-36 0	F.M. Straits ..	45 10 0	45 10 0
<b>Spelter</b> —					
G.O.B. as to position ..	£54 £50	£54 £50			
<b>Flour</b> —per sack.					
Country Straight	44/3	44/3			
Runs ex Mill ..					

market during the last couple of days, and it is believed that the downward movement in values has now been checked. Some advices relating to the American crop have not been quite so satisfactory. Further regulations have been issued by the Board of Trade for the purpose of controlling to a greater extent the buying and selling of raw cotton in Liverpool, and all transactions have to be reported to the secretary of the association each day. The inquiry in piece goods for India has rather tended to broaden, and there has been an increased turnover in light fabrics, such as mull dhooties and jaconets.

and certain producers are now in a stronger position. Inquiry is now being met with in grey shirtings for Bombay and Madras, but improved bids will have to be received before progress can be made. No particular activity has been reported for the minor outlets East and West, and trade for China remains at a low ebb. The Government has again been in the market in heavy materials of various kinds, such as ducks and jeans. It has been difficult to arrange transactions in aeroplane cloths owing to the scarcity of the necessary yarns for such fabrics. American spinners remain in a very strong position, and for anything wanted full rates have had to be paid. A large demand has been met with in coarse counts. Only a sorting-up business has been experienced in shipping yarns. Prices in Egyptian numbers have tended to go against buyers, and the uncurrent of demand remains encouraging.

### By-the-Way War Notes.

"I have never believed that the war would be a short war, or that in some mysterious way, by negotiation or compromise, we could free Europe from a malignant military autocracy, which is endeavouring to trample it into submission and moral death." Thus speaks the Prime Minister in a preface to a volume of his war speeches published under the title of "The Great Crusade," and compiled by his secretary, Miss F. L. Stephenson. The words express true democratic sentiment about this war, and should help to explain to the holders of all political creeds why it is that, holding this faith, Mr. Lloyd George, in spite of his failings and lamentable mistakes, his many shortcomings, retains his hold over the masses. They believe that he is standing up, just as M. Clemenceau is in France, on the side of the people, as no other politician here has done, and underlying that belief is a consciousness that we also are being delivered by the fight from a tyranny similar to that of the Prussian military organisation, and that the war cannot end to the profit of the humble multitudes until our deliverance is also made sure.

At the end of last week the enemy was stimulated by success in storming Mont Kemmel to make one more formidable attempt to drive us out of "the Ypres salient," and turn our positions on the other hills west of Mont Kemmel, so as to split asunder our armies, open the way to the coast, and confine, perhaps, a crippling portion of our troops to a mere gusset of land in the south-west corner of Belgium. People went about with long faces as they read of the tremendous concentration of gun fire upon the French position and ours from Meteren to Zillebeke and beyond. From the north and the south the enemy was pressing down upon us, endeavouring to enclose us within the pincers of his picked fighting divisions. For two days the battle went on, growing in the intensity and fury of the attack and in the sublime devotion and self-immolation of the defence. It ended in a crushing German defeat, further heaps of dead, multitudes of wounded, and in something like a dozen broken and exhausted divisions flung back upon their base. Since that struggle finished there has been no Flanders fighting on a great scale up to the time of this writing. Is the war nearing an end, then? We by no means yet think so, because the German people, deluded as they are, besotted with the lust of conquest as many of them continue to be, have not yet reached the temper which would dispose them to accept the peace of the Allies. Above all, the arrogant spirit of the domineering Junker is more filled after each defeat with rage and spite and eager lust for revenge than with the meekness of the beaten.

But is not all this according to what we should judge the destiny overruling this terrific upheaval of savagery to be? It is better for us, hard and sorrow-laden though it be to say it, that the war should go on for a year yet than that any hint of peace negotiations should be heard now. And it must and will go on until the enemy is reduced to a condition of impotence without parallel in history. It must do that if the victory of the people everywhere is to be complete. Some amateur critics talk of the Germans falling back upon the war of fixed positions in trenches, which was such a help to us in giving us time, now that they have been thrashed on the north as they were on the south towards the end of March, but they cannot do that. No knowledge of strategy is required to understand why they cannot. The stationary war of regular siege is at an end because the three years it lasted made the Hohenzollern Empire bankrupt in means and empty of stocks

of all kinds, especially stocks of food. Hunger will now compel the Prussian leaders to continue the war in the open, as it is called, and to throw masses of their deluded countrymen against our guns, because to burrow again would be certain destruction. Therefore, beaten at one point, the German reserves will be mustered at another, and once again sent forward to the slaughter. This is as it should be, this is what the Allies want the Germans to do, because the longer the war is continued, the more convinced are the leaders of the free democracies that only by the destruction of, not merely the Prussian Junker and his tyrant military outcrop, but of masses of the German people, can the foundation be laid broad and solid of a peace that will endure, not for 30 years, like the peace of 1815, nor for 300, but until the time when men shall "brothers be the war's o'er."

The future of mankind is, therefore, being decided on the French and Belgian war front this summer. When the Hohenzollern dominion is finally shattered upon that front, it will collapse everywhere else. Because this is so, we need not alarm ourselves too much about German progress in Russia, about the Turk and his reoccupation of Armenia and Caucasasia, nor even about the intrigues and pilferings in Siberia, although there is at the same time no reason why we should not interfere to stop them, with Japan's help. These thieves' progresses, however, and the efforts being made by German bagmen, political and commercial, to secure all manner of privileges and advantages for German products, all manner of monopolies for the natural resources of the territories overrun, only serve to accentuate the distrust of all German promises, and to unite the victimised peoples in a common resolve to have nothing to do after the war with a race that has been reduced to such a degraded moral level by the skilfully organised Prussian education as to have no capacity left for thought for the good of his neighbour, but only a lust of self-aggrandisement always and in all things.

Contrast the German progress in Russia with our advance in Mesopotamia. A most fascinating account was given in Wednesday's papers by Mr. Edmund Candler, British Press representative with the Expeditionary Force, of the revival of life in the Euphrates Valley behind our lines. If we had space we should print it all, because, as an old sheikh is reported to have said, "no other Government but the British would take the trouble to bother about our water when they were fighting." We have "bothered," and to such purpose that many water channels have already been cleared out—nearly 100 canals on the Hilleh branches which had fallen into disuse among others—by means of which 300,000 acres have been brought under cultivation, giving a promise of "the greatest harvest in the memory of man, possibly the greatest since the days of Nebuchadnezzar." So much grain is expected to be produced in the reclaimed portion of the Euphrates Valley that sensible amounts of our tonnage will be released from the necessity of conveying corn to our troops, and this is but the beginning. The Arabs are settling down and "paying their taxes without the slightest difficulty," happy in the prospect of a return to a settled life. The Arabs are not naturally nomads, as we so usually imagine. They love a settled, ordered life as much as we do, and will return to that life when delivered from the rapacity of the Turk.

And look at the changes taking place within the ruined empires of the Habsburg and Hohenzollern autocracies themselves. Space did not permit us to draw attention at the time to the remarkable congress of oppressed races within the Austro-Hungarian dominions held lately in Rome. It was one of the most significant assemblages that has been gathered together in the history of modern Europe. Harried and starved Croats, Bohemians, Jugo-Slavs all, and Serbians and Poles, all met and exchanged views with Italian statesmen, proclaimed their national ambitions, and reached an agreement with Italy. Italy has shown the magnanimity we always expected of her in disclaiming any intention to step into the shoes of the Habsburg as tyrant over the scattered settlements of a Slav race along the eastern shore of the Adriatic to be liberated by our victory. Italy will become the senior partner in a confederation of the free so far as the Illyrian part of Rome's ancient dominion is concerned. And the assurance that they will be liberated and not re-enslaved has already given some of these suppressed nationalities the courage to begin to shake off the Austrian oppression. It is not much they have done, but yet a significant symptom when we find Czechs on the Austrian front who have been fighting in the Austrian armies getting into communication with their fellow-Czechs, volunteers in the Italian army, and arranging to desert. And Czech battalions have already joined the Italian armies on the front.

And are we sure that nothing similar is happening elsewhere, even on our Western front? Have there not been whispers of important desertions of Alsations from the German side to the French, and is it improbable that the disintegration of the enemy's hosts must soon proceed much further? Will the Bavarian, ruthless plunderer and assassin as he has too often proved to be during the struggle, consent always to sacrifice himself for the Prussia of the Hohenzollern as he has been made to do throughout, as some of his battalions did in the latest battle around Ypres? Will the Austrians and Hungarians continue to hold together even in the loose way they hitherto have done? They are wrangling increasingly over the food now. And how long will it now be before the generals who command these heterogeneous multitudes of men in arms can be sure that their own lives are safe amid their troops? What is hunger doing to change the mood and temper of the

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NOTICE IS HEREBY GIVEN that the COUPONS of the above Loan, due 15th May, 1918, will be PAID on and after that date (Saturdays excepted), between the hours of 11 and 3, at the Yokohama Specie Bank, Limited, where lists may be obtained.

Coupons, which must be left three clear days for examination prior to their payment, will be paid at the rate of exchange on Paris ruling at the time of their presentation.

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30th April, 1918.

populations within these empires? There must be in Germany itself many men still alive whose memory goes back to the war of 1870-71, that triumph of Prussia over surprised and mis-governed France out of which the present madness of the Teutonic races has sprung. They are continually told now of "glorious victories" that fill the histrionic imagination of William the Kaiser with "proud joy," but what follows these victories resembles in no way the sequel to the victories of 1870—victories, moreover, that were hard won, that caused great sacrifices much more costly than the Prussians ever admit, but which were none the less definite triumphs. Now there is no triumph following victory. In all this war no decisive victory has ever been won by the Teutonic hosts in fighting. Paris has not been captured, the coast has not been reached, dates given for the attainment of definite goals are always falsified, and meanwhile German men from boyhood to the threshold of old age are being consumed at a rate which cannot but undermine for generations the recuperative power of the race. What do the older disillusioned Germans think of it all? We do not ask a question of this kind with any idea that a mood favourable to our peace may be developing amongst these beguiled multitudes. Many, we daresay, are ready to "talk peace," but not to accept our peace. We do not want them to just yet. What we should like to know about is the consequences likely to follow disillusionment for the tyrants of Germany themselves. Will not the people call proud Junker, astute Jew, and chattering professor to account for the lies they have told, for the demands made upon them, and for their irretrievable losses? When the Germans reveal strength, courage enough to deal justice to their oppressors, to work out their own freedom, they will begin to be worthy of readmittance into the brotherhood of peoples civilised. But there is much more killing to be done ere that day dawns. Germans as a race mistaught and servile will probably dream on, hugging illusions about "enlarging the frontiers" and recouping indemnities to deliver them from ruin until they are told, "You must lay down your arms unconditionally before we can talk at all."

### The Week in Mines.

The Mining markets have shown a gradually improving tendency this week, and business has broadened out somewhat. Movements in prices are generally favourable to holders again, and particular strength has been developed by Broken Hills on the new zinc concentrate contract with the Imperial Government, while tin shares have been bought on the further rise in the price of the metal to the record figure of £360 per ton.

#### SOUTH AND WEST AFRICANS.

In the South African market New Modderfonteins have regained  $\frac{1}{4}$  to 22, Modder B's have risen  $\frac{1}{8}$  to 7 $\frac{1}{2}$ , and Gold Mines Investment 1s. to 21s. On the other hand, Modder Deeps have fallen  $\frac{1}{8}$  to 7, and Brakpans at 4 $\frac{1}{2}$ , Springs at 3 25-32, and Central Minings at 5 $\frac{1}{4}$  show slight losses. Among Rhodesian shares Gaikas have been actively bought, presumably by insiders, and are  $\frac{1}{4}$  higher at 1 $\frac{1}{8}$ . Shamvas have also been well supported, and show a rise of  $\frac{1}{4}$  to 1 $\frac{1}{8}$ , ex dividend. Lonely Reefs at 32s. 6d. are 1s. 3d. higher, and Chartereds have risen 1s. to 15s. 3d. With regard to the Rhodesian land case it is felt in the market that the worst result would probably mean that the company would receive substantial compensation in respect of its expenditure on various public services amounting to about 7 or 8 millions sterling. Premier Diamond deferreds declined  $\frac{1}{8}$  to 6 $\frac{1}{2}$  on the dividend declaration of 5s. a share. Of the West Africans, the only interesting movement has been a rise to 7s. 3d. in Fanti Consols.

#### COPPER AND MISCELLANEOUS.

Copper shares generally have met with support. Rio Tintos have risen 2 points further to 67 $\frac{1}{2}$  in anticipation of the introduction of the shares on the Spanish bourses, and Mount Lyells at 26s. 9d. and Hampdens at 27s. are better. Exceptionally, Mount Elliotts have lost  $\frac{1}{4}$  at 3 $\frac{1}{4}$ . Broken Hills have continued to meet with support on the Imperial zinc concentrate contract. Zinc Corporations have spurted 2s. to 21s. 6d., and Souths are up to 10 $\frac{1}{4}$ . Interest in West Australian shares revived on news from the Golden Horseshoe mine that on the 3,260 ft. level No. 4 lode had been cut, assaying £5 per ton over a width of 7 ft. The shares rose  $\frac{1}{8}$  to 2 $\frac{1}{2}$ , and Ivanhoes sympathetically improved to 1 $\frac{1}{8}$ . Tin shares have been active and strong on the rise in the metal, but interest has rather shifted from the Cornish to the Nigerian group. Rukubas have risen 1s. 3d. to 8s. 3d. and South Bukerus 1s. 6d. to 16s. 6d., both in anticipation of dividends shortly. Gurum Rivers have improved to 7s. 3d. on the report, and Champions are up to 7s. 3d. and Anglos up to 15s. 3d. Aramayo Franckes are again  $\frac{1}{8}$  higher at 23 $\frac{1}{2}$  on further consideration of the report. Mexican shares show a general advance, notably Mexico of El Oros. which were bought on the issue of the report, and rose  $\frac{1}{8}$  to 5 $\frac{1}{8}$ . Indian shares are firmer, and Kanbauk Wolframs are 1s. higher at 26s.

The Yokohama Specie Bank, Ltd., London, announces that £200,000 4 $\frac{1}{2}$  per cent. bonds of the 2nd series of the sterling loans of 1905 have been purchased on behalf of the Imperial Japanese Government for the purpose of cancellation.

### MINING NEWS.

**RHODESIAN MINERAL OUTPUT.**—The production of gold in March declined further, the total showing a decrease of £2,000 on February, and of £70,160 on March, 1917. The following table shows the production since January, 1914:—

MONTH.	1914.	1915.	1916.	1917.	1918.
January .....	£ 249,032	£ 293,133	£ 316,586	£ 296,113	£ 253,807
February .....	259,888	286,789	313,769	289,734	232,023
March .....	273,236	299,686	335,368	300,185	230,023
April .....	295,907	315,541	339,386	297,977	—
May .....	290,062	318,898	323,783	299,271	—
June .....	306,411	322,473	333,070	302,195	—
July .....	320,670	336,565	322,365	288,731	—
August .....	316,972	344,493	338,001	294,359	—
September .....	309,398	321,085	322,035	291,367	—
October .....	337,241	339,967	325,608	289,978	—
November .....	311,711	313,160	317,435	275,890	—
December .....	309,669	334,376	306,205	270,616	—
Totals..	3,580,207	3,823,166	3,895,311	3,495,353	715,853

The number of producers was 142, or 18 less than in February, and the output of other metals was 13,129 ounces of silver, 41,023 tons of coal, 306 tons of copper, 415 tons of asbestos, 1 ton of wolframite, 15 tons of arsenic, and 16 carats of diamonds.

**CROWN MINES.**—The profits of this big Rand amalgamation for 1917 show a further diminution. The total was £628,898, against £773,233, involving a reduction in the dividend from 50 to 40 per cent. But the carry forward is raised from £188,645 to £359,235. After allowing for £141,720, the nett receipts from bewaarplaatsen moneys, the capital expenditure was only £13,123. There were milled 2,100,000 tons, a decrease of 166,000 tons, for a yield of 25s. 9d., against 25s. 6d. per ton. Owing, however, to an increase in costs, the working profit decreased from 7s. 2d. to 6s. 5d. per ton. Reserves of ore have decreased from 11,429,000 tons to 8,988,000 tons, valued at 6.3 dwts., the decrease being due partly to the rise in costs. Payable tonnage exposed during the year amounted to 1,366,000 tons, of an average value of 7.5 dwts. per ton.

**VILLAGE DEEP.**—The nett profits for 1917 were £225,773, as compared with £268,745. This reduction in profits is reflected in the dividend, which is 16 $\frac{1}{2}$  per cent., against 18 $\frac{1}{2}$  per cent., but the balance carried forward is raised from £124,070 to £160,061. Owing to the scarcity of native labour the tonnage milled decreased from 626,900 to 612,800, but the yield per ton was 4d. higher at 29s. 10d. per ton. Working costs, however, were increased by 1s. 9d., and the rate of profit thus declined from 8s. 6d. to 7s. 1d. per ton. The sum of £22,931 was expended on capital account. Reserves of ore have decreased from 2,378,100 tons to 1,874,000 tons, the value being 6.6, against 6.8 dwts. per ton. The decrease in quantity is due to a large tonnage of partially valued ore carried forward, and 229,000 tons, previously included, but now set aside pending the return of cheaper working conditions. The poor zone on each side of the main incline shaft has continued in depth. On that account the proportion of unpayable ore developed is greater than hitherto. The use of rock drills on a large scale, following the insufficiency of native labour, resulted in a greater stopping width than was desirable, which accounts for a portion of the increase in costs.

**CITY DEEP.**—The profits of this mine in 1917 also show a decrease, the total being £682,019, against £715,050. But the dividend was maintained at 45 per cent., and the balance carried forward is raised from £211,215 to £216,462. Capital expenditure, after allowing for £10,265 of net receipts from bewaarplaatsen, shows a nett debit of £28,441. The tonnage milled rose from 725,700 to 744,100, but the average yield was 1d. lower at 39s. 6d. per ton. Costs averaged 1s. 5d. more,

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and the working profit was thus reduced from 19s. 5d. to 17s. 11d. per ton. In addition, there was a profit from the treatment of accumulated slimes of £7,738. Shortage of native labour supply prevented the treatment plant running more than 80 per cent. of its capacity. Reserves of ore have decreased by 342,200 tons to 3,326,000 tons, valued at 9 dwts. per ton. The decrease is due chiefly to the elimination for the present of certain low-grade blocks of ore on account of the increase in working costs. To the west of No. 2 shaft, for a length along the strike of about 2,000 feet, all the drives from the 10th to the 14th levels have been in a zone of low-grade ore, but the experience of neighbouring mines encourages the belief in an improvement in value towards the west. East of No. 1 shaft the reef is broken up by a series of large faults, and it is not possible at present to form a reliable opinion as to the prospects in this locality.

**ANGLO-FRENCH EXPLORATION.**—The accounts for 1917 show 2 nett realised profit of £57,969, against £63,523. The dividend is reduced, therefore, from 10 to 7½ per cent. A valuation of assets at the end of the year showed that they exceeded capital and liabilities by £81,718, as compared with £130,416. A sum of £24,764 is written off on account of depreciation, and the carry forward is cut down from £48,513 to £41,705.

**MEXICO MINES OF EL ORO.**—This company, which resumed milling operations in September, 1916, did very well in the year ended June 30 last. Its profits amounted to £271,174, which compares with a loss of £32,054 in 1915-16. Two dividends amounting to 11s. per share have been paid, free of tax, absorbing £115,500; the sum of £2,600 has been written off cost of permanent improvements, and £7,763 has been absorbed in taxes. Working costs have risen considerably. Reserves of ore now stand at 457,100 tons, having an average value of \$11.80 gold and 8 ozs. of silver per ton. The directors propose to set aside approximately £100,000 from the available funds for investment in an exploration company to be formed with a capital of approximately £200,000 to acquire mining propositions in Mexico, the present being regarded as a favourable opportunity for making such acquisitions.

**RAND MINES.**—A cabled summary of the report for 1917 shows a profit of £863,682, as compared with £953,181 in 1916, and £886,356 in 1915. The dividend has been reduced from 150 to 145 per cent., and £348,898 is carried forward, as compared with £334,091. After writing off £198,109 from reserve account to meet depreciation, the book value of shareholdings and investments stands at £3,242,021, which, it is stated, is considerably below market value. The reduction in the dividend was due to the smaller dividends declared by a number of the companies in which the Rand Mines, Ltd., are interested.

**ARAMAYO FRANCKE.**—The report of this Bolivian tin and wolfram mining company for the year ended May 31, 1917, makes a very favourable showing owing to the high price realised for the products. In Bolivia the nett profit was £225,315, as against £167,557; it is explained that the increased sale of tin ore in stock at higher prices, coupled with the sales of silver ore and sulphides, which are an important new source of revenue, more than account for the enlarged profits. There remains after the redemption of the lost £10,000 of debentures and other deductions a balance of £108,314. It is proposed to pay a bonus of 3s. per share, making 30 per cent. for the year, an increase of 15 per cent., and to carry forward £81,777, against £62,590. On account of the current year, a fourth interim dividend of 1s. per share will be paid this month.

**BALAGHAT.**—The report for 1917 shows that the output was increased from £75,177 to £84,437. This increase is attributed to higher grade ore having been sent to the mill, and to a better extraction in the sands plant. The average yield was 2 dwts. higher at 14 dwts. per ton. A profit of £5,063 was made, as compared with £2,937, and the debit carried forward is thus reduced from £24,968 to £22,941. Reserves of ore have been increased by 428 tons to 30,076 tons. The superintendent at the close of his report adheres to the view expressed last year that the outlook for the future is reassuring.

There was one thing that Mr. Prothero forgot to explain when telling the House of Commons why Lord Berkeley had issued a notice to his tenants that he was going to raise their rents. The reason why this step was taken was given clearly enough. His lordship, according to Mr. Prothero, "found himself called upon to pay immediately a sum which was nearer a million than three-quarters of a million of money for mortgages called up and estate and death duties." Now what we should like to know is what did these mortgages represent. Was it money spent to improve the estate, or money squandered or settled upon dependents of the Berkeley family without reference to the people who produced the wealth? If the latter, then what moral right has Lord Berkeley to raise the rents of his former tenants in order to pay debts which they had no hand in contracting and never got any benefit from? About 80 per cent. of the 20,000 acres comprised in the particular estate in question is grazing land. That of itself seems to make it certain that there was little or nothing spent by the landlord to improve that land. How much of it was originally common land?

Imports into South Africa in January, as shown in the Customs returns, amounted to £4,332,000, Durban heading the list with £1,580,000, Capetown being second with £1,248,000, and Port Elizabeth a good third with £982,000. Exports amounted to £1,910,000, and the gross revenue duty collected was £540,000.

## PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1918, and April 27, 1918:—

	Estimate for the Year 1918-19.	Total Receipts into the Exchequer from April 1, 1918, to April 27, 1918.	Total Receipts into the Exchequer from April 1, 1917, to April 28, 1917.
Balances in Exchequer on April 1—Bank of England ..	£ —	£ 19,361,578	£ 25,209,947
Bank of Ireland ..	—	1,668,452	1,225,912
		21,030,030	26,435,859
<b>REVENUE.</b>			
Customs .....	—	5,557,000	5,258,000
Excise .....	—	2,977,000	3,210,000
Estate, &c., Duties .....	—	2,030,000	2,230,000
Stamps .....	—	501,000	359,000
Land Tax .....	—	—	—
House Duty .....	—	190,000	210,000
Property and Income Tax and Super Tax .....	—	16,612,000	14,031,000
Excess Profits Duties, &c. ....	—	16,512,000	14,431,000
Land Value Duties .....	—	45,000	70,000
Post Office .....	—	2,200,000	2,200,000
Crown Lands .....	—	50,000	50,000
Receipts from Sundry Loans, &c. ....	—	—	500
Miscellaneous .....	—	886,394	457,336
Revenue .....	—	47,560,394	42,576,836
Total .....	—	68,590,424	69,012,635
<b>OTHER RECEIPTS.</b>			
Repayment of Advances for Bullion .....	—	310,000	150,000
For Treasury Bills (for supply) .....	—	334,079,000	164,068,000
For 5 per Cent. Exchequer Bonds, 1922 .....	—	—	14,834,000
For 3 per Cent. Exchequer Bonds, 1930 .....	—	4,100	—
For War Savings Certificates .....	—	9,300,000	3,400,000
For other Debt (War Loan Acts, 1914-1917) ..	—	39,884,228	—
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .....	—	—	37,500,000
For National War Bonds .....	—	*66,470,000	—
Temporary Advances—Ways and Means .....	—	77,500,000	76,055,000
Total .....	—	596,137,752	365,019,695

\*Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1918-19.	Total Issues out of the Exchequer to meet payments from April 1, 1918, to April 27, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1917, to April 28, 1917.
<b>EXPENDITURE.</b>			
Permanent Charge of Debt ..	£ —	£ 2,706,446	£ 3,171,684
Interest, &c., on War Debt ..	—	15,458,729	5,526,316
Payments to Local Taxation Accounts, &c. ....	—	190,000	190,000
Other Consolidated Fund Services .....	—	197,882	230,139
Supply Services .....	—	190,004,500	163,899,000
Expenditure .....	—	208,557,557	173,017,139
<b>OTHER ISSUES.</b>			
For Advances for Bullion .....	—	550,000	280,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	84,939	84,509
Under Telegraph (Money) Act, 1913 .....	—	—	20,000
Under Post Office (London) Railway Act, 1913 .....	—	12,000	—
Under Housing Act, 1914 .....	—	106,300	175,400
For Treasury Bills for Supply .....	—	1353,208,000	96,851,000
For War Loans, Exchequer Bonds, &c., under Section 34 of Finance Act, 1917 .....	—	1,918,442	21,690
For War Expenditure Certificates under War Loan Act, 1916 .....	—	19,400	—
For other Debt under the War Loan Acts, 1914 to 1917 .....	—	3,451,207	—
For Depreciation Fund under the Finance Act, 1917 .....	—	2,660,022	—
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (t) (b) ..	—	20,000	—
Temporary Advances repaid—Ways and Means .....	—	8,000,000	71,320,000
		578,577,837	341,770,138
Balances in Exchequer—April 27. £	1918. £	1917. £	
Bank of England .....	15,584,884	22,128,759	
Bank of Ireland .....	1,975,031	1,120,798	
Total .....		17,559,915	23,249,557
		596,137,752	365,019,695

MEMO.—Treasury Bills outstanding on April 27, 1918. .... \*£953,723,000

\* Includes £470,000, the proceeds of which were not carried to the Exchequer within the period of the account, besides a part (not yet ascertained and brought to account) of the Bills tendered as subscriptions to National War Bonds

† Includes part payment of Bills and Certificates tendered as subscriptions to National War Bonds.

## BOOKS RECEIVED.

*Rubber "Form" at a Glance.* A Guide to Investors in Rubber Shares. Compiled by H. K. Calder, 10, Old Broad Street, London. Price, 5s. nett.

*Nitrate Facts and Figures, 1918.* Compiled by A. F. Brodie James, F.S.S. Price, 5s. nett. Publishers, Fredc. C. Mathieson and Sons, 16, Copthall Avenue, London.

*Dividend Income-Tax Tables.* No. 20, for deductions at 5s. 9d. in the £. Price 1s. Publishers, Effingham Wilson, 54, Threadneedle Street, E.C. 2.

## Insurance News.

Increased profits were made by the Union Assurance Society in 1917, with the result that profit and loss account showed an available surplus of £92,202, against £74,512 in 1916, of which £90,000, against £70,000, is distributed in dividends. The total was arrived at after transferring £2,085 more at £13,295 to investment reserve and contingency account. The nett fire premium earned was £755,132, an increase of £108,747; claims were £63,299 heavier at £304,588, the loss ratio being 48.28 per cent., as compared with 46.61 per cent. Expenses increased by £26,660 to £244,905 (32.43 per cent., against 33.76 per cent.). But £10,000 more at £60,000 was transferred to profit and loss, leaving the fire fund at £952,136, or £85,640 more.

An increased life business was reported by the Yorkshire Insurance Co. in 1917, the number of policies issued being 987, or 298 more, for gross new sums assured of £492,406—an increase of £51,898. Deducting reassurances, the nett amount retained was £474,306, or £75,631 more than in 1916. The total nett premium income of £219,189 was £6,998 more. Claims, including bonuses, were only £8,970 heavier at £142,614, and the addition to the life and annuity funds was £125,000, raising the total to £2,921,827. Nett fire premiums at £609,123 showed an increase of £126,199, while claims were £68,055 more at £295,700, the loss ratio being 48.5 per cent., against 47.1 per cent. The sum of £47,067, or £19,348 less, has been carried to profit and loss, and the reserve for unexpired liability increased from £193,200 to £243,650. There was an expansion of £299,013 in the marine premium income to £1,538,205, and after deducting claims and expenses, carrying £250,000, against £100,000, to profit and loss, the balance was £241,453 higher at £1,258,334. After placing £110,000, or £10,000 less, to general reserve, and paying the same dividend as in 1916, £78,585 is carried forward, against £79,217 a year ago, when £10,000 was added to pension fund. General reserve, after the transfer of £70,000, or £20,000 more, to investment reserve to cover the further depreciation in the value of securities, now stands at £563,988, an increase of £40,000.

Excellent results were achieved in 1917 by the London Guarantee and Accident Co., the total premium income at £2,179,440 showing an increase of £597,783, of which £470,730 is attributable to the United States business, the increase in that country being mainly due to the continued prosperity and higher rates of wages which prevailed during the year. The total outgoings at £917,992 showed an increase of £213,177. During the year the marine business has been further extended, and arrangements were made whereby direct underwriting was begun on June 1, 1917. After transferring £65,000 to the investment reserve fund and the payment of the interim dividend (7s. 6d. a share on the ordinary, against 5s.), the available balance was £2,733 more at £28,196. A final dividend of 12s. 6d., against 11s., makes the distribution for the year 20s. a share, against 16s., and the carry forward is raised by £858 to £10,826.

The profits realised by the Scottish Union and National Insurance Co. in 1917, including interest and the balance brought in, were £312,749, an increase of £34,652. Investment reserve again receives £30,000; excess profits duty requires £50,000, whereas a year ago the provision made for excess profits, if any, was £30,000. Last year £50,000 was utilised in writing off the balance of purchase account, Maritime Insurance Co., whereas in 1917 no such item was required. After paying the same dividend, namely, 20 per cent., the carry forward is raised from £45,225 to £127,899. The total funds were increased by £408,623, following an increase of £223,987. In the life department 1,557 policies were issued for a gross amount of £853,940, an increase of 101 in the number and of £23,213; the nett amount retained was £1,153 more at £700,163. Nett claims, including bonus additions, came to £90,006 less at £606,203. An increase of £122,308 to £964,030 was shown in the fire premiums; claims came to £36,644 more at £484,352, and expenses were £42,833 heavier at £337,226. Including interest the surplus was £161,234, an increase of £44,956. Of this surplus £61,154 against £22,529 was added to the fire funds. An underwriting profit of £80,000, or £10,000 more, was made on the marine business, and £170,940 against £195,898 was added to the fund for unexpired risks and unsettled claims.

For each of the 20 years to 1917 10 per cent. has been paid by the National Benefit Assurance Co., including a bonus of 3 per cent. each time. Owing to the increase in the business the directors are of the opinion that the capital should be increased, and a special meeting is to be called in due course. The authorised capital is £120,000, of which £104,805 has been subscribed and £47,291 paid up. Nett premiums for 1917 at £701,023 showed an increase of no less than £456,945. Sanction has been obtained to the company transacting employers' liability business, and the statutory deposit of £20,000 has been made. The marine business showed a substantial increase, and after transferring £41,950 to profit and loss the amount carried forward to provide for unexpired risks was £214,716. In the fire and general departments the nett income was £20,127 higher at £63,498, while in the life section the figures also showed a satisfactory increase, with the result that £5,893, which appeared in the last balance-sheet under the head of establishment account, has been written off.

The two main features disclosed by the results attained in the year to June 30, 1917, by companies transacting fire, marine, and accident insurance business in New South Wales are that the fire business, after the improvement which took place in the preceding year, has again ceased to be profitable, and that the

hailstone business was a severely losing one. A trifling apparent surplus shown on the fire accounts was insufficient to cover the increase in the reserve required for unexpired risks. Taking the figures for the last three years together, a material loss was shown by the fire business in New South Wales. As regards the hailstone business, the loss ratio for the past year was over 400 per cent., and a good many years of favourable business will be required to balance the loss of 1916-17.

## DIVIDENDS ANNOUNCED.

African Steam Ship Co.—5 per cent. for six months ended December 31, with interim of 5 per cent., making total 10 per cent. for 1917, tax free, same as for 1916.

Alliance Assurance Co.—12s. per share (less tax) out of profits and accumulations at close of 1917. An interim 5s. per share (less tax) paid in January, and balance of 7s. per share, payable on July 5. A year ago the same.

Bell's United Asbestos Co.—Balance of 1s. 6d. and bonus of 6d. per share, with interim paid in October, making 15 per cent. for year, the same as for 1916.

Belsize Motors.—Interim on ordinary shares of 4 per cent. (actual), less tax, same as last year.

British and Benington's.—Final on ordinary shares of 5 per cent. (6d. per share), making, with interim, 7½ per cent. for 1917; forward, £3,667. For 1916 an interim of 6d. per share only was paid, with £2,650 forward.

S. and W. Berisford.—Interim 10 per cent., compared with 5 per cent. last year.

Burma Railway Co.—In addition to guaranteed interest of £1 5s. an interim £1 5s. per cent. in respect of surplus profits, payable July 1, both less income-tax.

Clan Line Steamers.—Final 20s. per share on ordinary shares, making 20 per cent. for 1917, against 25 per cent. for 1916.

Civic Investment and Industrial Co.—1 per cent. (being at the rate of 4 per cent. per annum) for quarter to April 30, the same.

City of Santos Improvements Co.—3 per cent., less tax, on ordinary share capital for 1917, the same as for 1916.

Canadian Pacific Railway Co.—2½ per cent. on common stock, for quarter ended March 31, being at rate of 7 per cent. per annum from revenue and 3 per cent. per annum from special income account, payable June 29.

Golconda Malay Rubber Company.—Final 20 per cent. (actual, less tax) for 1917, making 35 per cent. for year; forward, £6,983. For 1916 45 per cent. was paid.

Montreal Light, Heat and Power Company.—2 per cent. (being at the rate of 8 per cent. per annum) for quarter ended April 30, the same.

North British and Mercantile Insurance Company.—£2 per share, subject to tax (the same as last year), payable half on May 15 and half on November 11.

Park Gate Iron and Steel.—Final 1s. 9d. per share, tax free, making 3s. for year, the same as last year.

Royal Bank of Australia.—At rate of 8 per cent. for past half-year. A year ago the same.

South American Stores (Gath and Chaves).—Interim 3 per cent. on preference shares, payable on May 13.

Salar del Carmen Nitrate Syndicate.—Final 15 per cent., less tax, for 1917. A dividend is payable on whole of now issued capital—viz., £220,000. Dividend for 1916, 15 per cent.

South Indian Railway Company.—Interim 1½ per cent. (or at rate of 2½ per cent. per annum), less tax, from surplus profits payable on July 1, as well as interest guaranteed for half-year, ending June 30, 1918—namely, 1½ per cent., less tax—making total for half-year 3 per cent.

Scottish Australian Investment Company.—Interim 2½ per cent. on ordinary stock, for year to June 30 next, payable tax free May 15. A year ago the same, but paid less tax.

Tekka, Ltd.—1s. 6d. per share, less tax, payable on May 7.

Whitehaven Hematite Iron and Steel Company.—6½ per cent. per annum on ordinary shares for year ended March 31.

Western Australian Bank.—Usual £1 per share.

## AUSTRALIAN MUTUAL PROVIDENT SOCIETY. 1849.

The Largest Mutual Life Office in the Empire.

Funds, £38,000,000.

Annual Income, £5,000,000.

MODERATE PREMIUMS.

LIBERAL CONDITIONS.

WORLD-WIDE POLICIES.

Every Year a Bonus Year. Whole-life Policies, 20 years in force, show average increase of the sum assured by Bonus exceeding 50 per cent.

ENDOWMENT ASSURANCE RESULTS ALSO UNSURPASSED.

37, Threadneedle St., London, E.C. 2.

## COMPANY RESULTS IN BRIEF.

## Tea, Oil and Rubber.

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re-serves.	Divi-dend.	Carried For-ward.
	£	£	£	%	£
Aboukir Co. .... (Dec.)	45,010	13,150	20,000	—	3,740
Do. ....Prev.	26,130	400	10,000	—	580
Albion Steam Coal.. (Dec.)	28,010	26,120	—	5	8,190
Do. ....Prev.	51,790	49,570	—	5	6,270
Benger's Food .... (Mar.)	46,790	37,770	165,000	11½	2,800
Do. ....Prev.	46,520	34,320	165,000	11½	4,150
British & Benningt'ns (Dec.)	—	11,260	11,110	7½	3,660
Do. ....Prev.	—	9,120	24,460	5	2,650
Chiswick Electricity Supply ..... (Dec.)	31,140	6,170	—	6	1,000
Do. ....Prev.	20,520	4,040	—	5	900
Cons. Waterworks of Rosario ..... (Dec.)	129,470	69,650	116,500	8	9,080
Do. ....Prev.	124,400	73,780	106,500	8	10,880
D. Hill Carter .... (Feb.)	27,550	26,290	14,500	10	3,330
Do. ....Prev.	19,940	18,740	12,000	8	8,660
Direct U.S. Cable (Mar.)	74,220	59,860	528,620	4	—
Do. ....Prev.	74,240	69,030	502,510	4	—
Hope Bros. .... (Feb.)	—	58,170	60,000	6	21,440
Do. ....Prev.	—	27,920	53,000	6	15,980
Johnson & Phillips (Dec.)	—	70,120	50,000	7	13,560
Do. ....Prev.	—	56,060	40,000	5	9,960
Lamb Brewery .... (Mar.)	—	4,270	11,190	10	990
Do. ....Prev.	—	4,130	11,190	8	750
London Trust Co.. (Mar.)	—	84,440	130,000	6	28,240
Do. ....Prev.	—	86,290	120,000	6	25,180
Melbourne Trust .. (Dec.)	46,610	30,700	80,000	8	8,910
Do. ....Prev.	31,940	15,810	75,000	6	4,470
Prov. of B.A. Waterworks (Dec.)	75,890	16,630	4,500	5	15,370
Do. ....Prev.	76,360	31,100	4,500	5	5,490
Sheffield Forge and Rolling Mills ..... (June)	—	25,470	60,000	15	1,890
Do. ....Prev.	—	23,260	50,000	15	3,420
Steel Coulson ..... (Feb.)	68,130	12,990	33,000	5	1,050
Do. ....Prev.	32,840	17,100	30,000	3	9,310
Urban Electric Supply (Dec.)	67,730	64,520	—	12½	4,490
Do. ....Prev.	64,980	61,770	—	12½	1,770

\* Six months.

† Preference.

## American Business Notes.

How strenuous and resolute the effort is which the citizens of the great Republic of the West is making to help us can be estimated from some statements scattered through this week's cable news. Mr. Baker, the War Minister, is to propose a large and immediate increase in the army, which already amounts to nearly 2,000,000 men, and some Congressmen, notably Mr. Kuhn, of California, are urging the creation of an army of 8,000,000. We may be sure whatever number of men may be deemed necessary by the Allies here will be forthcoming. The army is, in fact, to be increased immediately to 5,000,000, and the information regarding shipping submitted to President Wilson's Cabinet on Wednesday, allowing for the help of available British transports, showed that the number of American troops that can be transported across within the next 90 days is greater than any official of the Government believed possible.

There is no limit, in fact, to American reinforcements, except the amount of Atlantic shipping accommodation, and the most strenuous efforts are being made in American shipyards to increase the available tonnage. In one week 50,000 tons of new ships were put into the water, and the latest report of the Bureau of Navigation shows that during April 32 vessels, aggregating 240,000 tons, were launched, or an average of 8,000 tons a day.

About food, also, the news is good. Mr. Hoover, the Food Administrator, has been telling the American people that the Allies have reduced their cereal consumption by 30 per cent. in order to provide the ships with which to send over more soldiers, and he added, "Great Britain and France are to-day living their appeals for more soldiers by sacrificing their daily bread." He went on, however, to give encouragement about the sufficiency of that bread in time to come, for he declared that "a wheat crop of from 800 to 900 million bushels is in prospect," and that he had ground to hope for "plenty for ourselves and our Allies. Instead of famine, we can look forward to an entirely different economic situation this year from that which confronted us in the summer of 1917."

Copies of THE INVESTORS' REVIEW can be obtained in Paris at

Messrs. W. H. Smith & Son's,  
248, Rue de Rivoli.

It is terribly difficult to get any sort of solid basis with regard to the actual rubber position. Not long since it was announced that an embargo had been put on rubber shipments, but we find that last week no less than 1,190 tons of plantation were landed here, while the deliveries were only 710 tons, leaving stocks in hand at 16,380 tons against 10,760 tons at the corresponding date last year. In the meantime there is plenty of evidence that stocks are also accumulating not only in the East, but also in Brazil, and most of the reports now being issued are of a very disappointing character. Unless conditions change radically in the near future the outlook must become worse, because with restricted outputs costs must increase, and it is small comfort except to the most perverse bulls to be told that in a few years from now consumption will have more than overtaken production. Frankly we do not believe it, because the same tale has been told so often that it necessarily creates scepticism, and there is no reason to expect that the people who have been so often wrong in the past will prove right in the future. Has any real effort ever been made to estimate what American enterprise has been doing in the East? Even our most reliable statisticians completely ignore that factor, and try to confuse the public in a cloud of Brock's fog. Long before rubber became a fashionable medium of speculation we remember a great operator on the Stock Exchange saying: "I don't mind any kind of mining bluff, so long as they do not make the mine itself lie. When I find that the mine is made to lie I quit." Are the rubber magnates trying to make the industry lie? Often it looks as though they were, and we always feel uneasy about it, like our gambling friend in the mining market.

GOLDEN HOPE RUBBER ESTATE, LTD.—Year to December 31. —Capital £44,000 in £1 shares; reserve £16,000. Output 352,240 lbs., against estimate of 305,000 lbs. and an increase of 84,000 lbs. over 1916. Average price realised 2s. 4.71d. against 2s. 5.06d., while the all-in cost rose from 1s. 1.41d. to 1s. 4.80d. Gross revenue amounted to £41,520, an increase of £9,000, which was almost exactly the gain last year, but the nett profit was only £1,000 higher at £18,400. It is, however, considered prudent to place £9,000, or £2,500 more, to reserves, and consequently the dividend is reduced from 25 per cent. to 20 per cent., leaving a slightly larger balance at £5,250 to be carried forward. For the current year the "restricted" output is estimated at no more than 287,000 lbs., and, of course, all-in costs must show a substantial increase. Cultivated area amounts to 1,446 acres, all planted in 1912 or earlier, and there are over 600 acres in reserve. Judging by the age of the estate we should say that it ought to be capable of producing round half a million lbs., so that really the yield appears to be cut very nearly in half. Of course, it is no use forcing production under existing conditions, but it would be more satisfactory if some means could be devised to reduce expenses correspondingly. That, however, would seem to be an impossible feat. The company is in a strong position all the same, and will be able to hold its own whatever happens, even if exaggerated views about dividends have to be disappointed.

SHELFORD RUBBER ESTATE, LTD.—Year to December 31. Capital, £77,125 in £1 shares; reserve, £11,150. Output, 164,800 lbs., against estimate of 170,000 lbs.; average price obtained, 2s. 4.73d., against 2s. 7.59d.; all-in cost, 1s. 0.67d., against 1s. 1.52d. Revenue showed an increase of £1,200 at £30,040, but the nett profit comes out £3,000 lower at £12,700. Consequently the dividend is reduced from 12½ per cent. to 10 per cent., and the balance forward is just a little less at £3,400. Between the two estates of Shelford and Sungei Bruas the cultivated area is 1,360 acres, but we do not get full particulars as to the date of planting. Mostly the estates ought to be almost in full bearing, and a yield of 400,000 lbs. would not be exorbitant, but it is certain to be very much less under the Rubber Association's restrictions. The particulars furnished might well be amplified without detriment to the interests of the shareholders.

MERTON RUBBER SYNDICATE, LTD.—Year to December. Capital, £25,000 in 2s. shares; reserves, £14,000. Output, 151,230 lbs., an increase of 24,000 lbs., and the average yield was 318 lbs., against 460 lbs.; all-in cost, 1s. 4.65d., against 1s. 1.47d. Nett proceeds were only £4,860, a decrease of £5,400, and the dividend is cut in half at 10 per cent., leaving £1,670, or £1,300 less, to be carried forward. The cultivated area is 521 acres, nearly all planted before 1912; but it will be gathered from the foregoing figures that last year the trees must have been rather severely tapped, otherwise there would not have been such a heavy drop in the average yield. Apparently in this case the restriction of output will possibly be beneficial.

## OILFIELDS PRODUCTION.

Anglo-Egyptian Oilfields.—Past week, Gemsah, 20 tons (against 21 tons); Hurgahda, 4,796 tons (against 5,377 tons).

United British Oilfields of Trinidad.—1,268 tons for week ended April 24.

## Answers to Correspondents.

\* A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.

**Deposits against future queries may be lodged with the Publisher.**

Kopt.—If you can get them, yes. But cut off the premium from dividends.

Jane.—Yes, very safe and good.

P. T. L.—A fair venture, and may improve.

Pensioned.—We hardly think so, not now.

R. A. S.—The bond is quite good, but you would lose nothing in interest if you can make the exchange not under the price you name.

T. L. T.—(1) On their present yield, the price is high enough, but the company is strong and well managed. It is possible a bonus may be declared later on. (2) Yes, if you are prepared to wait.

J. C. F.—It is quite a fair property, and gives a good return.

Timothy.—(1) Has just issued a good report. Yield is fair and dividends safe. Should be kept. (2) Very little margin at present, but dividends not likely to suffer. Too low to sell now. (3) Cannot expect much recovery until better times. Crop prospects good, but working costs high and labour troublesome. Still, it seems a pity to sell at present. (4) Under the arrangement with the Government, there is a possibility of some recovery in capital value, but dividends are rather remote. (5) Cash dividends are not likely to be resumed for a long time. The position is slightly better, and any signs of definite settling down would cause a sharp rise in price. We hesitate to advise you to cut your loss now. (6) Conditions are similar so far as the price is concerned. The company had a good business before the war. More capital will no doubt be needed, but you might see a quick rally. (7) Doing very well at present, but cannot see any reason for an appreciable rise. There is not much chance for securities bearing fixed rates of interest recovering with any rapidity, even where dividends are safe. (8) Political conditions could not be worse, and prospects of recovery look rather remote. You must choose between cutting a heavy loss or waiting indefinitely for improvement. (9) A disappointing record, but there are new people in control, and the shares have a speculative chance. (10) Purely speculative, and prospects vague. (11) The property is being gradually worked out. There should be the present value of the shares, but working costs are high. Shares of this class ought to be written down out of dividends.

Bean.—We cannot advise you to sell now. The record is very disappointing, but there are always possibilities, and the new control will probably do better for the company than the old.

## Letters to the Editor.

THE NORTHERN ASSURANCE CO.—A CORRECTION.

DEAR SIR,—In your reference to our recently published accounts for 1917 you state, with regard to the fire business, "the loss ratio being 62.3 per cent., against 50.3 per cent. for 1916." Will you permit me to point out that the comparison is not correct, as the ratio of 62.3 per cent. is arrived at after allowing for 50 per cent. of the increased premiums as a reserve for unexpired risks. The actual losses incurred represent 54.8 per cent. of the premium income against 50.3 per cent. for last year, and the somewhat large difference is accounted for by the fact that this company reserves 50 per cent., as above stated, for unexpired risks instead of 33½ per cent. or 40 per cent.

Yours faithfully,

H. E. W. LUTT,  
Secretary.

The Northern Assurance Co., Ltd.,  
No. 1, Moorgate Street, E.C. 2,  
London, April 29, 1918.

It is stated that the Government of Guatemala has authorised the establishment of a national bank. We hope it is a sign of grace, and that there will be no more defaults as regards foreign creditors.

A very interesting circular is issued by the London and Brazilian Bank, Ltd., giving a summary of trade reports from South America and Portugal. Argentina and Brazil naturally receive most attention, and a point that comes out prominently is that stocks of grain, wool, hides, rubber, and other articles are steadily accumulating, owing to the lack of tonnage. It may be useful to bear this in mind when the shipping position improves.

## Notes on Books.

*Peace Problems in Economics and Finance.* By Uriel D'Acosta. Second edition, with a new preface. (London: George Routledge and Sons. Price 2s. 6d. nett.)

A second edition of this little book is welcome, not that it is the work of a profound, original thinker who lays before his readers schemes for the recuperation of the world's industries after the war. It might not have been so useful and suggestive had it taken that ambitious shape, but it is a quiet, sensible review of the facts, and contains historic parallels which are useful to recall at a time like the present when the country is being deluged with proposals of many kinds not often of much practical merit. For example, Mr. D'Acosta recalls the state of this country after the close of the Napoleonic wars, when what our diplomatists brought back in the end of 1815 was not great masses of plunder, of territories added to the empire, of indemnities collected, but simply an enormous debt and the security of autocrats for a 30 years' peace. As Napoleon said, "You British gave up everything and gained nothing." The troubles that followed the peace might have been dwelt upon with more detail than Mr. D'Acosta enters into, but he says enough to warn us that we shall have to study the position most carefully and with an unprejudiced intelligence which was not available a hundred years ago. The peace is not going to be a time of ease, a sort of outer court of Heaven, when this war ends; very much the reverse, and the sooner we look facts in the face and try to shed a little of our selfishness, the better. Into Mr. D'Acosta's well-informed and sensible discussion of our monetary system and the nature of credit, of our banking and other credit institutions, and so forth we have not space to go. It is enough for our purpose to recommend this little work as one plainly and modestly written by a thoughtful student of practical economics. Not the least valuable part of the book is Mr. D'Acosta's warning as to the diminished purchasing power of the belligerents after the war through the depreciation of the currency and through their universal poverty.

*The 100 Best Investments.* British, Foreign and Colonial Corporation, 57, Bishopsgate, E.C. Price 4d.

This company has just published another supplement of "The 100 Best Investments," bringing the book up to date. Besides the usual features the work contains a special article by Mr. Emil Davies, entitled "Investment Under Present Conditions," which deals with the present position and outlook of affairs from the point of view of the investor. There are also useful tables of statistics which are valuable if used discreetly.

## FINANCIAL ADVICE.

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## COMPANY MEETINGS.

## BALDWINS.

## THE FUSION WITH THE BRYMBO STEEL COMPANY.

The adjourned annual meeting of Baldwins, Limited, was held at Birmingham on Thursday.

Colonel John Roper Wright (the chairman) presided, and in moving the adoption of the report and balance-sheet, stated that from the profit and loss account the balance brought down was £210,854, after making the usual and proper provisions and also reserves for excess profits duty and munitions levy. After paying 12½ per cent. dividend, free of income-tax, there was £156,968 to carry to the credit of next year's accounts. They had appropriated £75,000 to reserves, allocating £50,000 to the general reserve, bringing that up to £450,000, and placing £25,000 to investment reserve. The unexpected and unexampled needs of the great war, he continued, had fallen heavily on the company, and the pressure for their products had been such that they stood committed to great extensions and development.

## CAPITALISING THE RESERVE.

The directors had decided to ask the shareholders' consent to capitalising part of the reserve of £450,000 in the proportion of one ordinary share for every four ordinary shares held by the ordinary shareholders. The shares issued were 1,240,657, and this meant a distribution of 310,165 ordinary shares credited as fully paid, making the ordinary capital then £1,550,822. It would be remembered that the company, in conjunction with the Brymbo Steel Company, had taken a very large tract of iron ore-bearing land in Oxfordshire, an enterprise in relation to which the directors had high expectations. This and the other associations with this company led the directors to consider the question of a fusion of interests with them, with the result that it was arranged that Baldwins should acquire the controlling interest in the Brymbo Company, and that upon a transfer of not less than eight-tenths of the ordinary shares of the Brymbo Company, such shares should be acquired by Baldwins at the rate of 20 fully-paid Baldwins shares of £1 each for each £10 Brymbo share transferred. The Brymbo ordinary shares being 10,000 shares of £10 each meant that if the whole of these shares were transferred it would increase Baldwins' ordinary share capital by £200,000. He believed nearly all of the shares would be purchased. In addition to this price, it was agreed that they should give the shareholders of the Brymbo Company, in respect of the shares in Baldwins acquired by them, a right to subscribe in the proportion of three to four for any new issue that might be made at the price of issue, making a maximum amount of 150,000 shares.

## SIR H. B. ROBERTSON.

It had also been agreed that as soon as the transaction was carried out Sir H. B. Robertson, the chairman of the Brymbo Company, should join Baldwin's board. With regard to ways and means, the ordinary share capital, after the bonus issue, would be £1,550,822. The directors proposed to issue to the ordinary shareholders a like amount on the basis of share for share, and this, with the 150,000 shares offered to the Brymbo shareholders, if entirely taken up, meant that 1,700,822 would be issued, making the ordinary capital, with the addition of the 200,000 shares to be exchanged for the Brymbo Company's shares, a total ordinary share capital of £3,451,644, which, though a large capital, was one that when the works were completed they were confident could be fairly met in regard to satisfactory dividend. It was proposed to offer the additional issue to the ordinary shareholders of the two companies at the price of 25s. per share. This would give the £2,126,027 which they believed would provide the requirements to meet what they had undertaken. Treasury sanction had been obtained to the proposed issue of shares. To enable these proposals to be carried out the capital must be increased, and the directors further proposed that the authorised ordinary share capital should be raised from £1,250,000 to £4,000,000.

Mr. S. L. Dove seconded the motion, and it was unanimously carried.

The Chairman then said the directors felt assured the manufacture of steel in the many branches of industry covered by the company would not only be a valuable asset to the country as a whole, but would be one of its most prosperous industries after the disastrous war had come to what they confidently felt would be a victorious end.

It was decided to increase the remuneration of the directors from £300 to £500 a year, with a further payment to the chairman as provided by Article 89.

An extraordinary meeting was subsequently held, at which the alteration was sanctioned in the articles of association for the capitalisation of the amount standing to the credit of profit and loss account on the reserve fund. The Chairman explained that the effect of this step was not to prejudice in any way the position of third parties in relation to the company. Indeed, by thus converting undistributed profits and reserves into capital it might be said to improve their position, as the company's assets were not reduced and funds so capitalised could not be divided in dividend.

## THE UNION BANK OF SCOTLAND, LTD.

The annual meeting of shareholders was held on Wednesday, May 1, within the bank premises in Ingram Street, Glasgow. The Right Honble. Lord Glenconner of Glen, chairman of the bank, in the chair.

The Chairman said that the bank's meeting again took place under the strain and anxiety of war, but with an unimpaired belief in the justice of our cause and a confident expectation that a victorious peace will prove a lasting memorial to those who have suffered. In the present circumstances criticism or comment of a general character seemed out of place, and he would therefore strictly limit the scope of his remarks.

Twelve months ago the directors submitted to the shareholders their recommendations for modernising the old partnership of the bank. These recommendations had taken the form of a memorandum and articles of association. The shareholders unanimously adopted them, and later in the year the new constitution had been approved by the Court of Session. The new regulations had been in force for some months, and were found to be satisfactory in all respects.

Shortly before last annual meeting the Government had floated the 5 per cent. War Loan, and the financial disturbance following upon that issue was reflected in the considerable diminution of the bank's deposits, which a year ago only amounted to some 17 millions sterling. In the past twelve months no large funding operation had taken place, with the result that the deposit figures showed a remarkable increase. Another item in the balance-sheet reflecting the foregoing conditions was that of loans for short periods on stocks and other securities. Last year it amounted to £5,152,000, while to-day it had shrunk to £2,573,000. The difference was principally brought about by clients repaying advances which the bank made to enable them to take up War Loan.

The shareholders might be interested to hear some details of what the staff of the bank had done in his Majesty's Forces.

Up to date, 486 officials of the bank had joined his Majesty's Forces, of whom 95 had received commissions. It was regretted that 49 had fallen in action, while five had been taken prisoners and one was interned in Holland. Fifty-six had been wounded—in all, 111 casualties. In addition to the foregoing figures, eight members of the staff were reported as missing during the recent fighting in France.

The following distinctions had also been awarded:—

- One Distinguished Service Order,
- Two Military Crosses,
- Two Distinguished Conduct Medals,
- Seven Military Medals, and
- Six Mentions in Despatches.

The clerical conduct of the bank was passing to a still greater extent into the hands of women. There were now 320 in the service, and, as the Military Authorities had asked that still further efforts be made to release men, no doubt they had not yet reached their maximum strength. At the same time the directors recognised that the limit to which dilution can go had almost been reached. The extremely satisfactory manner in which both the permanent and the temporary staff had carried out their duties to the public and the bank had again been recognised by the directors, who had paid a generous bonus to all officials in the service of the bank with salaries of £500 a year and under. In the very trying conditions in which we were living, this consideration had been greatly appreciated by the officials concerned.

Mr. Seton Thomson, who had been a director since 1879, had resigned his seat on the board a few months ago, to the great regret of his co-directors. For nearly 40 years Mr. Thomson had given the closest consideration to the affairs of the bank, and the board felt that the thanks of the shareholders were due to him for his valuable services during that long period. Mr. Thomson would continue his connection with the bank in the honorary capacity of an extraordinary director.

The directors had to record with deep regret the death of an extraordinary director in the person of Mr. Robert Blyth. Mr. Blyth maintained his connection with the bank in that capacity since 1910, when he retired from the office of general manager, which position he had held for the previous 15 years.

Mr. Herbert W. Haldane, one of the auditors, having accepted a seat on the board of another bank, had resigned office last autumn. To fill the vacancy thus created the directors had appointed Mr. Francis More, chartered accountant, Edinburgh.

It would be observed from the report that the directors had replaced £100,000 to rest account, raising the reserve to £900,000. The board were glad to feel justified in making that allocation from the profits of the year, in the knowledge that the investments of the bank had been written down to the prices of the day.

On the motion of Mr. Archibald R. C. Pitman, W.S., Edinburgh, seconded by Right Honble. J. Parker Smith, of Jordanhill, and supported by the chairman, the annual report was adopted, and a dividend declared at the rate of 15 per cent. per annum, less income-tax, payable in equal proportions on May 10 and November 9 next.

Mr. David Anderson, J.P., 14, St. Vincent Place, proposed, and Mr. Alexander Jeans, solicitor, Partick, seconded, the re-election of Lord Glenconner as chairman and Mr. John Young Buchanan, F.R.S., as deputy-chairman of the bank, which was cordially approved.

On the motion of Mr. M. Douglas Anderson, yarn merchant,

seconded by Mr. William Cassels, 57, Fotheringay Road, Pollokshields, Mr. Peter Rintoul, Right Hon. J. Parker Smith, and Mr. Robert Clark were re-elected ordinary directors.

On the motion of Mr. Charles Russell, Lochbrae, Bearsden, seconded by Mr. David J. Knox, J.P., 19, Renfield Street, Mr. Charles D. Gairdner, C.A., Glasgow, and Mr. Francis More, C.A., Edinburgh, were appointed auditors.

On the motion of Mr. William Sinclair, F.F.S., 95, Bath Street, a vote of thanks was accorded to the chairman.

## GOLDSMITHS AND SILVERSMITHS CO.

The 19th ordinary general meeting of the Goldsmiths and Silversmiths Co., Ltd., was held on Tuesday at the company's premises, 112, Regent Street, Mr. A. T. Isaac, the chairman of the company, presiding.

The Secretary, Mr. James W. Rice, having read the notice convening the meeting and the report of the auditors,

The Chairman said that the directors, in addition to the payment of 5 per cent. on the preference shares, were recommending a dividend at the rate of  $7\frac{1}{2}$  per cent. on the ordinary shares, while carrying forward £23,025 to the new profit and loss account. That dividend, he was sure, would be as welcome to the shareholders as it was satisfactory to the directors. It was at the rate of the last dividend paid by the company before the outbreak of war, and should be considered creditable both to those who had been responsible for the management of the affairs of the company, and to the employees, who had one and all worked with loyalty and zeal. In recognition of that fact the board had decided, after great deliberation, that the company should in future bear all charges of income-tax—of officials and employees. They hoped that by that means the *personnel* of the staff would be drawn closer than ever to the company, and that the employees would feel that their interests were carefully and sympathetically considered. The period covered by the accounts had been one of great stress and strain. They had, indeed, had many difficulties to contend with, of which he would mention the most important. There had been great difficulty in manufacture owing to the demands of the Government, and they had had very frequently to ask for the kind indulgence of customers in cases of delay. They could gratefully say that that had always been forthcoming. They still suffered from a greatly depleted staff, and as their policy remained to fulfil all the demands of their customers, even to the point of undertaking repairs of jewellery, watches, &c., it could be readily understood that the burden placed upon the staff had been heavy. There were very few outstanding points to be noticed in the year's trading. It might be said that the increase was spread over all the departments of the business, although, perhaps, they could single out the antique silver department. Of the public presentations of the year—and they had not been many—the company had certainly secured their share. They had had a good many orders from neutral and Allied countries, and in some cases cheques had been forwarded and the selection of the goods left entirely to their discretion. He mentioned that as it seemed to show that their reputation for fair dealing was always extending its bounds. They might hope after the war, when they were not hampered by transport difficulties, notably to increase their foreign trade. Shareholders would be pleased to find that the company had not been backward in doing its part to assist the efforts of the Red Cross. Their Mr. Hodges, who had been chiefly concerned, had earned warm appreciation as an antique silver expert. Mr. Ashwin, too, one of the directors, had been very active in assisting to organise the Red Cross pearl necklace scheme. Their gross profit on trading was £29,047 up. The net profit was £40,681, as against £25,317 last year, showing an increase of £15,363. He thought the shareholders would agree that they had good grounds to congratulate themselves on the state of their enterprise. They would doubtless have many difficulties still to contend with, but he had every hope that they would continue to be worthy of the confidence of the shareholders and the patronage of their customers both at home and abroad.

Mr. E. G. Ashwin, the deputy-chairman, seconded the motion, and after some congratulatory remarks it was carried unanimously.

## GENERAL INVESTORS AND TRUSTEES.

The eleventh annual general meeting of the stockholders of the General Investors and Trustees, Ltd., was held on Tuesday at the Winchester House, Old Broad Street, under the presidency of Sir J. S. Harmood-Banner, M.P., the chairman of the company.

The Manager and Secretary (Mr. James Davenport) read the notice convening the meeting and the auditors' report.

The Chairman, in dealing with the profit and loss account, pointed out that the dividends, interest, commissions, &c., received amounted to £41,216, against £40,272, an increase of about 1,000, and as the expenses were approximately £500 less than last year, they had a balance of net revenue available of £24,973, or an increase of, say, £1,500. The dividend on the preference stock had been paid, and the board now proposed a dividend on the ordinary stock at the same rate as last year—namely, 5 per cent. By the incidence of income-tax, these dividends required a net amount somewhat less than last year, and the final result was that, after making these distributions, they had the substantial sum of £18,814 to carry forward, against £15,216 brought into the accounts. Their articles did not

permit of the directors of their own volition carrying forward more than £5,000, but he felt sure the stockholders would admit the wisdom of the course suggested. If they cast a fleeting glance backwards over the four years which had now practically elapsed since the Huns made their fateful decision to strive for the domination of the world, and if they remembered how the whole financial and industrial foundations had been shaken, he thought they had some reason to congratulate themselves on their record. It was true that they had reduced the steady 6 per cent. which for some years they paid on their ordinary stock to 5 per cent., but they had been able comfortably to maintain that distribution, and, apart from unforeseen contingencies, he thought he could promise them a like distribution for this year. In fact, they were hoping that during the year they might be sufficiently confident of the progress of results to revert to their pre-war practice, and make an interim distribution on their ordinary stock about October. There was unquestionably some depreciation in the company's investments, but against that, whatever it might ultimately prove to be, they had in their reserve fund and in the amount carried forward an available sum of practically £78,000, while, in addition, they had this year, from profits derived from the sale of securities, written down their investments by more than £20,000. In the previous year they were able to apply £4,000 to this object, so he thought he was justified in saying that they had been able to make substantial progress towards meeting any depreciation which war conditions had rendered inevitable. The year under review had been an exceedingly strenuous one, both for the board and the officials. One matter which had given them considerable work had been the reorganisation of Spiers and Pond. This company had a fairly large holding of Spiers and Bond's debentures, their total investments standing in their books at the cost of just under £13,000. Then, again, they had spent a great deal of time in investigating a large silk-manufacturing enterprise—Josiah Smales and Sons—in the North of England. They had associated with them in this business powerful financial friends, and, after careful investigation, they had recently decided to declare an option which they and their friends obtained with the sanction of the Court of Chancery, and to acquire the business. In conclusion, he said he wished to acknowledge, on behalf of himself and his co-directors, the able services of their managing director and of their manager.

Mr. John Smith, C.B., seconded the resolution, which was unanimously carried.

## What Balance Sheets Tell.

LA GUAYRA AND CARACAS RAILWAY CO., LTD.—For the past year gross receipts amounted to £87,100, a decrease of £5,900, almost entirely on goods traffic. This was largely due to a better local maize crop, which made it unnecessary to bring supplies from other districts, and there was also a considerable reduction in flour imports, partly owing to the difficulties caused by the war. Working expenses amounted to £41,400, an increase of £1,100, but the fuel bill alone was £3,120 higher, so that economies were effected in other directions. Including £1,400, against £35, brought in, the nett revenue was £52,320, or £4,000 less, but the dividend of 6 per cent., tax free, is repeated, £2,000 is placed to reserve for depreciation of investments, and £3,200 is carried forward. Last year £5,000 was placed to general reserve, and £3,500 to investment reserve. For the first quarter of the current year gross receipts show a decrease of £8,250 at £19,250, owing to the lack of shipping facilities, but it is stated that working expenses have been decidedly reduced.

WM. DIXON, LTD.—In the year to February, 1917, the nett profits of this large iron and coal firm dropped over £100,000, after providing for war taxation, and since then it has just been marking time. Changes in the figures are so trifling that they need not be specified. Nett profits amounted to £79,300, and after setting aside the usual £15,000 for debenture stock redemption, the dividend of  $7\frac{1}{2}$  per cent. is repeated, and £35,940 is carried forward. The iron works continue under Government control, and the collieries have also been controlled since March 1 last. It is stated that the accounts may be subject to some modification later, dependent on the adjustment of claims against the Coal Controller and other Government departments.

CONSOLIDATED TRUST, LTD.—In the year to April 15 revenue amounted to £56,400, a decrease of £3,500, no doubt owing to the increased income-tax. However, £6,200 more was brought in, and after again paying  $12\frac{1}{2}$  per cent. on the deferred stock, the balance forward is increased by £2,100 to £8,750. During the year the nett amount realised from the sale of securities was £8,400, as compared with £26,200, and this has been applied towards reducing the book value of certain investments. Changes in the balance-sheet are quite unimportant.

KIMBERLEY WATER WORKS CO., LTD.—Gross revenue in 1917 amounted to £48,730, an increase of £3,700, and the nett income was £25,240, or £1,600 more. This allows of the payment of the usual dividend of 5 per cent., half of which has been paid as interim, absorbing £15,750, and the balance is devoted to depreciation, together with £1,000 placed to investment fluctuation fund. Although the adverse influence of the war continues to be felt, there was a substantial increase in the consumption of water for mining purposes, while there was a slight falling off in domestic requirements, the total being 5,300,000 gallons larger at 202,506,000 gallons. The rainfall for the year was 15.20 inches, as against 9.06 inches in 1916. Fears that the demand for diamonds would fall off materially when the United States came into the war have not so far been justified, and the company has had the most prosperous year experienced for some time.

## INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.				GROSS TRAFFIC TO DATE.			
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Rs.	Wks.
Assam Bengal ..	Mar. 2	1,64,143	+ 36,332	†	30,97,613	+ 3,16,360		
Barsi ..	" 9	10,240	— 6,400	†	7,78,700	— 2,28,700		
Bengal & N.W. ..	Feb. 23	4,57,350	— 12,976	†	84,10,291	— 4,80,584		
Bengal Nagpur ..	Mar. 9	12,93,000	+ 1,02,000	†	5,16,88,138	+ 42,45,529		
Bombay, Baroda ..	April 20	18,20,000	+ 2,41,000	†	50,88,000	+ 5,78,000		
B. rma ..	Mar. 2	5,53,453	— 7,223	†	2,60,83,123	— 61,708		
Delhi Umballa ..	April 20	91,300	+ 12,498	†	2,52,985	+ 32,465		
East Indian ..	" 20	24,76,000	+ 1,000	†	68,52,000	+ 58,000		
Gt. Indian Penin. ..	" 20	24,76,000	+ 77,400	†	65,14,000	— 2,41,900		
Lucknow-Bareilly ..	Feb. 23	63,051	— 6,299	†	110,67,440	+ 92,789		
Madras and S. ..	Mar. 9	11,00,000	— 2,604	†	2,37,36,398	+ 12,49,258		
Mahratta ..	Feb. 9	1,41,527	+ 149	†	25,05,155	+ 64,334		
Nizam's Gd. (Broad) ..	" 9	1,23,720	+ 11,775	†	15,51,374	+ 38,895		
(Metre) ..								
Robilkund and ..	" 23	51,638	+ 9,872	†	9,08,073	+ 1,13,639		
Kumaon ..	Mar. 9	6,42,064	— 29,796	†	1,47,83,311	+ 9,54,861		
South Indian ..								

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Rs.	Wks.
Dublin United ..	Apr. 25	7,817	+ 1,914	†	99,454	+ 19,435		
Hastings and Dist. ..	" 22	1,017	+ 43	†	16,614	+ 2,080		
Isle of Thanet ..	" 20	177	— 76	†	5,240	— 1,969		
Lancashire United ..	" 17	2,865	+ 997	†	40,363	+ 12,143		
Provincial ..	" 13	2,638	+ 355	†	67,816	+ 12,493		
Yorks. (Wst. Rdng.) ..	" 23	2,704	+ 728	†	40,745	+ 9,395		

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Rs.	Wks.
Alabama Power ..	Mar. 2	126,829	+ 20,143	†	126,829	+ 20,143		
Anglo-Argentine ..	Apr. 22	59,417	+ 5,702	†	879,953	+ 61,742		
Auckland Electric ..	" 12	23,209	+ 2,031	†	224,466	+ 9,880		
Brazilian Traction ..	Mar. 2	M3,925,000	— M226,000	3	M11,860,000	— M852,000		
Brisbane Elec. Inv. ..	" 2	35,530	+ 2,190	†	102,039	+ 5,879		
British Columbia ..	" 2	129,658	+ 29,210	9	1,023,557	+ 160,244		
B.A. Lacroze ..	" 2	42,647	+ 1,310	9	346,421	+ 69		
Burmah Electric ..	" 2	Rs. 27,906	+ Rs. 774	*	185,428	+ Rs. 991		
Calcutta ..	Apr. 27	Rs. 72,339	+ Rs. 7,395	*	Rs. 107,322	+ Rs. 72,121		
Carthage and ..	" b	4,200	— 166	*	17,558	+ 3,032		
Herreras ..	" b							
Cordoba Light ..	Feb. 2	12,972	+ 1,076	†	147,938	+ 435		
P. & T. ..	Mar. 9	12,990	+ 701	†	141,396	+ 2,377		
Hongkong ..	" b	5,347	+ 819	3	14,803	+ 1,867		
La Plata ..	" b	42,106	+ 4,520	3	127,555	+ 18,900		
Lima ..	Apr. 15	Rs. 40,805	+ Rs. 2,097	*	Rs. 277,813	+ Rs. 35,666		
Manila Electric ..	Aug. 8	65,467	+ 4,667	8	547,492	+ 79,625		
Mexico ..	Nov. 2	215,256	+ 108,669	*	3,193,106	+ 197,227		
Rangoon ..	Mar. 2	5,955	+ 271	*	16,978	+ 1,514		
Singapore Electric ..	Feb. 23	13,670	+ 707	*	104,652	+ 1,821		
Toronto ..	Mar. 2	531,725	+ 56,119	3	1,442,834	+ 55,211		
United of Monte V. ..	Feb. 2	36,659	+ 4,680	5	172,333	+ 14,941		
Vera Cruz ..	Feb. 2	42,200	+ 6,300	2	84,200	+ 19,300		
Winnipeg ..	Mar. 2	71,403	+ 7,107	2	150,195	+ 16,837		

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Rs.	Wks.
Alcoyand Gandia ..	Apr. 20	Ps. 8,000	— 2,500	†	Ps. 145,900	— Ps. 19,970		
Antofagasta (Chili) ..	" 28	51,370	+ 4,065	†	710,550	+ 85,380		
Arauco ..	Mar. 2	12,500	+ 1,500	†	39,000	+ 6,000		
Argentine N.E. ..	Apr. 27	10,300	+ 400	†	362,900	+ 65,398		
Bilbao R. and Canta ..	Mar. 2	4,486	+ 1,341	3	12,548	+ 907		
Bolivar ..	" *	11,000	+ 6,101	9	100,775	+ 13,668		
Brazil ..	Jan. 2	M5,202,000	+ M107,049	†	M5,202,000	+ M107,049		
Brazil Gt. Southern ..	Dec. 2	M18,66,912	+ M22,712	†	M58,439	+ M74,769		
B. Ayres & Pacific ..	Apr. 27	96,000	+ 10,000	†	3,995,000	+ 289,000		
Do. Central ..	Mar. 2	38,675	+ 14,034	9	252,258	+ 35,451		
Do. Gt. South'n ..	Apr. 28	45,000	+ 62,000	†	4,659,705	+ 204,549		
Do. Western ..	" 28	81,000	+ 37,000	†	2,197,000	+ 74,000		
Central Argentine ..	" 27	175,000	+ 82,400	†	4,809,200	+ 334,500		
C. Ur'g'ay of Mte V. ..	" 27	20,292	+ 6,214	†	793,517	+ 226,343		
Do. East'n Ex. ..	" 27	7,803	+ 515	†	219,160	+ 8,275		
Do. North'n Ex. ..	" 27	4,033	+ 972	†	140,651	+ 35,874		
Do. West'n Ex. ..	" 27	2,283	+ 791	†	96,609	+ 17,424		
Cordoba Central ..	" 20	41,000	+ 11,540	†	1,275,850	+ 47,330		
Costa Rica ..	Mar. 16	3,690	+ 601	†	104,620	+ 89,971		
Cuban Central ..	Apr. 27	31,601	+ 2,556	†	877,559	+ 104,224		
Dorada Extension ..	Mar. 2	8,200	+ 400	3	23,900	+ 2,700		
Egyptian Delta ..	Feb. 28	6,519	+ 1,253	8	261,360	+ 62,069		
Entre Rios ..	Apr. 27	22,100	+ 7,200	†	676,000	+ 159,500		
French Sante Fé ..	Jan. 2	147,488	+ 55,713	†	1,47,488	+ 55,713		
Gt. South. of Spain ..	Apr. 20	Ps. 34,626	— Ps. 54,616	†	Ps. 482,770	— Ps. 105,6612		
Gt. West. of Brazil ..	" 27	15,000	+ 2,800	†	308,800	+ 86,550		
Havana Central ..	" 20	10,911	+ 2,841	†	371,020	+ 78,402		
Inter. of C. Amer. ..	Mar. 2	30,205	+ 9,999	†	77,876	+ 27,584		
La Guaira and Car. ..	" 2	5,500	+ 4,000	†	19,250	+ 8,250		
Leopoldina ..	Apr. 27	27,583	+ 4,351	†	538,540	+ 152,198		
Midland Uruguay ..	Mar. 2	14,894	+ 156	†	119,814	+ 4,266		
Mogiana ..	Jan. 2	M2,155,000	+ M755,109	†	M2,155,000	+ M755,109		
N.W. of Uruguay ..	Mar. 2	23,500	+ 5,258	†	237,090	+ 16,015		
Nitrate ..	Apr. 30	35,247	+ 601	†	241,090	+ 13,700		
Paraguay Central ..	" 20	2,770	+ 190	†	120,030	+ 14,390		
Paulista ..	Dec. 2	M3,461,000	+ M752,637	†	M3,415,000	+ M288,775		
Peruvian Corp'n ..	Mar. 2	Si. 119,530	+ Si. 202,330	†	Si. 322,560	+ Si. 202,168		
Salvador ..	Apr. 20	3,633	+ 261	†	75,074	+ 1,880		
State of Bahia S.W. ..	Mar. 2	M47,000	+ M20,000	3	M237,000	+ M53,000		
S. Paulo (Brazilian) ..	Apr. 21	24,446	+ 2,958	†	514,471	+ 167,289		
Sorocabana ..	Jan. 2	M1,952,000	+ M199,895	†	M1,952,000	+ M199,895		
Taitai ..	Mar. 2	20,392	+ 119	9	224,678	+ 57,023		
United of Havana ..	Apr. 27	80,142	+ 12,520	†	2,447,781	+ 606,206		
West'n of Havana ..	" 27	12,926	+ 3,876	†	384,619	+ 107,874		
Zafra and Huelva ..	Mar. 2	13,419	+ 3,201	2	35,912	+ 5,593		

Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Rs.	Wks.
Neira ..	Dec. 2	49,448	+ 1,842	3	173,777	+ 6,532		
Canadian Northern ..	Apr. 21	929,500	+ 163,900	†	33,475,100	+ 995,800		
Canadian Pacific ..	" 21	3,016,000	+ 308,000	†	41,564,000	+ 2,104,000		
Gr. Trk. Main Line ..	" 21	211,953	+ 54,912	†	2,803,326	+ 36,670		
Gr. Trk. Western ..	" 21	44,610	+ 3,473	†	520,634	+ 3,292		
Detroit G. H. & M. ..	" 14	12,678	+ 2,096	†	172,646	+ 16,881		
Gr. Trk. Prairie So. ..	" 21	24,093	+ 2,116	†	386,364	+ 109,876		
Mashonaland ..	Nov. 2	56,698	+ 1,486	1	56,698	+ 1,486		
Mid. of West'n. Aus. ..	Feb. 2	8,617	+ 111	8	61,134	+ 3,915		
New Cape Central ..	Mar. 16	2,177	+ 464	†	25,919	+ 4,639		
Rhodesia ..	Jan. 2	76,395	+ 4,188	4	345,800	+ 7,737		

\* Months. † July 1. † Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME	NETT EARNINGS FOR MONTH.				NETT EARNINGS TO DATE.			
	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.	No. of Mths.	
		Dols.			Dols.			
Atchafalpa T. & S. Fé ..	Jan.	1,912,000	— 1,689,900	12	47,829,000	— 1,248,000		
Atlantic Coast Line ..	"	1,075,000	— 212,000	12	12,014,000	+ 607,000		
Baltimore & Ohio ..	"	1,852,000	— 1,165,000	12	30,589,000	— 3,425,000		
Canadian Northern ..	Mar.	210,400	— 407,700	9	2,490,100	— 5,014,400		
Canadian Pacific ..	"	2,993,000	— 944,000	3	4,752,000	— 3,603,000		
Chesapeake & Ohio ..	Feb.	627,000	— 160,000	2	5,660,000	— 1,394,000		
Chicago & N.W. ..	Jan.	785,000	— 2,797,000	12	27,015,000	— 3,634,000		
Chicago Burl. & Q. ..	Dec.	1,555,000	— 2,276,000	12	32,867,000	— 6,232,000		
Chicago G.W. ..	Feb.	151,000	— 36,000	2	1,120,000	— 357,000		
Chicago Mil. & S.P. ..	Jan.	628,000	— 2,291,000	12	21,967,000	— 9,360,000		
Chicago, Rock I. & P. ..	Feb.	271,000	— 818,000	2	351,000	— 1,636,000		
Colorado & Southern ..	Dec.	—	— 11,000	11	5,200,000	+ 379,000		
Cuba ..	Jan.	454,000	— 246,000	7	1,500,000	+ 399,000		
Delaware & Hud. ..	"	3,600	— 720,000	12	5,686,000	— 2,124,000		
Denver & Rio Gran. ..	Feb.	341,000	— 12,000	2	756,000	— 291,000		
Erie ..	Dec.	507,000	+ 1,848,000	12	10,538,000	— 5,277,000		
Gr. Tr. Main Line ..	Feb.	241,700	— 229,140	2	1,599,700	— 1,601,550		
Grand Trunk West'n ..	"	640,150	— 627,000	2	799,300	— 1,64,500		
Detroit G. H. & M. ..	"	613,100	— 63,900	2	1,28,100	— 6,750		
Gt. Northern ..	Dec.	1,165,000	— 1,401,000	12	22,987,000	— 6,179,000		
Illinois Central ..	Feb.	1,008,000	— 238,000	2	331,000	+ 2,272,000		
Kansas City South'n ..	"	455,000	+ 59,000	2	824,000	— 10,000		
Lehigh Valley ..	Jan.	7985,000	— 1,346,000	12	9,403,000	— 2,876,000		
Louisville & Nashv'l ..	Feb.	1,462,000	— 25,000	2	2,084,000	— 1,289,000		
Minn. S.P. (Tees) ..	Dec.	6126,000	— 883,000	12	9,331,000	— 3,648,000		
Miss. K. & Sox) ..	Feb.	76,000	— 112,000	2	201,000	— 392,000		
Missouri Pacific ..	Nov.	1,690,000	+ 321,000	5	9,425,000	+ 1,920,000		
New York Cent. & H. ..	Feb.	705,000	— 243,000	2	443,000	+ 5,019,000		
N. Y. N. Haven & A. ..	Dec.	207,000	— 1,795,000	12	23,815,000	— 2,245,000		
New York Ont. & W. ..	Feb.	21,000	— 60,000	2	14,000	— 185,000		
Norfolk & Western ..	"	542,000	— 833,000	11	765,000	— 2,300,000		
Northern Pacific ..	"	862,000	— 694,000	2	1,644,000	— 2,139,000		
Pennsylvania East and West Lines ..		5,702,000	— 66,114,000	2	12,371	— 167,181		
Phil. and Reading ..	Nov.	6,416,000	— 1,939,000	11	14,877,000	— 6,626,000		
Reading ..	Feb.	131,541	+ 40,038	2	249,000	+ 80,230		
St. Louis & San F. ..	Dec.	1,225,000	— 244,000	6	9,376,000	+ 632,000		
Seaboard Air Line ..	"	673,000	— 206,000	12	8,628,000	— 24,000		
Southern ..	Feb.	1,772,000	+ 412,000	8	17,716,000	+ 1,667,000		
Southern Pacific ..	Jan.	—	— 536,000	12	59,785,000	+ 7,953,000		
Union Pacific ..	"	—	+ 72,000	12	42,942,000	+ 2,115,000		
Wabash ..	Feb.	6,166,000	— 8,000	2	482,000	— 1,784,000		

# The Investors' Review

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# The Investors' Review.

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## Passing Events.

We have been perplexed by the alleged unanimity of banks in accepting the twopenny charge on a cheque. It did not seem to us to be in their interests to put any additional barrier on the transfer of balances in their hands, and now we find a banker writing to the *Times*, criticising the proposal in a way which shows us that the opinions collected beforehand must have been weeded out to suit Government designs. The writer desires to be anonymous, but his declaration that the 2d. stamp per cheque will throw "a lot more trouble on banks" is, we think, correct. The number of cheques drawn by the small trader will certainly be reduced, leading to a larger use of notes and coin, and probably enough the banker will suffer in other ways by losing many of his small accounts, which are one great source of his credit-giving power. Why should a small trader keep an account with a banker if he cannot use cheques to make payments? And he will not use them if he has 2d. to pay on each cheque he draws. Mr. Bonar Law, says this banker, may not mind paying another 8s. 4d. for his cheque-book, but the small customer will, and the banker is unquestionably right. "Oh, but the restriction in the use of cheques will tend to check inflation," some people tell us. We rather think the Chancellor of the Exchequer himself holds that view, or patronises it. But cheque emission has nothing whatever to do with currency inflation. It never produces, nor can it maintain, inflation. Inflation comes from other sources altogether, from an abuse of public credit. The cheque is but a transitory instrument of private individual credit, and is too soon extinguished to have any force in debasing the public currency or paper money vaguely secured on the "national wealth." A swollen out note circulation inflates for one thing because it cannot be cancelled. Altogether, this 2d. stamp on bankers' cheques is a paltry measure, calculated to yield only an insignificant amount at the best, and well capable of deranging our banking habitudes to quite a formidable extent.

The above was in the printers' hands before Mr. F. C. Goodenough's letter appeared in the *Times*, and we just let it stand. Mr. Goodenough, the able manager of Barclay's Bank, confirms every word we

have said above, and also dissipates the "misapprehension" which has arisen in the minds of the public that bankers were consulted by the Chancellor of the Exchequer before he proposed to double the stamp on cheques. And he goes on to affirm, what indeed must be obvious to every reflecting mind, that the private individual will in the future "draw a larger sum from his banking account" when he draws a cheque for his ordinary cash requirements, and will "carry a larger sum in Treasury notes in his pocket" than he was formerly accustomed to do. In other words, the new cheque tax, if persevered with, will powerfully tend to inflate i.e., to debase, the currency. It will also, and we are glad to have confirmation of our view by so eminent a banker as Mr. Goodenough, have the effect of checking the multiplication of small banking accounts, and that, too, just at a time when "it is essential that the whole financial strength of the country should be placed at its service." And for what? For a paltry hundred thousand or two, which is hardly a drop in a bucket to our present expenditure.

No doubt the Postmaster-General, Mr. Illingworth, stated incontrovertible facts in the House of Commons on Monday when he justified the proposal to increase the postal rates. The war has raised the cost of everything, so that now the margin of profit on the Post Office business has almost reached vanishing point. Revenue for the current fiscal year is estimated on the present scale of charges at £45,000,000, and the expenditure at £42,500,000, "therefore," says Mr. Illingworth, "we must charge more for the work done." Well, we are not convinced of that merely because the circumstances are exceptional, springing out of the war which is increasing the cost of everything. No doubt other countries, the colonies and the United States, France also, have already put up their postal charges; but is it necessary that we should follow their example and do the same? How much of the increased cost of working the postal business is due to gratuitous services imposed upon the Department by the various measures of the Government? What quantity of matter has to be handled and transmitted for nothing? We ought to know that as well as the fact that it now takes £6 18s. 2d. to equip a postman instead of £2 17s. 2d. before the war, or that the war bonus already granted

to the staff works out at £6,000,000 a year, with the shadow of a claim for another £5,000,000 looming before us. It might be all right if we could be sure of an increased revenue to correspond, but we by no means can. The one thing we are sure of is that the revenue is likely to be less rather than more as a result of the proposed new letter charges. What has been the experience of the 50 per cent. increase in the minimum charge for a telegram? Fewer telegrams. And, depend upon it, fewer letters will be written, larger recourse will be had to the penny postcard, and all manner of expedients will be fallen back upon to reduce the weight of the necessary letter correspondence if we put the minimum letter post up to 1½d. It may be otherwise with the book and packet and sample postages, and in that direction, we think, the proposed charges are to be commended; certainly, the loss caused to the Post Office by the parcels post ought, if possible, to be got rid of. Before the war, Mr. Illingworth said, the parcel business involved the Post Office in a loss running up to as much as £1,000,000 per annum, and that ought not to be. But the letter post is another matter, and we still think that a graduated scale, more scientifically based on the weight, might have attained the desired end. Unless we are much mistaken, the utmost weight carried for a penny formerly was ½ oz.; it certainly was the minimum for foreign letters. Supposing the penny charged were again to be limited to letters under that weight, and that the scale went up step by step, as we suggested a fortnight ago—1 oz. for 1½d., 1½ ozs. for 2d., 2 ozs. for 2½d., and so on, up to ½ lb.—would not that be likely to give a larger revenue than the scale now proposed?

Certainly Australia has good reason to be proud of its efforts in this war, and not least of its financial efforts. Including this last loan which has been triumphantly subscribed to the amount of £41,000,000, the Australian public have pledged themselves to the extent of £147,000,000 in order to take their share in the Imperial obligations created by the war. As the Commonwealth has given its sons, so it has given its sovereigns without stint, and in so doing has elevated the moral standing, so to say, of the young nation in the sight of mankind. For an act of this description means a self-denial greater perhaps than even the people themselves have yet realised. To pay the mere debt they have contracted will demand a long and sustained effort on the part of a population temporarily crippled and checked in its growth by the ravages of the war. It would perhaps be a light matter were not the obligations of that population already severe. They have been put out of sight to a great extent since the war began, but are ever present and insistent just the same, and some of the States have been developing their resources by means of borrowed money to an extent which has outstripped the assets created. In the six years ended June 30 last New South Wales alone increased its public debt by £42,614,000, making the total now £138,138,000, or, as the *Australasian Insurance and Banking Record* points out, nearly 44 per cent. more than it was on June 30, 1911, when the total was £95,524,000. The purely State debt of this colony has risen from £57 9s. 9d. per head to about £74, but the colony apparently does not feel the strain at all, and is not likely to as long as it can persist in borrowing. Its rulers certainly retain a confidence in the power of wealth to produce wealth—whether men are there to utilise it or not—which borders on the sublime, gets so near that limit as to excite fears. The borrowing, however, is to go on, not merely the New South Wales borrowing, but that of other States, and it may be well to remind the public here that while New South Wales stands out of the compact made by the Commonwealth with the other States, that it should do their borrowing for local purposes, these six States and the Commonwealth together have arranged to raise money to the extent of nearly £16,000,000 this year—outside the war borrowings altogether. Victoria has modestly reduced its requirements to £1,750,000, which

its Government expects to procure locally on easy terms. But £2,275,000 will have to be provided for Queensland, £2,125,000 for South Australia, £1,350,000 for Western Australia, and £350,000 for Tasmania, while the Commonwealth itself expects to spend £2,743,000 on its public works, and may have to borrow it all. Add the £5,000,000 New South Wales is arranging to procure on its own account, and we get £15,593,000 as the debt to be created in Australia this year to meet domestic requirements. It becomes more and more difficult to gratify this passion for development through the unbridled mortgaging of a people's labour, because we have less and less money to spare, and consequently the Governments in Australia should prepare themselves to encounter disappointments. Out of a feeling of good comradeship we cannot refuse requests for help when they come along, but our own circumstances are such that the terms must be harder, and the amounts smaller. In the past two years the Commonwealth, instead of borrowing £16,390,000 for home use, as was projected for the two years 1916-17, has had to content itself with £12,000,000. It got £4,000,000 of this in June, 1916, at 5½ per cent., but the two loans issued last year, viz., £3,500,000 in April, and £4,500,000 in August, cost more than 5½ per cent. That was the nominal rate, but the April loan was issued at 98, and the August one at 98½, whereas the 5½ per cent. loan of June, 1916, was issued at par. This year we shall be surprised if our market is found disposed to provide any appreciable amount of money for local use in Australia and New Zealand at less than 6 per cent.

Purchase of the liquor trade by the State is estimated to cost between 400 and 500 millions, a fairly large bill, even in these days of big figures. The English, Scottish, and Irish Committees which have been considering the matter do not enter into questions of policy, which lie outside the scope of their inquiry, but they will have to be carefully considered before the country is saddled with such a large prospective addition to the National Debt. We should think that the Government and many future Governments will have their hands sufficiently full in taking care of the War Loans not to be anxious to undertake this additional responsibility, which is almost certain to prove disastrous from the financial point of view. If, however, purchase is decided upon the terms suggested by the committees would form a good basis of discussion, if not agreement. In the case of England and Wales the interests to be acquired are estimated to have had a pre-war value of not less than £350,000,000. The proposal with regard to breweries is that the true average commercial profit for the years 1910-14 should be ascertained, and the businesses paid for on the basis normally of 15 years' purchase, the price to be satisfied by the issue of special Government stock when the purchase is completed, and in the meantime the owners would receive the same average income as in the pre-war period. Free houses would be dealt with on the same lines as breweries, except that no normal multiplier is recommended, that point being left to agreement, or to be decided by a tribunal. We need not discuss the other details, but it must be perfectly obvious that to carry out the scheme will involve an immense amount of labour and expense, without any compensating advantage that we can see. Through licences and other taxation the State reaps a larger revenue than it could possibly hope to do as owner, and the army of inspectors that would be necessary to conduct the business as a Government department opens up an appalling prospect. Meantime, neither the temperance party on the one hand nor the licensed victuallers on the other are likely to be satisfied with the proposed terms, and if the reports are not discreetly pigeon-holed, there will be interminable wrangling, to the confusion of other more important issues.

Is not the new schedule of railway passenger regulations rather hard upon the poorer members of the community? Why should the season ticket of the clerk,

male and female, whose home is in the suburbs, be arbitrarily raised and other concessions by which the railway companies tempted the people to go into the country be either abolished or modified to their hurt? For some time an agitation of the usual screechy type has been going on in the *Daily Mail* and other Harmsworth organs against allowing what is described as "bomb-dodgers" to take refuge in the country, and apparently the Government, protected and nurtured by the Harmsworth clan, has sought to obey its masters' injunctions in this respect, with the result that the burden upon the least rich will be made heavier. This is Harmsworthian democracy in action all over. Season tickets for places twelve miles from Charing Cross will not be renewed that were taken out first at a later date than January 1, 1917, unless the traveller can show good cause, &c., &c. Seasons will not be issued for less than six months, and no refunds will be made if the holder surrenders his ticket. Why this fining of the innocent? It looks as if the new railway management had a positive spite against the traveller. Season-ticket holders who began to trust their fortunes and life to the care of the railways after January 1, 1917, will not get their tickets renewed except at a 20 per cent. increase, and within the twelve-mile radius the increase is to be a universal 10 per cent. It looks pettifogging, but it may enable the official to please the Harmsworths by a parade of vigilance against the "Alien," and what is justice to the people in comparison with that?

What truth there is in the stories about a "peace offensive" instigated by the Berlin band of assassins we do not know nor do we care much. It does not matter what plausible offers are put forward sneakily by unacknowledged agents or otherwise, so long as the men responsible for the government of the Allied countries receive them with silence and refuse absolutely to enter into any discussion while the Germans have arms in their hands. Nevertheless, it may be useful to reprint the latest proposals alleged to be German and to be put forward on German behalf by a Dutchman deputed for the purpose. The Dutchman in question is said to be a former War Minister, Colyn by name, and the instigator is, naturally, the inevitable von Kuhlmann, most plausible and notorious of deceivers. Here are the terms as given by the Central News:—

1.—Germany will renounce all claims in the west. 2.—Belgium will be restored as an independent State, fully autonomous. 3.—Alsace-Lorraine will receive full autonomy within the German Federation. 4.—The status in the east will remain as at present. 5.—Austria will make certain concessions to Italy in the Trentino. 6.—Balkan questions will be solved by an international conference. 7.—All Colonial questions affecting Africa and Asia Minor will be solved by a conference of all the belligerents. 8.—Germany will abandon all claims to Kiao-Chau, but will, in exchange, require certain economic concessions in China.

Assuming this to be an emanation from the German military authorities, it is valuable as showing the bait they think likely to capture the Allies. It shows, also, the ignorance of these authorities. They cannot comprehend the attitude of the Allies towards their crimes. Belgium is to be "restored," but with no hint of compensation; Alsace-Lorraine to be offered "autonomy within the German Empire"; and Austria is made to hold out a vague hope to Italy in the Trentino; while the Balkan problem is to be handed over to an "international conference," and Colonial questions affecting Africa and Asia Minor are to be settled by "a conference of the belligerents." Germany, too, is declared ready to abandon all claims to Kiao-Chau, but demands in exchange "economic concessions in China." All this, indeed, marks a stage in Prussian education, but it is only a first stage. The arrogant despots will have to try again before they can be listened to; and, first of all, they must lay down their arms and sneak away home. For the sake of the future of mankind that preliminary is essential. To the Germans themselves it is essential as much as to the world, for only in this way, seemingly, will it be possible to teach them what the militarism they have been brought up to worship and serve really is.

An organisation called the Industrial Union of Saxony, which is said to be one of the largest of its kind in Germany, has been ruminating on things a little, and has issued a manifesto to tell the German public some of the conclusions it has arrived at. Amongst these is the information that the war has added 14,800 millions of marks to the peace expenditure of 4,800 million marks. That is to say, instead of an expenditure of £240,000,000 per annum, Germany is now faced with an expenditure of £980,000,000 per annum, and this is not at all an agreeable fact, for the Saxon story goes on to point out that a load so heavy would absorb about 60 per cent. of the whole income of the nation, and capitalised at 5 per cent., it would mean a debt of 392,000 million marks, or £19,600,000,000, assuming the mark to be still worth a shilling, which is in the circumstances a derisory assumption. For it is more than "the entire national wealth of Germany before the war," and it is declared that such a burden "would completely paralyse production and all spirit of enterprise, and bring complete ruin to the country's economic life." A contrast is also made between the condition of Germany and that of other countries with their Colonial possessions and rich national resources and valuable raw materials—a contrast much to Germany's disadvantage. The inference drawn from this melancholy tale is that Germany must have "indemnities," must steal, if the country is to be saved from destruction. We quite appreciate the point of view and the argument, but the trouble is that indemnities cannot be obtained. The Germans are giving us an excellent object-lesson of how to fail of the object aimed at in Russia, where their emissaries and troops go pig-rooting and rampaging over the country, "conquering" this city and seizing that other asset, but can get no indemnity, not even grain enough to feed the hungry mouths at home. Is there any more likelihood that Germany will extract an indemnity from her other great opponents in the West—France, Italy, Great Britain, and the United States? None that we can see, but the Germans evidently still have hopes, and are as yet too uneducated in plain economic facts to be able to understand that by continuing to resist their fate the Prus-

A1



## 1.—THE BUS QUEUE RULE

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sian tyrants who are driving the German race to its ruin are every day rendering the condition of the people they tyrannise over more hopeless and at the same time every day increasing the impossibility of obtaining any plunder whatever.

Rumania has, under coercion, signed away her liberties to Prussia, and her people deserve the utmost sympathy and help of the Allies. We hope it will not be long now until the events in the West again open a prospect of freedom to the betrayed nation. For Rumania has done well and been loyal to the Allies, fighting for liberty with a noble abandon, and must not be forsaken when the time comes to rearrange national boundaries after the Prussian has been beaten to the earth. The Rumanians will get their country back again with its borders enlarged. Meanwhile, as the *Times* correspondent lately in that country says, the fate of Rumania is really more tragic than that of other invaded countries, which, although suffering immensely, are still fighting hand in hand with the rest of the Allies. But Rumania had no choice. She had to submit because of Russia's failure, and her participation in the struggle has reduced the country to such a primitive condition that, as the same correspondent says, "the dearest ideals of the extreme Socialist had been partially reached." Money had totally lost its value, and "the richest capitalist was, in some respects, as poor as the poorest working man." Goods, after having reached the extreme limit of high prices, could no longer be bought for money, so barter came into operation. Ten eggs were exchanged for a box of matches, or for 2 ozs. of sugar. A chicken cost 2 lbs. of sugar, and for a duck one could get a gallon of petrol. Everybody began to create currency, one may say, and those who had a small yard began rearing poultry. The Belgian Legation had beaten the record, having been able to raise about 150 chickens and turkeys, and the British Legation came second. Before Rumania joined the Allies in war she had absolute economic freedom, and could sell her harvests wherever she pleased. In 1915 and 1916 the Rumanian exporters sold wheat to Germany and Austria at from 10s. to 12s. a bushel, and the Austro-German importers had to pay besides a heavy export tax in gold to the Government. By the treaty now ratified Germany has secured for herself and her Allies practically the whole Rumanian harvest for years to come, at a price which she is going to fix, and in such conditions that "no diplomatic intervention should be necessary in the future for securing the grain necessary for the Allied Central Powers." Rumania has also lost control of her rich oilfields, which were in American, German, and British hands, but all under Rumanian Government control. When the Germans came all the oil industry was destroyed so effectually that, although German engineers have been working hard since then, boring new wells, only some 10 to 15 per cent. of the normal production has been attained. But the Germans have taken care under the treaty of peace that they should have the control and monopoly of the oilfields, not even 50 per cent. of which have ever yet been worked, for a period of 99 years. This will make them entirely independent of the American market. When Rumania began the war her Budget was about £20,000,000 a year, and her national debt some £60,000,000. The debt is now about £250,000,000, the interest on which alone will be about £12,500,000. What the revenue will be no one can yet say, but the debt alone will absorb more than three-quarters of her entire income in pre-war days. Is not this treaty one whose hard terms, imposed upon a country so exhausted, will, by their very severity, defeat the German greed?

Lord Beaverbrook, in the debate on Lord Denbigh's motion last Wednesday, told the House of Lords that before the war 8,000 tons of news print per week was supplied to the reading public. Now, owing to shipping difficulties, the supply has fallen to 2,000 tons of such print a week. Consequently, there is no clean paper available with which to intensify our anti-peace propa-

ganda. That is the purport of his information, and it induces us to ask why has not Lord Beaverbrook's department, or some other, had the capacity to organise a systematic collection of waste paper? Sundry unco-ordinated agencies devote themselves to this occupation now, to their own great profit, no doubt, but, so far as our experience goes, the result is neither satisfactory nor encouraging to the general public to prevent waste, there being no sufficient inducement to take the trouble to do otherwise. It should be a matter of comparative ease to arrange to do things in a better style. Failing the Government, would it not be possible for local newsagents, say, to organise collecting depots? The amount of used paper now wasted is enormous.

It would be quite easy to find sufficient reasons for the fact that tramway undertakings in the Metropolitan area do not seem to pay, but nothing would be gained by raking over the dead bones of almost forgotten controversies. For years past the London County Council has done its best to crab the development of the magnificent system which it controls, where an enlightened policy would have proved not only a boon to the travelling public, but a source of substantial profit to the rate-payers. It is now proposing to raise fares to meet the increase in working expenses and an alleged deficit which does not really exist except as a sop to the incurable prejudices of the "Moderate" party. What ought to be done is to suspend or curtail temporarily the excessive amount set aside for sinking and depreciation funds, but that would upset one of the chief planks in the Moderate platform, and the public must suffer until they elect representatives of a less narrow-minded character. Next to the County Council's the largest system is that of the Metropolitan Electric Tramways, Ltd., which last year had a gross revenue of £594,000, an increase of £35,000, but expenses, including a provision of £22,700 for future reconstruction and renewals, and £44,800 for interest, amounted to £572,950, leaving a balance of only £22,910. Out of this £9,870 is carried to reserve, mainly for the redemption of debenture stocks, the preference dividend is cut down from 5 per cent. to 2 per cent., and the balance forward is increased by £1,300 to £3,000. Fares were raised during the year, but the higher scale did not become fully operative till October, so that better results may be anticipated in the current year. Traffic statistics are not now furnished, but in 1916 the company ran 10,682,000 car miles and carried 105 million passengers at an average fare of 1.16d. London United Tramways, Ltd., obtained £354,590 in gross receipts, an increase of £18,140, but including £13,000 more at £90,300 for maintenance and £71,600 for interest, outgoings amounted to £363,500, and the year closed with a deficiency of £9,000, which raises the debit balance to £11,600. No details of traffic are given, but the company is seeking powers to increase fares beyond the limits fixed by its previous Acts. The history of the company has been a painful one, but the unfortunate holders of £2,250,000 share capital deserve some sympathy, and the position even of the £1,750,000 debentures is by no means secure. The South Metropolitan Electric Tramways and Lighting Co., Ltd., is a much smaller venture, but more successful. Gross receipts amounted to £86,140, an increase of £17,300, and the nett revenue was £40,220, an increase of £10,200. After setting aside £2,000 more at £6,000 to renewals fund and again placing £4,000 to reserve the preference shares receive their full dividend of 6 per cent. for 1916 and 3 per cent. on account of 1917, as against 5 per cent. for 1915. Electricity supply produced £21,230, an increase of £3,800, and traction brought in £64,170, an increase of £13,300. It is satisfactory to see the company making progress, and the £180,000 of ordinary share capital ought to be coming within sight of a dividend. Anyhow, the record compares favourably with that of its more ambitious neighbours.

In the year to March 31 the British Cotton and Wool Dyers' Association, Ltd., did not do quite so

well as in the previous twelve months, no doubt owing to shortage in the supply of materials and other trade difficulties. After deducting £8,500 more for repairs and renewals and providing for excess profits duty and other contingencies, the profits were £35,000 smaller at £156,940. As usual, £25,000 is placed to depreciation fund (which now stands at £235,000), and the nett profit of £87,500 is also £35,000 down. On this occasion, therefore, the dividend of 10 per cent. is repeated, without the addition of a 5 per cent. bonus, as paid last year, and after again placing £50,000 to reserve, raising it to £200,000, the carry-forward is a little smaller at £45,900. The company is in a strong financial position, liquid assets amounting to £671,000, against floating liabilities amounting to £208,000.

Accounts presented by the Trust and Agency Co. of Australasia, Ltd., are now given in a somewhat different, but on the whole better, form. Revenue last year at £127,800 showed an increase of £8,400, following a gain of £7,000 in 1916, but the directors are content to leave the dividend unchanged at 7½ per cent. (tax free), and to increase the carry forward from £9,700 to £25,200. The reserve fund remains at £200,000, and the company's financial position is as strong as could be desired. Loans on mortgages have been reduced by £83,000 to £1,595,000, but securities are up £21,000 at £282,000, and cash has increased £45,000 to £96,400. We regret to note the death of Mr. James Hora, the founder of the company in 1860. How time flies!

"Everybody's doing it," and so the directors of Bryant and May, Ltd., are asking for powers to capitalise the whole or part of the reserves and undivided profits with a view to their distribution in the shape of fully-paid shares. When the company came under the domination of the Diamond Match Co. some years ago quite a cupful of water was pumped into the capital, and now the process is to be carried a step farther—a prudent move, doubtless, in these days of match famine and huge profits, but we hope the poor match-box makers are getting a bit out of them. For the year to March 31 gross profits showed a decrease of £72,000 at £343,400, but for a wonder expenses were £25,000 less, and only £1,100, against £11,000, was contributed to the Brymay pension fund, while nothing, as against £30,000, has to be allowed for depreciation of investments. Consequently the regular 14 per cent. is paid on the preference (the old ordinary) shares, and 12 per cent., tax free, on the new ordinary after writing £25,000 off plant, goodwill, &c., and the balance forward is reduced by £13,000 to £14,240. The business is nominally controlled by the Tobacco and Matches Control Board, but we have never been able to discover anyone who was a lucifer to the good for it.

When allowance is made for the fact that excess duty has now to be allowed for at the rate of 80 per cent. against 60, the results of Bell's Asbestos Co., Ltd., for last year are better than they appear on the surface. Nett profits amounted to £40,300, a decrease of £4,500, but by reducing the allocation to reserve from £20,000 to £15,000, it is possible to repeat the dividend and bonus of 15 per cent., and to carry forward a rather larger balance at £8,980. It should be noted, however, that £17,300 has been written off investments to bring them down to market value as at December 31. Last year they figured at £70,620, and the list is the same this time, with the addition of £5,000 of 5 per cent. War Loan stock, but the total valuation is reduced to £60,100. Nothing else in the balance-sheet calls for remark, the changes being comparatively trifling, but the report mentions that operations at the factory have been interrupted through the shortage of labour and the difficulties of obtaining supplies of raw material from overseas. Of course, the company is a "controlled" establishment, and its private business is, practically speaking, in abeyance for the time being, but new lines are being developed which will prove most profitable in the future.

Conditions were not very propitious for the San Paulo (Brazilian) Railway Co., Ltd., last year, but thanks to an improvement in the exchange net results were better than would have been the case otherwise. On the main line gross receipts amounted to Rs. 29,686,000, a decrease of Rs. 32,800, but the equivalent in sterling was £1,617,700, an increase of £120,000, the average rate of exchange being 13.078d. against 12.085d. Expenses amounted to £1,115,700, an increase of £130,000, and the ratio to receipts rose from 65.78 per cent. to 68.96. Nett revenue came out at £502,000, a decrease of £10,300, and on the Bragantina branch the nett receipts were £6,500, a decrease of £6,200, but this was offset by an equivalent increase in interest which amounted to £54,600. The amount brought in was £87,000 less at £198,100, but a year ago £84,100 had to be set aside for depreciation of investments, and no similar appropriation has to be made on this occasion. Consequently it is possible to repeat the dividend of 10 per cent. on the ordinary stock, and to carry forward £20,000 less at £178,600. Passengers increased 41,000, and the goods traffic rose 153,800 tons, but for the current year the coffee crop is estimated at only 9,500,000 bags (570,000 tons), against 12,000,000 bags (720,000 tons) last year. The amount actually carried in 1917 was 692,700 tons, a decrease of 11,200 tons, but there was a substantial improvement in the traffic in building materials. No doubt owing to the difficulty of obtaining necessary supplies maintenance of way was cut down £22,000, but locomotive power cost £110,000 more, carriage and wagon repairs £21,000 more, and traffic expenses £34,000 more, but, on the whole, the company has come through

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a trying period better than might have been expected. This year's short coffee crop, however, will inevitably reduce receipts, but compensation may again be obtained from the rate of exchange.

Important amendments have been made to the Transvaal Mining Leases Bill by the Select Committee of the Union Parliament. The minimum scale of royalties to be offered in applications for leases of ground adjoining a selected mynpacht has been substantially reduced, and in the case of profit ratios below 25 per cent. of the gold recovery the new minimum is about one-half of the original amount fixed. At a 25 per cent. ratio of profit to recovery, the Union Government will get 19 per cent. of the profits; at a 30 per cent ratio, 26 per cent.; at a 40 per cent. ratio, 38 per cent.; and at a 50 per cent. ratio, 45 per cent. of the profits go to the Government. Another important provision is that a leaseholder, in marking out his mynpacht, will be restricted to one area instead of two, as allowed under the existing Gold Law. A clause has also been added to the Bill, with the laudable, but, we are afraid, impracticable, object of preventing directors, controllers, and employees of mines from using information in the share market prior to its disclosure to the public. Shareholders suffering from this practice are to be entitled to sue the offenders for the recovery of any pecuniary loss they may incur thereby. The Bill passed its third reading on Saturday last. When it becomes an Act, it will represent the most important piece of legislation affecting the gold-mining industry which has been enacted for many years past. It is expected greatly to stimulate the exploitation of the virgin areas on the Far Eastern Rand, which has hitherto been held up owing to the fact that existing areas are too small to be economically worked.

The output of the Globe and Phoenix Gold Mining Co. in 1917 was £403,371, against £415,425 in 1916, which brings the aggregate production up to £5,324,513 since the mine was first discovered. The nett profit, after bringing in £4,767, and including £54,500 brought from the reserve, amounts to £288,013. For 1916 the nett profit was £164,767, which included £6,062 brought in, but in striking this figure £53,471 was written off on account of litigation expenses. A final dividend of 1s. 4d. per share, less tax, is proposed, making a total of 6s. 8d. per share for the year, without taking into account the distribution out of reserve of 1s. 6d. per share made on May 15 last. This dividend compares with 4s for 1916. The increase in the revenue is due to the inclusion of £70,159 received in costs from the Amalgamated Properties of Rhodesia, and also to the fact that only £8,783 was spent in connection with the litigation, as against £53,471 last year. Working costs, of course, were on a higher scale. The ore reserves have been increased from 173,981 tons to 184,053 tons, the value being £39,453 higher at £1,119,111. A recent discovery on the property recalls the experience of the Mount Morgan Mine, which, after having produced an enormous amount of gold, has become one of the principal copper mines. The Globe and Phoenix has discovered some copper-bearing areas in the immediate vicinity of its mine, and development work has given such encouraging results that it is intended to continue the exploitation of the areas.

In another column we give the Admiralty figures and the tonnage of merchant vessels completed in home yards, and also the tonnage built in Allied and neutral yards during the first quarter of the current year. The figures give the gross tonnage, which is the British method of reckoning; but it is pointed out in the official statement that the United States and some other countries give dead weight tons, a much higher figure, which should be remembered in making comparisons. It will be seen that for the first quarter our figures are disappointing—only 432,000 tons in four months, or 175,000 tons short of their proportion of the promised output of 1,800,000 in the year—but the explanation is offered that a great deal of the resources in the yards has been devoted to repairs of already existing vessels, and we are promised that the next display will be very much better. Do the ships completely repaired add to the available tonnage?

## Advertising "Stunts" and the Nation's Financial Necessities.

More and more disappointing grow the sales of National War Bonds. Of the Bank of England series the sales last week were only £9,114,196, or £5,193,000 less than in the preceding week. There were, in fact, only 8,716 applicants, a decrease of 1,230. The total number of applicants to date is now only brought up to 571,073, and the amount applied for to £679,255,366. And the total expenditure on supply alone up to last Saturday, the first five weeks of the fiscal year, was £244,229,000, and the total receipts from National War Bonds of both denominations £79,000,000. Up to the end of the previous week—that is to say, to Saturday, April 27—the sales of the Post Office series of National War Bonds had only produced £27,688,380 from the beginning all told. The applications for the week then ended numbered only 21,183, or 14,217 less than the previous week, and the amount applied for was nearly halved at £510,980, or a decrease of £417,470. A further decline also took place in the sales of War Savings certificates, which for the same week ended April 27 numbered only 2,704,148, raising the aggregate sold to that date to 189,069,504. In money, these certificates contributed to the expenditure of the week slightly less than £2,100,000, and the total receipts thus far have been only £146,529,000.

This must be considered a depressing exhibit viewed in the light of our tremendous necessities, and every week the condition of the Treasury becomes more unsatisfactory. It is in a dependent-on-chances position. The Government refuses to entertain the idea of creating and putting up for sale successive series of premium or bonus bonds, arranged with actuarial precision and perfectly equitable, but it does not think it beneath its dignity or derogatory to the honour of the nation to fill the papers day by day and week by week with advertisements modelled upon the style which was popularised here by Messrs. Hooper and Jackson, those clever Yankee gentlemen who foisted upon the British public many tons of a stale edition of the "Encyclopædia Britannica."

We have one of these advertisements before us at this moment, and the large letters are deftly arranged to catch the eye:—"Three Years Ago To-day." "Remember and Act." "Buy National War Bonds." These are the prominent lines, but around their eye-hitting letters we get a picture of the German *Lusitania* medal, showing a ship going down in the waves, cliché reductions of a Cunard advertisement of the *Lusitania* date of sailing and the warning to passengers issued by the German Embassy in Washington. Accompanying these side-shows, in larger type and in language meant to move the reader, recalling the horrors of the crime by which nearly 1,400 innocent lives were lost, is choice advertisement compiler's eloquence frothed up to enforce the duty of subscribing for National War Bonds. "Try not to let a day pass without saving something—even if it only be a few shillings," the scribe counsels, and the advice is excellent, provided the money is put into War Bonds. "Do not wait, the money is needed now," the summons is, and it is explained that "your interest and capital are guaranteed by the State." You get 5 per cent. interest each year, and after five, seven, or ten years, as you please, "your money will be repaid with a premium." Beautifully put, and seemingly as inane for the purpose aimed at as an abstract discourse on the moral excellence of thrift by a German professor. These be the methods of the "stuntist," the manufacturer of "scoops," "sensations," "greatest sales," and the British Government is—what is it not?

The result, as any man of sense could have foretold, is a steady decline in the sales and in the money provided thereby. People grow weary and disgusted with the provender of falsetto sentiment and churned-up patriotism. Obviously some other device than the patent method of Hooper and Jackson will have to be lighted upon if the Government is not to land the

finances of the country in a mess which might easily become inextricable by any device assuming solvency.

Look at last week. In the matter of revenue it was by way of being a good week, for the income from taxation was £15,015,000, because a lapful of no less than £9,148,000 was received from excess profits tax, or nearly double the receipts of the preceding week. But the whole £15,000,000 was but a fragment of the Treasury requirements for the week. Supply services alone took £54,224,000, or £7,746,000 a day, and the total outgoings on supply, war debt interest, and miscellaneous was £55,178,000, or nearly £8,000,000 a day. As at the same time £82,870,000 due on supply Treasury bills fell to be repaid, as well as other minor items of account, such as £2,889,000 of War Loan and Exchequer bonds and £3,147,000 of due temporary advances, the total outgoings of the week under all heads rose to £144,237,000.

The Treasury, however, in spite of £12,596,000 obtained from National War Bond sales, and £9,717,000 received from "other" debt sources, as well as £1,000,000 from National War Savings Certificates and £795,000 representing 3 per cent. Exchequer bonds issued against the Russian Treasury bills, liability for which was taken over by our Government, had to issue for supply Treasury bills to the amount of £87,287,000, and £15,000,000 was borrowed from the Bank on Ways and Means account. Even so, the available credit was short by £2,707,000. By that sum, therefore, the Exchequer balances were reduced, and are now down to £14,853,000. A year ago their total was £23,153,000.

Is the Treasury going to wait until there is no balance at all visible on its current account? The Treasury bills floating liability continues to mount, so that the total swimming on the market is now £958,135,000, or £4,412,000 more than in the previous week, and, apart from the hazards surrounding it, this huge floating debt involves a heavy expenditure to keep it circulating. Since this fiscal year began £421,366,000 of Treasury bills has been issued and discounted, and £436,078,000 of bills due has been cancelled and repaid. This shows a reduction of less than £15,000,000, for all the National War Bond "stunting" and "booming." Moreover, and worst of all, since the current fiscal year began about £84,500,000 has been added to the "Ways and Means" floating debt, the most treacherous and incommensurate of all forms of debt. How long can the market, loyally eager as it is to do everything to help in financing the war, carry all this mass of formless debt without flinching? What hope is there that the Government could issue another large funding loan now? It is about time amateurs and dilettantes gave way to men who know, and who have the courage to act without regard to hypocrites—for we have to finish this war successfully at all costs.

## By-the-Way War Notes.

Another week has passed without any great sensation in the way of large attacks by the besieged Germans upon the Allied lines in the West. It has not been an idle week by any means, nor a week devoid of wholesale murder, as our casualty lists only too significantly testify, but except for the attempt made in the middle of the week to get behind Ypres from the south, and force us to evacuate that dangerous salient, there has been no tremendous fighting on a large scale. In Palestine, however, General Allenby has been compelled to withdraw most of his troops from the Moabite side of the Jordan, German reinforcements having joined the Turks. On the other hand, General Marshall continues to worm his way north-westward from Bagdad, and is now within 80 miles of Mosul. Thus the chequered fortunes of war continue to play now for, now against the Allies in this or that section of the field. The sum of it all, however, is that we are surely winning. By patience, by dogged perseverance in continually harassing the enemy, by destroying his artillery, by blowing up his ammunition dumps, wrecking his train and stations, damaging his lines of communication wherever we can, we are bringing him to impotence. We mean to hold out the longest, and will do so without a doubt unless betrayed from within.

Let us never forget what is at stake—a world's freedom. We read of great artillery activity at this point and the other on the front, and if we give any thought at all to it, we think of it as a firework display. It is far more; it is the expenditure of energy which wins the war. This is a scientific war, and there is a definite purpose behind every shot fired. That is

true of both sides, and explains the tenacity and effectiveness of the German resistance. But our artillery now more and more has the mastery. In the air we are supreme, and now only wait for the fine weather to make that supremacy patent to all.

In the absence, however, of the sensations produced by great masses in assault, with abundant slaughter, such as the public mind thinks it understands the meaning of, attention has been given rather by the observant to the state of affairs within the doomed empires. It becomes every day more evident that their population is approaching a crisis in their existence—a crisis of want—such as probably the world has never before witnessed. Famine is eating out the heart of the peoples of Austria and Hungary at this hour, and it is knocking at the door of every household within the Hohenzollern Empire as well. Of that there can be no doubt whatever, and if the hand of the Prussian brute was taken off the German Press, we should soon have enough evidence to satisfy us that the victory of the Allies is already indeed great, so great that merely by sitting still and holding on we are now certain to destroy the tyrannous impostors, both Habsburg and Hohenzollern. Where are the people of these countries to get food? Their manhood has been eaten up in war, so that their lands cannot be tilled as usual, nor have they been fertilised, so as to keep the usual fertility. Consequently the crops each year diminish, and this year will in all probability be worse than ever. That this consummation is dreaded the terms of the Rumanian peace treaty proves, its most accentuated note being the provision, securing for Germany and her allies all the Rumanian grain crops for the next two years. Russia is being scoured for corn, which is not forthcoming. A certain quantity, not enough to relieve the Germans' hunger for long, might have been secured by blandishments, by cajolery, but the Prussian-trained German serf does not understand smooth ways. He uses the bayonet and shooting-iron instead of kindly speech, and tries to extract by threats and terrorising crimes the grain the peasants refuse to part with. Naturally, therefore, the supply is not nearly sufficient, and without Russian corn the bulk of the population of Germany stands confronted with the probability of absolute want this summer.

Already the punishment for their crimes has begun. The more they wander hither and thither on the earth, the greater becomes the desolation. Shells and poison gas are not good fertilisers, never will be. Out of this devil-prompted conflict which the Germans have brought upon the world will arise an agony of want throughout the world, and especially within the criminal empires, which may sweep away half the population.

Austria has other difficulties besides those originating in the hunger of the people. Hunger has stimulated and extended race cleavages, and Emperor Charles now finds himself surrounded by a seething crowd of malcontents composed of nationalities that have become conscious of the opportunity the empire's troubles are giving them to secure their freedom. In vain does the Austrian Prime Minister send the Reichsrat about its business, and equally in vain does the Administration re-parcel out the provinces of the empire in order to try and still the clamours. To all appearance, the Austrian Empire will founder amid dismemberment, and dismemberment is being speeded up by the very efforts made to re-arrange and patch up a semblance of unity.

Will not that also be gain for the world's peace, a proof that our victory, long postponed though it seems to be, is much more far-reaching in its consequences than it looks to be on the surface. As we fight on, a new foundation is being laid on which the civilisation of the world may rear a nobler structure of liberty than any palace of the tyrant or shrine of the simulated-devout ever has been or ever could be.

We miss the weekly return of ships sunk, and think it ought to be resumed. It is quite right that we should have information as to the tonnage lost every month, but if the nation is to be kept awake to its danger and in touch with the progress of the war, then the weekly return of ships lost by submarine ought to be resumed and improved.

## COMPANY RESULTS IN BRIEF.

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re-serves.	Divi-dend.	Carried Forward.
	£	£	£	%	£
American Trust ....(Jan.)	19,610	15,670	12,000	4	6,660
Do. ....Prev.	16,370	16,370	12,000	4	5,470
Augusta Tea Estates (Dec.)	770	60	—	—	410
Do. ....Prev.	940	280	—	—	600
Brampton Brewery (Mar.)	—	51,510	105,000	20	58,200
Do. ....Prev.	—	34,420	105,000	15	34,770
Brandon's Putney Brewery (Dec.)	40,920	21,080	50,000	10	38,160
Do. ....Prev.	60,950	33,440	50,000	7½	29,320
Montevideo Gas....(Dec.)	169,740	19,160	32,000	3	17,670
Do. ....Prev.	171,260	26,670	32,000	3	14,690
North of Scotland Elec. Light and Power (Dec.)	6,640	6,200	4,000	3	1,700
Do. ....Prev.	7,550	6,670	3,000	3	2,170
Pacific Loan and Investment ....(Dec.)	78,400	33,400	130,000	9	14,540
Do. ....Prev.	78,600	36,570	125,000	9	15,430
Star Paper Mill....(½ April)	413,230	18,490	40,000	15	35,950
Do. ....Prev.	260,390	15,810	20,000	10	38,440

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## The Investors' Review.

### Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from  $5\frac{1}{2}$  per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Early in the week money was abundant enough to bring the day-to-day rate down to 2 per cent. sometimes, after one o'clock. The usual quotation was  $2\frac{1}{2}$  to 3 per cent. Towards the end of the week, however, the supplies of credit seemed to become less oppressive, and, in market colloquialism, money was more usable. Discount rates have remained the same throughout with scarcely a shade of fluctuation, but June Treasury bills were in good request generally speaking at  $3\frac{3}{4}$  per cent., and commercial bills have been in request at a shade under  $3\frac{1}{2}$  per cent. Seven-day money was throughout  $3\frac{1}{4}$  per cent.

The Bank return showed a large decrease of £9,522,000 in other deposits. This was due principally to a decrease of £5,452,000 in the other securities, and to £3,200,000 added to the public deposits. The reserve is down £239,000 owing to an increase of £244,000 in the note circulation, and a decline of about £5,000 in coin and bullion, but as the liabilities are much more heavily down, the proportion is actually  $\frac{1}{2}$  per cent. higher at  $18\frac{1}{4}$  per cent.

Owing to the early hour at which we have to go to press, we missed last week the important news that Sir Gordon Nairne, Bart., who has been chief cashier at the Bank of England since 1902, has been raised to the position of "Comptroller" of the Bank. That is to say, this able and eminently judicious banker has now become general manager of the Bank of England. That fact deserves emphasis, because it represents a turning-point or landmark in the history of the Bank. For more than 200 years the constitution of its court and the subdivision of its executive functions have been fixed, so that the real power, the only initiative, has always rested in the hands of the Governor. This has involved frequent changes in policy and an absence of continuity of touch with the Money market which, although well kept in check by traditions and routine, became more emphasised in its inconveniences the larger the outside market grew. A Governor stepped into the chair for two years after having served his apprenticeship as Deputy-Governor for a like period, and once his two years were ended he fell back into the body of the Bank court of directors. While he was in the chair he was a despot, and the wonder is that

friction did not arise more frequently between the market and the Bank Governor than it has done. For long it has been felt that a change should be made in the direction of providing for a continuous management, and, as we intimated months ago, it was decided that it should take place now. It is officially announced to-day that Mr. Ernest Harvey, C.B.E., who has been deputy-cashier ever since Sir Gordon Nairne was appointed chief in 1902, is to be the new chief cashier, and will be succeeded as deputy by Mr. C. Tasker Paice, who has been deputy-principal in the discount office of the Bank, and Mr. Mohan has been appointed assistant deputy-cashier. Various sub-divisions of the Bank's service are thus apparently to be maintained for the present, but under a general manager whose presence will give coherence and continuity to the policy of the Bank. His Comptrollership will doubtless embrace the branches of the Bank, heretofore in the exclusive control of the directors.

The United Kingdom now owes £759,000,000 to the United States, a further loan of £15,000,000 having been granted to us this week.

The raising of the rate of income-tax has rendered War Savings certificates more attractive still as an investment. These certificates are exempt from taxation, and the return works out at £5 16s. 1d. per cent. in simple interest and £5 4s. 7d. per cent. in compound interest, nett, of course, in both cases. In order to obtain in simple interest a nett return of £5 16s. 1d. per cent. from any security which is subject to tax, it would have to yield a gross return of £8 5s. 11d. in the case of a person subject to the maximum rate of 6s. in the pound. At different rates of tax, which vary according to the income of the holder, the gross return would have to be as follows:—Tax 5s. 3d., gross yield £7 17s. 5d.; tax 4s. 6d., gross yield £7 9s. 10d.; tax 3s. 9d., gross yield £7 2s. 11d.; tax 3s., gross yield £6 16s. 7d.; tax 2s. 3d., gross yield £6 10s. 10d. per cent. These figures show that War Savings certificates, which can be cashed at their full current value at any time, are the war investment *par excellence*.

The principal neutral exchanges have moved against this country during the past week, the most important of these movements being a fall of 30 points to 16.90 in the rate for Spanish pesetas, and of 29 points to 19.71½ in the rate for Swiss francs. Dutch florins are also dearer, the pound sterling purchasing 9.72½ florins, or one-tenth of a florin less than last week. Stockholm has moved against us slightly, being quoted at 14.02½ kr. to the pound, but Christiania at 15.17½ and Copenhagen at 15.22½ kr. are 8 to 10 points higher. The Chilean peso has risen 19.32 to 16½d., but Montevideo has eased slightly to 65d. for telegraphic transfers, on the news that the Uruguayan Congress has approved the grant of a credit to the British Government. This credit is for \$15,000,000, bears 5 per cent. interest, and is redeemable in gold in two years. The loan will be secured by Uruguayan bonds as collateral, and the proceeds will be used to pay for Uruguayan produce. The Montreal exchange has fallen 2½c. to \$4.81½, the premium on New York funds having declined.

Although it was announced last autumn that the Government of the State of Bahia would shortly resume the payment of interest in cash on the external loans of 1888, 1904, 1910 and 1913, and also the sinking fund contributions, no payments have in fact been made up to the present. For the past three years the coupons on the 1904 and 1913 loans, which were floated in London, have been paid in 5 per cent. funding bonds, but no payments have been made in respect of the coupon due January 1 last on the 1913 loan, or of that due May 1 on the 1904 issue. The reason that this default has occurred is that the Government of Bahia has failed to remit the necessary funds, as it had foreshadowed it would do, and negotiations are now proceeding for securing a resumption of payments of one-half in cash and the balance in Treasury bills. An official statement is likely to be issued shortly.

#### SILVER.

Silver has remained all week at 49½d. per oz., and there has been only a small business offering. It is reported that the United States Government has decided to allow legitimate buyers of the metal to get it for export on the dollar basis price for the present, says Mocatta's circular. From Montagu's circular we learn that 25,000,000 ounces of the silver to be melted down in America are being shipped to India, and according to the Indian currency returns the reserve in silver coin and bullion has risen there to 1,372 lacs. The note circulation at the same time is 10,506 lacs. Gold coin and bullion has fallen to 2,260 lacs. It is officially reported that the silver output of Canada for last year was 22,151,000 ozs. compared with 25,460,000 ozs. in 1916, and with the "record" total of 32,869,000 ozs. in 1910. The stock of silver in Shanghai on the 4th inst. was about 31,700,000 ozs. in sycee and \$15,200,000. This is a decline of 900,000 ozs., but an increase of \$500,000 compared with the figure of April 27.

Applications for the Rs. 60,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,19,55,000. Of these Rs. 59,59,000 were allotted in deferred transfers, and Rs. 41,000 in immediate transfers. Tenders for bills and deferred transfers at 1s. 5 29-32d., and for immediate transfers at 1s. 6d., received about 27 per cent.

Mr. Peter Forrester, managing director of the Union Bank of Manchester, Ltd., has been unanimously elected president of the Manchester and District Bankers' Institute, in succession to the Right Honourable Lord Colwyn.

## BANK OF ENGLAND

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, May 8, 1918.

## ISSUE DEPARTMENT.

Notes Issued	£	Government Debt ..	£
79,200,665		11,151,100	
		Other Securities ..	7,121,000
		Gold Coin and Bullion ..	60,750,665
		Silver Bullion ..	—
£79,200,665		£79,200,665	

## BANKING DEPARTMENT.

Proprietors Capital	£	Government Securities ..	£
14,553,000		55,871,732	
Rest ..	3,147,637	Other Securities ..	97,410,123
Public Deposits (including		Notes ..	29,117,85
Exchequer, Savings		Gold and Silver Coin ..	614,838
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	37,573,152		
Other Deposits ..	128,129,817		
Seven Day and other Bills	18,772		
£183,414,378		£183,414,378	

Dated May 9, 1918.

E. M. HARVEY, Chief Cashier.

## BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year, May 9.	May 1, 1918.	May 8, 1918.	Increase.	Decrease
£	£	£	£	£
3,135,107	3,104,816	3,147,637	42,821	—
54,172,724	34,372,853	37,573,152	3,200,299	—
119,375,972	137,652,195	128,129,817	—	9,523,378
37,907	11,079	10,772	—	307
45,049,405	Gov. Securities	55,871,732	588,000	—
111,479,848	Other do.	97,410,123	5,452,331	—
34,745,456	Total Reserve	30,132,523	239,244	—
			9,522,685	9,522,685
			Increase	Decrease.
£	£	£	£	£
38,724,155	Note Circulation	49,439,220	49,682,900	243,760
55,019,611	Coin and Bullion	61,309,987	61,365,503	4,516
20 p.c.	Proportion ..	17.7 p.c.	18.2 p.c.	5 p.c.
5 "	Bank Rate	5 "	5 "	5 "

## LONDON BANKERS' CLEARING.

Date.	1918.	1917.	Increase.	Decrease.
£	£	£	£	£
January	2,073,224,000	1,865,124,000	208,099,000	—
February	1,605,640,000	1,779,524,000	—	173,870,000
March	1,784,836,000	1,492,825,000	292,011,000	—
April	324,156,000	309,347,000	—	65,191,000
" 3	401,370,000	253,111,000	148,196,000	—
" 10	348,580,000	396,313,000	—	37,731,000
" 17	362,263,000	365,133,000	—	2,850,000
" 25	374,740,000	364,965,000	13,785,000	—
May	384,904,000	416,840,000	—	21,936,000
" 1				
Total ..	7,673,673,000	7,175,347,000	664,091,000	301,578,000

PUBLIC INCOME AND EXPENDITURE.  
(For 7 days ended May 4.)

REVENUE.	EXPENDITURE.		
	£		
Customs .. .. .	1,613,000	National Debt Service ..	—
Excise .. .. .	615,000	Inter st. &c., on War Debt	909,554
Estate, &c., Duties ..	729,000	Development & Road Impvt	—
Stamps .. .. .	182,000	Payments to Local Taxation	—
Land Tax and House Duty	25,000	Other Consolidated Fund	—
Property and Income Tax	1,939,000	Charges .. .. .	44,197
Excess Profits Tax ..	9,148,000	Supply Services .. .. .	54,221,000
Land Values .. .. .	5,000	Bullion Advances .. .. .	150,000
Post Office .. .. .	700,000	For Advance for Interest	—
Crown Lands .. .. .	—	on Exchequer Bonds under	—
Sundry Loans .. .. .	895	Capital Expenditure	—
Miscellaneous .. .. .	57,914	(Money) Act, 1904 .. .. .	—
Bullion advances repaid ..	120,000	For Treasury Bills .. .. .	82,870,000
For Treasury Bills for Supply	87,287,000	Other Debt under War Loan	—
3% Exchequer Bonds, 1930	—	Acts, 1914-16 .. .. .	—
5% Exchequer Bonds, 1922 ..	—	For War Loan and Ex-	—
6% Exchequer Bonds 1920 ..	—	chequer Bonds under	—
Nation 1 War Bonds .. .. .	12,596,000	Section 61 of Finance Act,	—
War Savings Certificates ..	1,000,000	1916, and Section 34, 1917	2,889,467
4% War Loan, 1929-1942 ..	—	Under Telegraph (Money)	—
5% War Loan, 1929-1947 ..	—	Act, 1913 .. .. .	—
Other Debts created under	—	Under Post Office (Lon-	—
War Loan Act, 1915, and	—	don) Railway Act, 1913 ..	—
Finance Act, 1916 .. .. .	9,716,684	Under Military Works Acts	—
Telegraph Money Act, 1913	—	Under Housing Act, 1914 ..	—
Under Post Office Rly. Act,	—	Public Buildings Expendi-	—
1913 .. .. .	—	ture Act, 1903 .. .. .	—
Under Military Works Act,	—	Old Sinking Fund, 1907-8 ..	—
1897-1903 .. .. .	—	Sinking Fund, 1910-11 ..	—
Under Public Buildings ..	—	China Indemnity .. .. .	—
Under Housing Act .. .. .	—	East African Loan .. .. .	—
Repayment of Advance for	—	Cunard Agreement Act ..	—
Interest on Exchequer	—	Expenditure Certificates ..	2,400
Bonds .. .. .	—	Depreciation Fund .. .. .	—
China Indemnity .. .. .	—	Suez Canal Drawn Shares ..	—
East Africa Loan repay-	—	Temp. Advances Repaid	3,146,905
ments .. .. .	—	Increase in Exchequer	—
Suez Canal Drawn Shares ..	—	balances .. .. .	—
Ways and Means Advances	15,000,000		
Decrease in Exchequer	—		
balances .. .. .	2,706,750		
£144,236,623		£144,236,623	

\*Excluding sales through banks which have not yet been brought to account.

## CURRENCY NOTES.

Return of Currency Notes for the week ended May 8, 1918.

	Issued.	Cancelled.	Outstanding.
£	£	£	£
£1 notes .. .. .	4,620,219	2,528,278	173,768,599
10s. notes .. .. .	1,400,531	1,104,592	37,915,886
Note certificates .. ..	650,000	100,000	28,90,000
Previous total .. .. .	900,045,450	661,997,845	—
	906,725,200	665,720,715	241,004,485

Ratio of gold held against notes, this week, 13.44 p.c.; last week, 13.55 p.c.

## FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Apr. 5, 1918.	Mar. 28, 1918.	Apr. 6, 1917.
£	£	£	£
Gold coin and certificates ..	96,756,000	97,989,600	72,491,400
Gold Settlement Fund ..	76,232,600	79,913,600	42,025,000
Gold with foreign agencies ..	10,000,000	10,000,000	—
Total gold held by banks ..	183,488,600	188,443,200	112,519,400
Gold with F. d. Res. Agent ..	174,615,400	170,438,400	75,690,000
Gold Redemption Fund ..	4,880,800	4,290,200	501,000
Total gold reserves ..	363,484,800	363,140,800	188,710,400
Legal tender notes, silver, &c. ..	12,701,800	11,671,800	3,822,000
Total reserves ..	376,186,600	374,812,600	192,532,400
Bills discounted—Members' ..	114,776,600	116,645,600	3,585,600
Bills bought in open market ..	65,300,600	60,813,000	6,547,000
Total bills on hand ..	180,777,200	177,458,600	20,132,600
U.S. Gov. long-term sec. ..	12,088,600	11,638,000	7,375,800
U.S. Gov. short-term sec. ..	52,080,000	50,515,800	14,603,400
All other earning assets ..	614,400	704,600	3,627,800
Total earning assets ..	241,882,200	240,317,000	45,129,600
Due from other Fed. Res. bks ..	1,991,400	5,389,000	682,400
Uncollected items ..	69,300,400	67,860,000	29,284,000
Total deducts from gross dep. ..	713,008,800	73,215,000	29,969,800
5% Red. Fund ag Fed. Res. bks ..	107,400	107,400	80,000
All other resources ..	61,800	741,800	660,400
Total resources ..	601,911,800	639,196,800	268,669,200
Capital paid in .. .. .	14,890,000	14,844,600	11,220,000
Surplus .. .. .	226,800	226,800	—
Government deposits .. ..	20,963,600	20,817,200	9,292,200
Due to members—Res. account ..	294,658,800	299,880,000	151,743,800
Collection items .. .. .	45,227,800	43,379,400	21,087,200
Other dep. inc. For Govt. crds ..	16,413,400	16,211,800	—
Total gross deposits ..	377,263,600	380,285,400	182,023,200
F.R. notes in actual circulation ..	295,984,000	290,567,600	75,302,000
F.R. bk. nts in circn—nett liab. ..	1,572,000	1,595,600	—
All other liab. in for Govt. crds ..	1,966,600	1,673,800	124,200
Total liabilities ..	601,931,800	601,919,800	266,669,200
Gold res. ag nett deposit liab. ..	60.0%	60.4%	74.0%
Gold res. ag F.R. nts in act circ ..	60.6%	60.1%	101.2%
Ratio of gold res. to nett dep. ..	60.3%	60.8%	89.0%
F.R. nts liabilities combined ..	60.3%	60.8%	89.0%
Ratio of total res. to nett ..	62.4%	62.7%	84.7%
deposit and F.R. note liab-			
ilities combined .. .. .			

NEW YORK ASSOCIATED BANKS AND TRUST COMPANIES  
(dollar at 4s.).

	May 4, 1918	April 27, 1918	April 20, 1918	May 5, 1917
£	£	£	£	£
Loans, Discounts, etc. ..	907,902,000	901,584,000	898,830,000	724,996,000
Cash in Vaults of Members ..	—	—	—	—
Fed. Res. Bk. .. .. .	21,138,000	—	—	—
Aggregate Reserves .. .. .	111,892,000	—	—	—
Excess Reserve .. .. .	11,848,000	12,224,000	10,970,000	15,020,000
Net Demand Deposits .. ..	752,010,000	746,681,000	753,740,000	721,670,000
Net Time Deposits .. .. .	36,812,000	36,292,000	36,328,000	39,674,000
U.S. Deposits Deducted .. ..	66,626,000	—	—	—
Circulation .. .. .	7,232,000	7,212,000	7,214,000	5,754,000

## BANK OF FRANCE (25 francs to the £).

	May 2, 1918.	April 25, 1918.	April 18, 1918.	May 3, 1917.
£	£	£	£	£
Gold in hand .. .. .	133,701,960	133,670,200	133,625,360	132,109,400
Silver in hand .. .. .	10,241,040	10,241,840	10,143,040	10,269,300
Bills discounted .. .. .	52,643,240	41,751,280	57,649,760	25,785,520
Advances .. .. .	40,161,280	55,891,160	44,079,960	45,215,320
Note circulation .. .. .	1,069,325,080	1,055,810,040	1,049,270,840	767,335,520
Public deposits .. .. .	1,606,600	2,231,560	1,679,000	2,826,200
Private deposits .. .. .	125,414,520	134,130,120	128,540,280	98,219,200
Foreign Bills .. .. .	341,440	342,080	425,400	65,840

Proportion between bullion and circulation 21.08 per cent., against 21.34 per cent. last week. Advances to the State £68,000,000, increase £12,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £19,261,120, decrease £11,840, and at the branches £21,558,200, decrease £60,600.

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	April 30, 1918.	April 23, 1918.	April 15, 1918.	April 30, 1917.
£	£	£	£	£
Total Coin & Bullion ..	123,239,800	123,236,250	126,409,400	127,461,150
Treasury Notes .. .. .	76,759,750	73,235,150	73,023,300	25,627,600
Bills discounted .. .. .	694,389,400	694,934,950	698,240,700	435,778,000
Advances .. .. .	435,500	351,900	317,750	658,600
Note circulation .. .. .	591,039,650	578,201,550	585,359,900	415,770,150
Deposits .. .. .	352,750,250	114,919,150	368,795,900	199,492,200

Clearing House return during March £459,815,355, against £420,879,905 in February.

## BANK OF SPAIN (25 pesetas to the £).

	April 27, 1918	April 20, 1918	April 13, 1918	April 28, 1917
£	£	£	£	£
Gold .. .. .	81,589,031	81,174,753	80,877,818	55,327,614
Silver .. .. .	28,415,957	28,280,814	28,171,310	32,218,431
Foreign Bills .. .. .	3,838,743	3,736,343	3,644,077	3,466,619
Discounts and Short Bills ..	29,895,505	30,230,376	30,977,141	33,696,053
Treasury Account, &c. ..	25,085,024	24,986,708	25,011,657	25,467,463
Notes in Circulation .. .. .	116,431,718	116,501,009	116,576,005	96,391,677
Current Accounts, Deposits ..	35,406,764	34,875,995	35,234,664	30,776,102
Dividends, Interests, &c. ..	1,911,130	2,109,813	2,038,691	2,038,691
Government Securities .. ..	3,169,389	3,410,170	3,788,563	8,964,897

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	May 7, 1918.		May 9, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	9.75	9.80	9.73	9.77
Paris ..	Cable transfers ..	27.13	27.18	27.13	27.18
Switzerland ..	Three months' bills ..	27.53	27.58	27.53	27.58
Genoa, &c. ..	Cable transfers ..	19.78	19.88	19.55	19.65
Spain ..	Three months' bills ..	20.13	20.23	19.90	20.00
Lisbon and Oporto ..	Cable transfers ..	42.75	42.85	42.90	43.00
Copenhagen ..	Cable transfers ..	17.08	17.18	17.00	17.15
Stockholm ..	Three months' bills ..	6.53	6.63	6.53	6.63
	Cable transfers ..	28.3	28.3	28.3	28.3
	Cable transfers ..	15.15	15.25	15.12	15.22
	Cable transfers ..	15.15	15.25	15.10	15.20
	Cable transfers ..	14.02	14.12	13.93	14.03

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22½	27.16	27.15½
Amsterdam, cheques ..	Florins to £1 ..	12.107	9.82	9.79½
Italy, sight ..	Lire to £1 ..	25.22½	42.82½	43
Madrid, sight ..	Pesetas to £1 ..	25.22½	17.17½	17.09½
Lisbon, sight ..	Pence to milreis ..	53½d.	29½d.	29½d.
Switzerland, sight ..	Francs to £1 ..	25.22½	19.90½	19.57½
Christiania, sight ..	Kroner to £1 ..	18.159	15.13½	15.17½
Stockholm, sight ..	Kroner to £1 ..	18.159	14.07½	14.02
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.17½	15.20
Petrograd, sight ..	Roubles to £10 ..	94.57	nom.	nom.
Alexandria, sight ..	Piastres to £1 ..	97½	97½	97½
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/5½d.	1/5½d.
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/5½d.	1/5½d.
Hong Kong, T.T. ..	Sterling to dollar ..	—	3/12	3/12
Shanghai, T.T. ..	Sterling to tael ..	—	4/5	4/6
Singapore, T.T. ..	Sterling to dollar ..	—	2/4½	2/4½
Yokohama, T.T. ..	Sterling to yen ..	21.58d.	2/2½	2/2½
New York, cable ..	Dollars to £1 ..	4.86½	4.76½	4.76½
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	51½d.	52½d.
Valparaiso, 90 days ..	Pence to peso ..	—	16½d.	15½d.
Montevideo, T.T. ..	Pence to dollar ..	57d.	65½d.	65d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13½d.	13½d.

## OPEN MARKET DISCOUNT. Last week. This week

	Per cent.	Per cent.
Thirty and sixty day remitted ..	3½-8	3½-3½
Three months ..	3½	3½
Four months ..	3½-7½	3½
Six months ..	3½-8	3½
Three months fine inland bills ..	4-4½	4-4½
Four months ..	4½-4½	4½-4½
Six months ..	4½-4½	4½-4½

## BANK AND DEPOSIT RATES.

	Last week	This week
	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
" short loan rates ..	—	—
Bankers' rate on deposits ..	3	3
Bill brokers' deposit rate (call) ..	3	3
" 7 and 14 days' notice ..	3½	3½
Current rates for 7 day loans ..	3½-4	3-4
" for call loans ..	2½-3	2½-3

## The Week's Stock Markets.

It is gladsome to find that in spite of all the distracting cross-currents of domestic politics the Stock Exchange has not missed the fundamental points of the military situation, and its persistent cheerfulness this last week ought to be a useful lesson to those whimperers—professional or otherwise—who have the smallest appreciation of the fundamental strength of the British people. That does not depend on the training of Boy Scouts or the maudlin jingoism which was the religion of a disgruntled Kipling and his followers. We can still look facts squarely in the face, and taking the Stock Exchange as a barometer—not always any more reliable than the mercury—can take our knocks with as much equanimity as our successes. There is nothing much else to be said about the past week, which has been one of intense anxiety in several ways, and it is of little use to discuss the trifling incidents that have influenced individual securities or sections of the market. Broadly speaking, things are going well, and the little details that are not so satisfactory may be left in abeyance until the situation is more definitely cleared up.

For the first time for a good while back the number of transactions recorded on the Stock Exchange has exceeded daily 3,000 markings. The feeling has been confident largely owing to the fact that the position on the Western front has seemed to be developing strongly in the Allies' favour, and the small incidents that have occurred to upset the general confidence are not regarded as of any importance. The domestic squabbles with which we have been faced do not count in the general train of events. Consequently we find that the gilt-edged list, headed by Consols and War Loan stocks, have all improved to an appreciable extent. Even the Cinderella 3½ per cent. Loan has recovered a fraction, and Indian sterling issues also have advanced. Bank stock has moved up on the announcement of the appointment of a Comptroller, to which we refer more specifically elsewhere. Colonial Loans also came into more prominence, and several of the leading issues gained a moderate fraction. In the Foreign section, Brazilians, Chinese, Japanese, Spanish, and Portuguese were all in more or less demand, and in nearly every case substan-

tial advances were recorded. Even such speculative things as Peruvians and Uruguays were well supported.

	Last Week	This Week		Last Week	This Week
Consols ..	55½	56½	N.S.W. 5%, 1921-3 ..	97½	97½
War Loan 3½% ..	87	87½	" 5½%, 1920-2 ..	98½	99
" 4½% ..	99½	99½	" 5½% Debs ..	101½	102
" 5% 1920-47 ..	91½x	93½	New Zealand 4½%, 1920 ..	85	85½
" 4%, 1919-42 ..	100½	101	Queensland 4½%, 1920-5 ..	92½	93
India 3% ..	54	54½	S. Australian 5½%, 1922-7 ..	99½	99½
" 3½% ..	62½	63	Union of S. Africa 4½%, 1920-5 ..	93½	93½
Australian 5½%, 1920-23 ..	99½	99½	Victoria 4½%, 1920-5 ..	92½	93
Canada 4%, 1940-60 ..	80	80	Westn. Aus. 4% ..	79	79
" 4½%, 1920-5 ..	93½x	94	French War Loan, 5% ..	78	78½
Argentine 5% 1886 ..	99	98½	Japan 4½% (1st), 1905 ..	93½	95
Belgian 3% ..	67½	62½	" 5%, 1907 ..	85	89
Brazil, 1913 ..	67½	69	Mexican 5%, 1599 ..	53½	53½
" 5%, 1914 ..	84½x	84½	Russia 4% ..	32½	3½
Chinese 1896 ..	88	90	" 4½%, 1909 ..	35	35
" 1912 ..	76	77	" 5%, 1906 ..	47½	47½
Egypt Unified 4% ..	87x	87	London and N.-W. ..	8½	8½
Caledonian defd. ..	9	9½	London and S.-W. dfd. ..	21½	21½
Gt. Central pf. ..	12½	13	Metropolitan ..	20½	20½
" dfd. ..	6½	6½	Met. District ..	14	14
Gt. Eastern ..	34½	34½	Midland dfd. ..	55	55½
Gt. Northern dfd. ..	24½	25½	Nth. British dfd. ..	13½	13½
Gt. Western ..	82½	83½	Nth.-Eastern ..	93½	94½
Landca. and Yorks. ..	64	64	Sth.-Eastern dfd. ..	27	27½
London Brighton dfd. ..	54½	56			
London Chatham ord. ..	8	8½			
Canadian Pacific ..	157½	157	Chesapeake ..	56	61½
E. Indian Guar. 4½% debs. ..	84	84	Erie ..	18	18
Grand Trunk ord. ..	88	88	Southern ..	23	23½
Do. 1st pf. ..	50	50			
Do. 3rd pf. ..	18½	18½			
Antofagasta dfd. ..	145	145½	Leopoldina ..	37	38
B. A. & Pacific ..	41½	42	Mexican ord. ..	16	16
B. A. Gt. Southern ..	88	68½	San Paulo (Brazilian) ..	182	182
B. A. Western ..	88	68½	United of Havana ..	71½	72½
Cent. Argentine ord. ..	59	59½			
Anglo-South American ..	11	8	London & Brazilian ..	25	25
Bank of Australasia ..	117	118	London City & Midland ..	7½	7½
Bank of N.S. Wales ..	35½	35½	London County & West. ..	15	15½
Barclay & Co. "A" ..	7½	7½	London Joint Stock ..	28½	28½
Do. "B" ..	12½	12½	Nat. Prov. (£10½ pd) ..	25	25
Capital & Counties ..	27	27½	Do. (£12 pd) ..	29½	29½
Chartered of India ..	74	74	Standard of S.A. ..	11x	11x
Hongkong & Shanghai ..	82	82	Union Discount ..	10½	10½
Lloyds ..	25	25			
Armstrong, Whitworth ..	41½x	41½	Kynochs ..	39½	41½
Birmingham Small Arms ..	64½	64½	Mond Nickel ord. ..	31	31
Cammell-Laird ..	68	68	Nobel, £1 ..	73½	74½
Cargo Fleet ..	26½	26½	South Durham Steel ..	41½x	42½
Davis, D. & S. ..	10½	11	Thornycroft ..	40½	39½
Dorman, Long ..	35½	35½	Vickers ..	43½	43½
Associated Cement ..	4	4	Forestral Land ..	47½	47½
Borax dfd. ..	37½	36½	Hudson's Bay ..	7½	7½
Bovril ..	21½	21½	Imperial Tobacco "C" pf ..	32½	32½
British Amer. Tobacco pf. ..	17½	17½	Lever Bros. "C" pf. ..	20½	20½
British Aluminium ..	30½	31	Lyons, J. ..	32	32½
British Oil & Cake ..	30½	31	Marconi ..	3½	3½
Brunner, Mond ..	18½	18½	Maypole Dairy dfd. ..	16½	16½
Casner-Kellner ..	3½	3½	Pears, A. & F. ..	1½	1½
Eastern Telegraph ..	154	154½	Underground Inc. Bds. ..	74	75½
Eastmans ..	9½	9½			
Cunard ..	42	42	Coats ..	5½	5½
Furness, Withy ..	61½x	62½x	Courtaulds ..	78½	6½
P. & O. dfd. ..	329½	332½	English Sewing Cotton ..	52½	52½
Royal Mail ..	120	120	Fine Cotton Spinners ..	34½	35½
			Harrods Stores ..	2½	2½
Anglo Argentine 1st Pf. ..	2½	2½	Demais Bros. ..	36½	37½
Brazil Traction ..	42½	43	National Steam Car. ..	19½	18½
Darraoq ..	32½x	32½x	Rolls-Royce ..	1½	1½
Anglo-Egyptian "B" ..	35½	35½	Shell ..	6	6½
Burmah ..	6½	7½	Spies (10/-) ..	6½	7½
Lobitos ..	1½	2	Trinidad Leaseholds ..	35½	35½
Mexican Eagle pf. ..	3½	3½	Ural Caspian ..	18½	18½
North Caucasian ..	1½	2	Venezuelan ..	18	18
Roumanian Cons. ..	7½	7½			
Allagar 2/- ..	3½	3½	Perak 2/- ..	7½	7½
Anglo-Dutch, £1 ..	30½	29½	Port Dickson 2/- ..	4½	4½
Anglo-Java Rub. 2/- ..	6½	6½	Rub. Estates Krian 2/- ..	3½	3½
Anglo-Malay 2/- ..	13½x	13½x	Rubber Trust £1 ..	27½	25½
Ayer Kuning £1 ..	44½	45½	Sampang (Java) 2/- ..	21½	21½
Brit. N. Borneo Trust £1 ..	16½	16½	Seaport £1 ..	25½	25½
Bukit Cloh 2/- ..	4½	4½	Sengat 2/- ..	3½	3½
Bukit Mertajam 2/- ..	4½	4½	Seremban £1 ..	36½	36½
Bukit Sembawang 2/- ..	3½	3½	Sialang £1 ..	65½	61½
Carey United £1 ..	39½	40½	Singapore Para 2/- ..	4½	4½
Chersonese ..	3½	3½	Singapore United 2/- ..	3½	3½
Chevi t 2/- ..	5½x	5½x			
Dalkeith 2/- ..	2½	2½	Patating 2/- ..	39½	40½
Grand Central £1 ..	2½	2½	Straits Bertam 2/- ..	6½	6½
Highlands £1 ..	57½	57½	Sumatra Para 2/- ..	8½	7½x
Java Investment £1 ..	24½	24½	Sungei Bahr £1 ..	36½	36½
Johore Rubber Lands £1 ..	30½x	31½	Tapiang 2/- ..	4½	4½
Kamunin ..	3½x	3½x	Tandjong £1 ..	86½	81½
Kinta Kellas 2/- ..	3½	3½	Tandjong Malim £1 ..	30½	30½
Labu 2/- ..	8½	8½	Tebrau £1 ..	65½	65½
Langen Java £1 ..	40½	37½	Telogoredjo £1 ..	40½	37½
Linggi 2/- ..	25½	25½	Tempeh 2/- ..	2½	2½
London Asiatic 2/- ..	8½	8½	United Serdang 2/- ..	10½	10½
Malayalam £1 ..	37½	36½	Val d'Or 2/- ..	37½	37½
Merlimau 2/- ..	5½	5½	Vallambrosa 2/- ..	19½	19½
Beechuanaland Exp. ..	7½	7½	Kysht m ..	11½	11½
Brakpan ..	4½	4½	Mashonaland Agency ..	6½	6½
Brook-n Hill Prop. (8/-) ..	6½	6½	Meyer & Charlton ..	41½	41½
Cam & Motor ..	11½	11½	Modder "B" ..	7½	7½
Central Mining (£12) ..	5½	5½	Do. Deep ..	7½	7½
Chartered ..	15½x	15½x	Mysore ..	2½	2½
City Deep ..	3½	3½	Nigerian Tin ..	13½	14½
Cons. Gold Fields ..	18½	34½	Pabang (3/-) ..	12½	13½
Cons. Langlaagte ..	18½	17½	Rund Mines (5/-) ..	2½	2½
Crown Mines (10/-) ..	18½	18½	Renong ..	2½	2½
De Beers dfd. (£2 10s) ..	12½	12½	Rio Tinto (£5) ..	60x	60x
East Pool (1/-) ..	18½x	31½	Russo-Asi. tic. ..	1½	2½
East Rand ..	4½	4½	South Crfty (5/-) ..	2½	2½
Gould ..	1½	2	Spring Mines ..	3½	3½
Geevor (10/-) ..	26½	26½	Tanganyika ..	3½	3½
Gov. Areas Mod ..	3½	3½	Tanayik ..	1½	1½
Gt. Boulder (2/-) ..	11½	11½	Van Ryn Deep ..	3½	3½

Home Railways have become a much better market than has been experienced for some considerable time past, probably

Owing to the statement made by the President of the Board of Trade with regard to the enormous increase in traffic since the war. It would certainly be most unfair that railway shareholders who have had a bad time for many years past should not reap some of the benefit of the increased revenue which is now being earned, but, on the other hand, it must be remembered that expenses also have gone up to a quite inordinate extent. How the balance should be held between the two conflicting views is a point that will have to be decided later. Whatever may happen, it appears that at the present level of prices the better-class railway stocks are regarded as a good, sound lock-up. American Rails scarcely moved, but towards the end Chesapeake and Chicago Westerns were in demand, and advanced a point or two, while the rest of the list was good. Canadian Pacific kept firm, and Trunks also maintained their level, in spite of the terribly disappointing results which have been recorded recently. It is exceedingly difficult to assess the exact position in Argentina, and the weekly recurrence of labour troubles seems to indicate that the country is still in a very disorganised state, but on balance prices have hardened, and we may take that as a favourable symptom. Guayaquil and Quito fell back rather sharply, but United of Havana and associated companies showed considerable strength.

Bank shares generally had a firm appearance, with Barclay's particularly prominent, and in many other cases fractional gains were recorded. Insurance shares also were in moderate demand, and as a rule prices improved where any change occurred, but Royal Exchange dropped back a point. Brewery shares seemed to rather like the proposals for State expropriation, and mostly the market has shown a very strong tendency, but Allsopps, City of London, and one or two others which had gone too far ahead fell back a little. Iron and Steel shares generally showed moderate activity, and the movements were on the whole rather in favour of sellers, while Otis Steel at one time jumped 8 points, but closed below the best. In the Land division, Hudson's Bays rose nearly  $\frac{1}{2}$ , and hold their ground, although the tendency elsewhere was dull towards the finish. In the Shipping division, P. and O. deferred advanced 2 points, and Court Lines also showed strength, but the Royal Mail dividend had no appreciable effect. Miscellaneous Industrials generally were good, with Marconis, Salt Union, Lever Bros., Bryant and Mays, Cements, and Dunlop Rubbers all materially higher. On the other hand, there was a rather severe slump in Courtaulds, which brought the price down round about 6 $\frac{1}{2}$ .

Oil shares generally have been much better supported than would have been expected from the condition of the industry in some of the main fields of production. That, of course, helps companies like Anglo-Egyptian, Burmahs, and Trinidad Leaseholds, but the upward movement has also extended to several of the Russian and neighbouring fields. Optimism is a great thing, and in the most depressing circumstances it is exhilarating to find that the supporters of the industry can show so much confidence in the future. Rubber shares have been dull, and most of the changes have been in a downward direction. Things at the moment are not going well for the industry, and in spite of the fact that ultimately it must establish itself as one of the great factors of industrial development, for the time being, partly owing to the stupid attempt to manipulate prices, the outlook is not particularly encouraging.

We are glad to see that General Hertzog has abated his Republican zeal for the time being. He is a sincere Republican, and in his way a true South African patriot, but his judgment went astray when he commenced fierce Republican propaganda in the midst of the world crisis, and he never took account of the fact that South Africa is bound to be under the shield of some great Power if it is to enjoy its desired freedom, Republican or other. He forgot also the spirit and ideals of his British-born or descended fellow citizens. Happily he has decided to abate his intemperate propaganda for the present, and to be content with "theoretical" Republicanism.

## LONDON PRODUCE MARKETS.

General trade proceeded quietly, but price changes were not of much importance during the week.

SUGAR remained at previous level of prices.

COFFEE.—The market is quiet, with mostly Brazilian varieties on offer, though during the week some Uganda consignments offered sold readily at satisfactory prices. Bold greenish, sold, 102s. to 108s. 6d. African Gazenda, 68s. to 68s. 6d. For future delivery the position remains inactive and nominal.

Cocoa sparingly offered, and a steady demand ensued at graded prices.

RICE.—In steady support at fixed quotations. Beans and peas meet with fair patronage.

SPICE.—Pepper steady, quiet for black, but white met a good demand, and rates further improved. Fair black Singapore, on spot, sold, 1s. 4d.; Aleppy, 1s. 4 $\frac{1}{2}$ d.; Tellicherry, 1s. 4 $\frac{1}{2}$ d.; white Singapore, 2s. 3 $\frac{1}{2}$ d.; and Muntok, 2s. 4d. Cloves dull, and fair Zanzibar, spot, sellers, 2s. 5d. Tapioca steady, quiet.

SHELLAC.—Market quiet, and fair free, T.N. standard, on spot, quoted 34s.

RUBBER, after opening the week steadily, assumed a quiet and easier tone. Plantation, standard spot crepe, sold, 2s. 4d. to

2s. 3 $\frac{1}{2}$ d.; June, 2s. 4 $\frac{1}{2}$ d. to 2s. 4d. July-December, 2s. 5 $\frac{1}{2}$ d. to 2s. 4 $\frac{1}{2}$ d. Standard ribbed smoked sheet, spot, sold, 2s. 3d. to 2s. 3 $\frac{1}{2}$ d.; July-December, 2s. 4 $\frac{1}{2}$ d. to 2s. 4d. Fine hard Para, spot, sellers, 3s.; soft fine, 2s. 11d.; ball, 1s. 8 $\frac{1}{2}$ d.

CORN (Mark Lane).—Business was on a limited scale since last Monday, and price changes unimportant. Wheat: English nominal at 76s. 9d. per qr. (504 lbs.). Of imported grades, Nos. 1 and 2 Northern Manitoba sold at 82s. 3d. and 80s. 9d., with some hard winters at 80s. 9d. Flour: English, 44s. 3d. per sack, ex mill. Maize: American kiln-dried realised 79s. 9d., being at the same time very sparingly offered. Barley: English nominal

## CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING MAY 10, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 25 8, 98 % polarisation	£ s. d.	£ s. d.	<b>Wool</b> —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	3 4 9	3 4 9	Australian	nom.	nom.
Crushed .. ..	3 4 9	3 4 9	Scoured Merino	nom.	nom.
Granulated ..	2 17 9	2 17 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 17 9	2 17 9	Greasy Merino ..	nom.	nom.
Foreign granu- lated, first marks	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	New Zealand	nom.	nom.
German Cubes f.o.b.	nom.	nom.	(scoured) Merino	nom.	nom.
French Cubes	nom.	nom.	Greasy Crossbred	nom.	nom.
prompt	nom.	nom.	Cape snow white	nom.	nom.
Crystallised, West	2 17 9	2 17 9	<b>Indiarubber</b> p. lb.		
India .. ..	nom.	nom.	Plantation, Spot	0 2 4	0 2 4
Best, 88% f.o.b.	nom.	nom.	Crepe .. ..		
<b>Tea</b> —per lb., duty	s. d. s. d.	s. d.	<b>Coal</b> —per ton		
1/2 lb.			Durham, best ..	nom.	nom.
Indian Pekoe ..	1 4	1 4	Seconds .. ..	nom.	nom.
Broken .. ..	1 4	1 4	East Hartlepool ..	nom.	nom.
Orange .. ..	1 4	1 4	Seconds .. ..	nom.	nom.
Broken .. ..	1 4	1 4	Steams, best ..	32 6	32 6
Pekoe Souchong	1 4	1 4	Seconds .. ..	29 6	29 6
Ceylon Pekoe ..	1 4	1 4	<b>Lead</b> —per ton.	£ s. d.	£ s. d.
Broken .. ..	1 4	1 4	English Pig ..	nom.	nom.
Orange .. ..	1 4	1 4	Foreign soft, net	£ 29 1/2-£ 28 1/2	£ 29 1/2-£ 28 1/2
Broken .. ..	1 4	1 4	<b>Quicksilver</b> —per		
Pekoe Souchong	1 4	1 4	bottle firsthand	nom.	nom.
<b>Cocoa</b> —per cwt., duty 6 1. per lb.	s. d. s. d.	s. d. s. d.	<b>Tin</b> —per ton		
Trinidad—per cwt.	86 0 90 0	86 0 90 0	English Ingots ..	£ 368-£ 370	£ 400
Grenada .. ..	80 0 85 0	80 0 85 0	Do, bars ..	£ 369-£ 371	£ 401
West Africa ..	60 0 65 0	60 0 65 0	Standard cash ..	£ 360	£ 380
Ceylon Plantation	78 0 00 0	78 0 00 0	Tin Plates, per box	nom.	nom.
Guayaquil .. ..	up to 90 0	up to 90 0	<b>Copper</b> —per ton.		
<b>Coffee</b> —per cwt.			English, Tough,		
duty 42 1/2 per cwt.			per ton .. ..	nom.	nom.
East India ..	110 0 133 0	110 0 135 0	Best Selected ..	£ 119-£ 123	£ 119-£ 123
Jamaica .. ..	77 0 150 0	77 0 151 0	Sheets .. ..	£ 149	£ 149
Costa Rica ..	110 0 137 0	110 0 137 0	Standard .. ..	£ 110-110 1/2	£ 110-110 1/2
<b>Provisions</b> —			<b>Jute</b> —per ton.		
Butter, per cwt.			Native firsts for		
Australian finest	252/	252/	shipment	nom.	nom.
Argentine .. ..	252/	252/	<b>Oils</b> —		
Irish Creameries	nom.	nom.	Linseed, per ton ..	£ 58	£ 58
Dutch ditto ..	nom.	nom.	Rape, crude ..	£ 66	£ 66
Russian finest ..	nom.	nom.	Cott'n Seed, crude	£ 60	£ 60
Paris baskets ..	nom.	nom.	Petroleum Oil, per		
Danish finest ..	nom.	nom.	8 lbs.	1/10 1/2	1/10 1/2
Brittany rolls ..	nom.	nom.	Water White ..	1/11 1/2	1/11 1/2
doz. lb. .. ..	nom.	nom.	Oil Seeds, Linseed		
<b>Bacon</b> —per cwt.			Calcutta—per ton	29 15 0	By agree-
Irish .. ..	188/	188/	Spot		ment.
Continental ..	172/	172/	Rape .. ..	£ 29-10 1/2 30	£ 29-10 1/2 30
Canadian .. ..	17 1/2-172/	170/-172/	<b>Iron</b> —per ton		
American .. ..	170/-180/	170/-180/	Cleveland Cash ..	nom.	nom.
<b>Hams</b> —per cwt.			<b>Tobacco</b> —duty,		
Irish .. ..	nom.	nom.	unmanufactured		
Canadian .. ..	162/-165/	162/-165/	8 1/2-10 1/2 per lb.	1 6-2 6	1 6-2 6
American .. ..	125/-165/	125/-165/	Virginia ..	1 0-1 6	1 0-1 6
<b>Cheese</b> —per cwt.			Kentucky leaf ..	nom.	nom.
Dutch .. ..	nom.	nom.	Latakia .. ..	1 6-6 6	1 6-6 6
Canadian .. ..	nom.	nom.	Havana .. ..		
English Cheddar	126/-168/	126/-168/	Cigars, duty 15 7/8	2/ upds.	2/ upds.
Wilt's loaf ..	nom.	nom.	per lb. .. ..		
New Zealand ..	nom.	nom.	<b>Timber</b> —Wood.		
<b>Rice</b> —per cwt.			Pitch pine .. ..	300/-400/	300/-400/
Japan .. ..	41 3	41 3	Indian teak ..	38 1/2-70 1/2	38 1/2-70 1/2
Rangoon 2 stars ..	26 3	26 3	<b>Turpentine</b> —		
<b>Eggs</b> —per 120.			American Spot ..	120/	120/
English .. ..	34 0-35 0	34 0-36 0	<b>Copra</b> —per ton		
Irish .. ..	31 6-33 0	32 6-33 6	Malabar .. ..	46 0 0	46 0 0
Dumish .. ..	34 0 36 0	35 0-36 6	Ceylon .. ..	46 0 0	46 0 0
<b>Spelter</b> —			F.M.S. Singapore	45 10 0	45 10 0
G.O.B. as to position			F.M. Straits ..	45 10 0	45 10 0
.. ..	£ 54 £ 50	£ 54 £ 50			
<b>Flour</b> —per sack.					
Country Straight	44/3	44/3			
Runs ex Mill ..					

at 62s. 9d. to 63s. 9d. per qr. Oats: American white clipped No. 2 changed hands at 61s. 6d. to 62s. 6d.; English quoted at 47s. 3d.

COTTON (from our Manchester correspondent).—A limited business has been done in all quarters of the market during the past week, and the majority of traders have seemed content to mark time. Considerable uncertainty exists as to the future course of events, and numerous buyers and producers have preferred to look on pending further developments in the situation. A considerable amount of discussion has transpired with regard to raw cotton supplies, and it is realised that unless the Government can come to the assistance of Lancashire in the way of providing more tonnage to bring cotton across the Atlantic, then there is bound to be a further reduction in consumption. It is understood that certain discussions have taken place between the

members of the Control Board and Government officials during the last few days, and an official announcement as to future policy is awaited with much interest. Operatives in all branches of the industry have decided to apply for an increase in wages of 30 per cent., and this move has not caused any surprise. It is expected that an amicable settlement of this question will be arranged. Fresh features of interest in the cloth market have been scarce. Only a small turnover has transpired in odd lots. A fair amount of inquiry has been about for India, chiefly in bleaching descriptions. Some mail advices from China have been rather better, but business for Shanghai develops rather slowly. An unimportant trade has been reported for the minor outlets East and West. Manufacturers who use bought yarn are finding it extremely difficult to compete successfully against firms who both spin and weave. There has been less activity in American yarns for home use than in recent previous weeks. Buyers and sellers are not disposed to arrange contracts for distant delivery, and supplies available to be sent in at once are practically non-existent. Very few workable bids have been met with in bundle yarns for India. The undercurrent of demand in Egyptian spinings keeps up fairly well, but most of the buying has been in special qualities.

### American Business Notes.

As showing how keen the United States Government is on the development of aviation, we note that £200,000,000 more is to be asked from Congress to be devoted to the development of the Air Service. This is over and above £128,000,000 already spent or in course of spending, so that altogether £328,000,000 will have been sunk within two years in aircraft and in preparations for effective mastery in air fighting by the United States. Also £445,000,000 is asked for by the Shipping Board to pay for new ships, and when the war ends the American people will possess one of the finest mercantile navies in the world. The fact that it will do so should be noted by the Germans. Their ships will not be required, even if they had any left, when peace comes back.

Do people of large unearned incomes escape excess profits duty in this country? We believe so, but nobody seems to have drawn attention to it here. In the United States, however, where the same diversity of treatment exists, it has been complained of. The *New York Chronicle* gives an example. It takes an individual with an income of \$24,000 per annum all earned by his services. That is his salary, in short, and under the existing law he has to pay a "normal" tax of 2 per cent. and an additional "normal" tax of 2 per cent. to begin with on his total income, then a sur-tax of \$664 80 cents, plus an excess profits tax of 8 per cent. over and above. In all he pays \$2,866 out of his income, but the man who has a similar income from investments gets off the excess profits tax altogether. His initial percentages are somewhat higher and his sur-tax is also a little higher, but altogether his income-taxes amount to no more than \$1,600, as against \$1,427 similarly payable by the individual whose income is just earned salary. So that the man whose revenue comes from investments stands nearly \$1,400 to the good. This does not seem fair, and the matter will probably be adjusted by extending the liability of the citizen in the matter of paying war taxes. What is the Government here going to do about it?

The first year of the Federal Farm Loans Banks Bureau has been completed, and a report has been issued giving an outline of results. Altogether in the year the 12 Federal Loan banks have received applications for loans to the amount of \$300,000,000. In reality most of these applications were received in the second half of the year, because it took the banks some time to get their machinery set up and in operation. Many of the applications have been rejected, reduced, or withdrawn; but about 80,000 loans have been approved of, amounting to over \$160,000,000, and on over 30,000 of them money has been paid to the farmers to the amount of about half that sum. Notwithstanding the length of time that elapsed before business could be begun, the results for the year are said to justify the expectations of the board that the banks will easily be able to carry on their work on a margin of one-half of 1 per cent. between the rate at which they lend and the rate at which they borrow on their own bonds. This may be considered a satisfactory commencement, and we hope the banks will facilitate the development of agricultural resources throughout the Republic.

The Louisville and Nashville Railroad did a fine business last year, and its gross earnings jumped to \$76,607,000, which was fully \$12,000,000 up compared with the previous year, and nearly \$23,000,000 more than for 1915. Working expenses took some of these extra earnings, but not so very much. They came in all to \$52,999,000, or 68.91 per cent. of the receipts, which compares with 64.75 per cent. in 1916 and 71.38 per cent. for 1915. This is without counting in the taxes, which were very heavy last year, nearly \$5,120,000 as against \$2,428,000 in 1916. Consequently the net income from working was reduced a little to \$18,775,000. Adding in the income from investments, which increased nearly \$200,000 to \$6,203,000, there was \$24,979,000 in all available for debt interest, rents, sinking funds, and dividends. Two years ago there was only \$16,916,000 available, but in 1916 the net income had sprung to \$25,690,000. Consequently in the last two years shareholders have received 7 per cent. as against 5 per cent. two years ago, and the balance left has risen to \$11,341,000. It was only \$4,537,000 at the end of 1915.

The Lehigh Valley Railroad Co. earned \$53,358,000 last year,

and its working expenses amounted to \$41,826,000. Net income was therefore \$11,532,000, a decrease of fully \$2,500,000, and taxes were fully \$300,000 up. The company had a larger income from outside, however, its dividends, for instance, having amounted to \$3,345,000 against \$1,317,000 in the preceding year, consequently the surplus was \$1,091,000 after the 10 per cent. had been distributed on both the preferred and common shares. The preferred charges, however, are negligible.

In 1917 the St. Paul, Minneapolis and Omaha Railway made a gross income of \$21,477,000, of which \$15,841,000 was absorbed in working expenses, being 73.76 per cent. of the earnings as against 65.25 per cent. the previous year. Net earnings, however, fell to \$5,635,000, which was less than that of two years ago, while taxes went up by nearly \$300,000, and the end of it was that the dividends had to be reduced to 5 per cent. on the common stock instead of the 7 per cent. previously distributed. This brought the surplus down to \$403,000 after all was paid.

### Insurance News.

The North British and Mercantile Insurance Company suffered very heavily as the result of the Salonika disaster in August last, and after making full provision for the losses sustained there, where, it is stated, the company held the leading position, and was in consequence the heaviest sufferer, there was a debit balance of £217,364 on the fire account, as contrasted with a profit of £161,112 in the previous year. Net fire premiums in 1917 came to £2,856,401, an increase of £501,669 over 1916. In the accident department net premiums were £40,501 higher at £476,876, and the profit, including interest, was £134,966. Net marine premiums at £760,058 showed an increase of £210,987, and the underwriting account for 1916 was closed with a profit of £63,958. Profit and loss account showed a credit balance of £1,053,018, a decrease of £392,736, but the company was able easily to repeat the dividend of £2 a share, carrying forward £861,768, or £387,009 less. The directors have now completed the purchase of all the shares of the Fine Art and General Insurance Company, with the exception of two small holdings which are in course of arrangement.

An increased business was done by the Liverpool and London and Globe Insurance Company in 1917, the total income of £6,660,841 showing an increase of £592,512 over 1916, the underwriting surplus in all departments being £819,927, an increase of £230,398. The dividend is raised to 26s. per share for the year, against 24s. for the previous year, and the total assets increased by £1,131,439 to £16,000,793. Fire premiums at £3,557,410 were £294,301 more; losses at £1,918,810 (53.94 per cent.) showed an increase of £134,516, while expenses were £61,984 heavier at £1,209,582. The new life business done was £685,495, an increase of £14,426. In the accident branch premiums came to £1,480,147, or £87,757, against which claims were £44,067 heavier at £756,280, and expenses £31,923 more at £557,705. Marine premiums increased by £168,593 to £809,065, while claims were only £62,531 more at £556,038.

After an interval of seven years, the British Crown Assurance Corporation has resumed the payment of dividends, the distribution for 1917 being 5 per cent. Improved results were shown in the past year, an increase in net premiums being accompanied by a substantial reduction in claims and expenses. At £100,862 the net premiums were £2,954 higher, and £270 more at £2,826 was received in interest. Claims at £41,863 showed a reduction of £13,778, the loss ratio being 41.5 per cent., as contrasted with 56.8 per cent.; and expenses were reduced by £6,570 to £35,503, the ratio being 35 per cent., against 42.9 per cent. Including £1,569 brought in, there was a credit of revenue of £25,089. Investments and cash at £131,994 showed an increase of £35,588.

A valuation of the life and annuity business of the London and Lancashire Life and General Assurance Association for the five years to December 31 last disclosed a surplus of £122,626, including £4,212 brought in. Of this amount £63,369 is written off investments, and £12,113 is carried to investment reserve fund. Interim bonuses absorbed £11,566, and proprietors' 5 per cent. dividend and proportion of interim bonuses £17,106, or a total of £104,156, leaving £18,470 to carry forward. The increase of income-tax cost £25,880, and the mortality loss due directly to war claims was £57,764. There will be no allotment of reversionary bonus to policies, but an interim bonus at the rate of £1 per cent. in the case of deferred bonus policies, and at the rate of 15s. per cent. in the case of ordinary with-profit endowment policies maturing during the current quinquennium, is recommended. These bonuses are declared for the first year of the current quinquennium, and are subject to revision from year to year. An increased life business was done in 1917; 2,016, against 1,167, policies were issued, assuring £905,309, or £274,108 more than in 1916. As regards the fire business, the loss ratio worked out at 43 per cent. of the premiums, against 45.5 per cent. in the previous year.

Occasionally items of news appear which should give our Protectionists something to think about. Here, for instance, is the latest about the Australian Customs revenue, which rose £151,421 for April, but for the ten months to that date fell off £1,652,000 compared with last year. Is not that inevitable? The buying power of any country depends on its selling power. After the war selling power will be restricted all round because for a time production will be reduced, and every one will be anxious to buy as little as possible.

## PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1918, and May 4, 1918:—

	Estimate for the Year 1918-1919.	Total Receipts into the Exchequer from April 1, 1918, to May 4, 1918.	Total Receipts into the Exchequer from April 1, 1917, to May 5, 1917.
Balances in Exchequer on April 1—Bank of England .. Bank of Ireland ..	£ — —	£ 19,371,578 1,668,452	£ 25,299,947 1,225,912
REVENUE.		21,030,030	26,435,899
Customs .....	—	7,170,000	6,627,000
Excise .....	—	1,592,000	3,665,000
Estate, &c., Duties .....	—	2,759,000	2,739,000
Stamps .....	—	683,000	482,000
Land Tax .....	—	—	—
House Duty .....	—	215,000	230,000
Property and Income Tax and Super Tax .....	—	18,551,000	15,896,000
Excess Profits Duties, &c. ....	—	25,600,000	17,385,000
Land Value Duties .....	—	50,000	91,000
Post Office .....	—	2,900,000	2,900,000
Crown Lands .....	—	50,000	50,000
Receipts from Sundry Loans, &c. ....	—	895	500
Miscellaneous .....	—	944,308	534,336
Revenue .....	—	62,575,203	50,598,836
Total .....	—	83,605,233	77,034,625
OTHER RECEIPTS.			
Repayment of Advances for Bullion .....	—	430,000	230,000
For Treasury Bills (for supply) .....	—	421,366,000	192,139,000
For 5 per Cent. Exchequer Bonds, 1922 .....	—	—	18,839,000
For 3 per Cent. Exchequer Bonds, 1930 .....	—	799,500	—
For War Savings Certificates .....	—	10,300,000	4,210,000
For other Debt (War Loan Acts, 1914-1917) ..	—	49,600,912	41,972,718
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .....	—	—	71,500,000
For National War Bonds .....	—	79,066,000	—
Temporary Advances—Ways and Means .....	—	91,500,000	78,055,000
Total .....	—	737,667,645	483,970,413

\*Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1918-19.	Total Issues out of the Exchequer to meet payments from April 1, 1918, to May 4, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1917, to May 5, 1917.
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	—	2,706,446	3,196,636
Interest, &c., on War Debt ..	—	16,368,283	6,088,071
Payments to Local Taxation, Accounts, &c. ....	—	190,000	190,000
Other Consolidated Fund Services .....	—	242,079	240,306
Supply Services .....	—	244,228,610	247,865,400
Expenditure .....	—	263,735,408	257,581,433
OTHER ISSUES.			
For Advances for Bullion .....	—	700,000	360,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1914 .....	—	84,909	84,909
Under Telegraph (Money) Act, 1913 .....	—	12,000	20,000
Under Post Office (London) Railway Act, 1913 ..	—	106,300	175,400
For Treasury Bills for Supply .....	—	1436,078,000	119,251,000
For War Loans, Exchequer Bonds, &c., under Section 14 of Finance Act, 1917 .....	—	4,807,909	24,590
For War Expenditure Certificates under War Loan Act, 1916 .....	—	111,800	—
For other Debt under the War Loan Acts, 1914 to 1917 .....	—	6,598,112	—
For Depreciation Fund under the Finance Act, 1917 .....	—	2,660,022	—
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	20,000	—
Temporary Advances repaid—Ways and Means ..	—	8,000,000	83,320,000
Total .....	—	722,814,460	460,817,332
Balances in Exchequer—	1918. May 4.	1917. May 5.	
Bank of England .....	12,890,796	22,667,682	
Bank of Ireland .....	1,962,389	1,085,399	
Total .....			14,853,185 23,153,081
Total .....			737,667,645 483,970,413

MEMO.—Treasury Bills outstanding on May 4, 1918. .... \*£958,135,000.

\* Includes £265,000, the proceeds of which were not carried to the Exchequer within the period of the account, besides a part (not yet ascertained and brought to account) of the Bills tendered as subscriptions to National War Bonds.

† Includes part payment of Bills and Certificates tendered as subscriptions to National War Bonds.

## DIVIDENDS ANNOUNCED.

Asbestos Corporation of Canada.—Quarterly, \$1 per share, or at rate of 4 per cent. per annum, on preferred shares, payable May 15.

British Ever Ready.—Final on preference shares at rate of 10 per cent. per annum for half-year to March 31, making 10 per cent. for year; a final on ordinary shares at rate of 10 per cent. per annum, plus a bonus of 7½ per cent., making 17½ per cent. for the year.

Bombay, Baroda and Central India Railway Co.—In addition to half-year's guaranteed interest of £1 10s. per cent., a final £1 10s. per cent., together with a bonus of 30s. per cent., for year ended March 31, making a total payment in July next

of £4 10s. per cent., less tax; £6 10s. per cent., less tax, for whole year, as compared with £5 15s. per cent. for the previous year.

Bombay Gas Co.—Final at rate of 4½ per cent., less tax, making 8 per cent. for 1917, against 7½ per cent., payable on June 1.

Commercial Union Assurance Co.—14s. per share, tax free, making with interim 28s. per share for 1917.

Calcutta Electric Supply Corporation.—Final for half-year ended December 31 of 6½ per cent., actual, making 10 per cent. for the year, against 9½ per cent., payable May 30.

Wm. Cory and Son.—Final, 6 per cent., less tax, on ordinary and employees' shares, making 10 per cent., less tax, for year ended March 31, together with a tax free bonus of 10 per cent.

Diamond Blower.—At the rate of 10 per cent. per annum for six months ended March 4, together with a bonus of 2½ per cent., making a total of 12½ per cent., less tax, for the year.

Industrial and General Trust.—At the rate of 12 per cent. per annum, less tax, for half-year to March 31, making 10 per cent. for year, the same.

Industrial and General Trust.—On ordinary stock at rate of 12 per cent. per annum, less tax, for half-year to March 31, 1918, making 10 per cent. for whole year.

Kuala Lumpur Rubber Co.—For year to June 30 an interim of 10 per cent. (2s. per share), payable without deduction of income-tax.

London Scottish American Trust.—Interim of 3 per cent. on deferred stock, payable June 1, the same as a year ago.

Marine Insurance Co.—£2 5s. per share, less tax, for 1915. To reserve £50,000, which will then amount to £600,000.

National Bank of Australasia.—7 per cent. per annum for half-year to March 31 on preference and ordinary shares, same as a year ago; £25,000, against £20,000, to reserve.

Otis Steel Co.—Final 2½ per cent. on common stock, making 10 per cent. for 1917, together with a bonus of 10 per cent., both payable June 29.

Philadelphia Co.—Quarterly, 1½ per cent. on the common stock, payable May 15.

Rukuba (Nigeria) Tin Mining Co.—1s. per share, less tax, payable about May 24. This is the company's first dividend.

Royal Mail Steam Packet Co.—Balance of 5 per cent., less tax, on ordinary stock, making 7 per cent. for the year, the same as last year.

Royal Insurance Co.—Final, 15s. per share, less tax, to be paid May 28, making 30s. per share, less tax, for 1917, against 28s. per share, less tax, for 1916.

Santa Catalina Nitrate Co.—Interim of 7½ per cent. or 1s. 6d. per share, less tax, payable on May 31, same as last year.

Sun Insurance Office.—Final for 1917 of 7s. per share, less tax, payable on July 4, the same as a year ago.

Sungei Batu (Malaya) Rubber Estates.—Final 7½ per cent., making 12½ per cent. for year, against 15 per cent.

Union Insurance Society of Canton.—Final of \$20 and a bonus of \$10 per share for 1916. An interim of \$30 per share, and a bonus of 20 per cent., will be paid on contributory premiums for 1917.

United Insurance Co.—Interim for half-year to March 31 at rate of 10 per cent. per annum.

Windsor (F.M.S.) Rubber Estate.—Final 12½ per cent., making 20 per cent. for year, against 17½ per cent.; forward, £3,096, against £3,221.

## OILFIELDS PRODUCTION.

Anglo-Egyptian Oilfields.—Week ended April 28: Gemsah, 18 tons, against 20 tons; Hurghada, 4,433 tons, against 4,796 tons.

British Burmah Petroleum.—Total crude oil by company and Rangoon Oil Co. was 75,410 barrels for April.

Kern River Oilfields of California.—April: 132,142 barrels, or 17,449 tons, including 78,072 barrels from St. Helens Petroleum Co.

Lobitos Oilfields.—April, 7,162 tons.

Trinidad Leaseholds.—April, 14,200 tons.

United British Oilfields of Trinidad.—906 tons for week ended May 1.

It was said lately in the Budget Committee of the Reichstag that Germany has lost "half her mercantile navy," and probably that is a statement not far from the truth. And it will be a permanent loss, we take it, for Germany's efforts to replace that tonnage have not so far amounted to much, if sundry facts of the *Times* correspondent at the Hague may be taken as evidence. Herr Ballin seems to have started a new shipbuilding yard, containing six slips, at Hamburg, but up to the end of August last only one of the slips was occupied to build standard steamers. Work was to begin on October 1, but whether it has been or not is not stated. The Hamburg-South America Co. is said to be building an improved sister ship to the sunken 18,000-ton *Cap Trafalgar*, as well as four other large vessels, but the figures as a whole now published vary little from those issued in August, 1916, or nearly two years ago. And really it is not surprising that the shipbuilding industry should be slack, and the output insignificant in Germany, for what are German merchants to do with the ships when they get them? They will not be allowed to enter any port of any civilised country in the world until reparation has been made for the abominable crimes and enormous losses the Germans have perpetrated and caused during the war.

## Tea, Oil and Rubber.

Last week 1,275 tons of rubber were landed (in spite of shipping restrictions and the fact that in some places there are still tea queues), while only 790 tons were delivered, leaving the stock at 16,870 tons, against 10,600 tons a year ago. Under the circumstances, it is not surprising that the price of standard crêpe at one time fell to 2s. 3½d., and although there has since been a slight recovery, it does not amount to much more than a farthing. Meantime, the United States have put an embargo on imports for the next three months, and have also fixed price limits. These developments may be regarded as an irresistible justification of the Rubber Growers' Association policy in restricting output. Possibly it may be so, but from the very start of the scheme we have insisted that the results would probably be diametrically opposite to those anticipated, and the harvest is now being reaped. Cause and effect are usually difficult things to trace, but it is nearly always certain that when deliberate measures are taken to destroy confidence, the reaction will carry farther than if matters had been left to follow their own natural course. That is what the rubber market is suffering from at present, and we do not see any daylight immediately ahead. Things will no doubt settle down to a proper commercial level sooner or later (and that is the best solution, as we have often urged), but meantime the industry looks like being terribly disorganised, and, so far as we are able to judge, every step taken has been backward. Of course, it may be urged that without the restrictive policy conditions would have been worse at the moment, and we do not dispute it. But will they be better six or twelve months hence? It is impossible to say with any confidence; we can only deduce probabilities from past experience, and that is dead against the idea that the tail wags the dog.

Without going into all the details of the scheme put forward by Harrisons and Crosfield, Limited, this week, we may say that the main effect is to raise the dividend on the preference shares from 5½ per cent. to 6 per cent., and to make the whole of the dividend on the 10 per cent. preferred ordinary cumulative, instead of only half, as at present. These are valuable concessions to the public, who are mainly interested in these two classes of shares, and the rights to be surrendered in return are more sentimental than real. There is a preference reserve fund of £102,500, which it is proposed to absorb in the general reserve, in order that it may be capitalised and distributed among the holders of the management shares in the shape of deferred shares. As the preference dividend is secure beyond all possibility of question, apart from some sort of financial earthquake, which is most improbable (and if it occurred the reserve would be of precious little use), the surrender of the reserve fund is of no practical importance, while the increase in the dividend in these days of high income-tax ought to be regarded as a very useful help. The preferred ordinary holders, of course, are not in quite such a good position, but to get their whole dividend made cumulative may conceivably be of considerable importance one of these days. The public are not interested in the management shares, to which the balance of the profits belongs, and it makes little difference how the surplus may be divided up or what the reversionary rights may be called. The scheme is somewhat complicated, but that does not affect outsiders, and the terms offered to the public to facilitate domestic arrangements appear to be generous.

Shareholders in the Rubber Plantations and Investment Trust, Limited, are invited to make deposits at 6 per cent. interest with the company in multiples of £10, which may be converted into shares after the war, either at the option of the holder or the company. The scheme is ingenious as a means of raising additional capital at a time when the Treasury Committee on new issues may be confidently relied upon to give a wrong decision on every proposition submitted to it, and the only criticism we have to offer refers to the power which the company retains to repay deposits in shares at par if it should not be convenient to pay in cash. On the other hand, free options are not desirable as a rule, and the company is probably right in keeping a certain freedom of action. There need be no mystery about why the company should require more capital. It is not only a "trust" in the ordinary sense, but it holds very large rubber estates, which it is bringing into the producing stage, and, of course, that costs money, while everything is outlay, and there is no revenue coming in.

By all accounts the luxury tax imposed by the French Government is not turning out well. It causes friction and stops business in all directions. As one Deputy put it, "you cannot compel foreigners, who are our best customers, to abandon luxuries. They will merely buy them in other countries, and the existing law leaves the door open wide to all sorts of fraud and evasion." It is suggested that instead of this tax it would be better to increase the income-tax, or to impose a tax on the gross turnover, or a universal tax on all payments. This experience and these views ought to be noted by our Government before it proceeds to elaborate a new tax harrow.

## Answers to Correspondents.

Regent.—The company wants money to develop its properties, and this seems the best way of getting it. We think you might lend the sum named. See note elsewhere.

A. A.—(1) These have already gone up, and are, we think, about dear enough. (2) These have doubled in price since the war began. The company is a fine one, but it is too late to buy now with confidence.

Ren.—(1 and 2) Yes. (3) Doubtful. Chance of dividend rather small, especially in view of the attitude of the Government. (4) Yes; this should be right enough.

A. R. B.—We do not think you should sell. The security is quite a good one.

H. C. T.—(1) Prospects are not very rosy, the war has upset the business altogether. (2) We know nothing of this, except there is no market for the shares. We do not think you can sell either of these just now.

Danae.—Wait; there will probably be opportunities of buying more cheaply.

B. D. N.—The charge is quite correct. There is a considerable amount of work involved.

Mons.—Yes, certainly. You can give instructions for the reinvestment on your application form.

Sarma.—(1) Is doing quite well, and an increase in dividend is expected. The mine has, it is said, a fair life, but you should write them down out of dividends if you act prudently. (2) These are quite speculative and not an investment, so we cannot recommend a purchase.

F. M. R.—Not now. Chances of further gain not big enough to justify a purchase at current quotations.

## The Week in Mines.

The Mining markets have been quite buoyant this week, despite the political crisis, and business has been fairly active. Substantial rises are shown in all departments, but these are to be attributed as much to shortage of stock as to increased demand. A significant feature in the South African market has been the recovery in City Deeps, after a long period of depression due to unfavourable developments. Buying of tin shares has been stimulated by an advance in the price of the metal to £380, a fresh high record.

### SOUTH AND WEST AFRICANS.

The strength of South Africans was led by City Deeps, which were freely bought, and rose 13-32 to 3½, though no news has yet been received to account for these purchases. The Gold Fields group revived simultaneously almost on a mineral rights decision in favour of the American Trona Corporation, an Alkali subsidiary, which is reported as likely to begin distributing profits shortly. Gold Fields have risen 5-32 to 123-32, Gold Mines Investments 3s. 9d. to 24s. 9d., and Gold Trusts 6s. 3d. to 31s. 3d. Crown Mines have spurred 9-32 to 1½, which caused Central Minings to advance ¼ to 6, and Rand Mines ½ to 2½. New Modderfonteins have risen 1 to 23 on an announcement that the additional reduction plant began working last month. Modder B's at 7½, Modder Deeps at 7½, Brakpans at 4½, and Rand Selections at 4½ all show substantial rises, while Robinson Deeps are ½ higher at 1½. It is understood that the Robinson Deep Mine will shortly draw the balance of the loan which the Gold Fields Co. and the Central Mining Corporation agreed to lend it. The company is expected to pay half the dividend due on the "A" shares in June, leaving £150,000 in arrears. It is believed that the mine position generally has improved. The Turfontein Estates have been bought for 100,000 "B" shares. Rhodesian shares have been supported, notably Chartereds at 15s. 9d. and Rezendes, which have risen ½ to 4½. Lonely Reefs have improved to 33s. 6d. In the Diamond group, De Beers deferreds have risen ¼ to 12½. Among West Africans, Gold Coast Amalgamateds rose 1s. 3d. to 21s. 3d., in view of the Trona holding, though the report was regarded as disappointing.

### COPPER AND MISCELLANEOUS.

Copper shares have participated in the general upward movement, especially Mount Elliotts, which are ¼ higher at 3½. Tin shares have shown marked strength. East Pools have risen 9-32 to 1½, South Crofts 7-32 to 221-32, Dokoaths 3s. to 13s. 9d., and Kaduna, on the increased dividend, 2s. 6d. to 20s. Rukuba at 8s. 6d. was scarcely affected by a maiden dividend declaration, the distribution having been discounted, and Champions at 7s. 3d. failed to respond to the interim just declared. Anglo-Continentials have risen sharply to 16s. 6d., and Forum Rivers at 22s. and Tin Fields of Northern Nigeria at 8s. 3d. are appreciably higher. Tincroft ordinaries have fallen to 11s., but the priority shares have risen to 25s. 6d. on a proposal to convert the latter into ordinary shares in the proportion of one priority for three ordinary shares. The Pahang Co.'s excess profits duty percentage has been fixed at 16 per cent., against 13 per cent. for Malayan companies engaged purely in winning tin, and the shares are consequently harder at 13s. Broken Hills have been a strong market, the price fixed in the zinc contract being very favourable to the companies. British have risen 3s. 3d. to 45s., Proprietarys 1s. 6d. to 67s., Block Tens 2s. 3d. to 36s., Souths ¼ to 10½, and Zincs 1s. 3d. to 22s. 9d. Russian shares have recovered somewhat, Russo-Asiatics being prominent with a rise of 7-32 to 2 5-32. There has been a fair demand for Indian gold and other shares. Kanbauk Wolframs have risen 7s. 3d. to 33s. 3d., though the April output shows a decrease of six tons on 1917. Mysore have been wanted at 2½.

## MINING NEWS.

**WEST AFRICAN GOLD OUTPUT.**—In March the production of gold was £112,605, or £260 less than in February, and £42,122 less than in March last year. The following table shows the monthly production since January, 1914.

MONTH.	1918.	1917.	1916.	1915.	1914.
Jan. ..	£ 107,863	£ 131,665	£ 140,579	£ 143,049	£ 128,862
Feb. ..	112,865	104,892	137,739	144,034	123,169
Mar. ..	112,605	158,727	150,937	153,770	131,392
April ..	—	123,825	135,976	149,978	131,697
May ..	—	121,104	132,976	142,123	145,227
June ..	—	114,489	127,107	135,289	147,289
July ..	—	142,017	128,574	140,290	151,923
Aug. ..	—	130,278	125,143	139,364	150,386
Sept. ..	—	127,168	127,138	135,744	154,316
Oct. ..	—	126,295	132,577	141,771	159,410
Nov. ..	—	126,915	130,101	122,138	154,674
Dec. ..	—	122,602	146,409	156,343	147,699
Totals	333,333	1,529,977	1,615,306	1,706,473	1,727,044

**CHAMPION TIN.**—The accounts for the year ended June 30, 1917, show a loss of £48, and the debit balance, after providing for income-tax for 1912-13-14, is increased to £6,434. Since the close of the year the directors have sold some portion of the shares held by the company at a considerable profit, and they therefore propose to pay an interim dividend of 10 per cent., free of tax.

**CITY AND SUBURBAN.**—During 1917 the revenue from gold amounted to £527,077, as compared with £601,924. This decrease was due to a falling off in the tonnage treated of nearly 20,000 tons, the total being 306,450. The yield per ton decreased by 2s. 6d. to 34s. 4d. per ton, and as costs increased by 1s. 8d. to 23s. 11d., the profit was 4s. 3d. less at 10s. 4d. per ton. A total profit of £159,472 was made against £238,545, and after paying 8s. per share in dividends against 10s. per share, £18,792, against £22,518, is left to be carried forward. The ore reserves have decreased from 602,200 tons, valued at 8.8 dwts., to 511,900 tons, valued at 7.7 dwts. This total includes 35,000 tons contained in the Village Deep boundary pillar purchased during the year for £6,000.

**NEW HERIOT.**—The gold output in 1917 was £256,779, against £282,033. There were treated 155,800 tons, a decrease of 4,900 tons, and the yield declined by 2s. 2d. to 32s. 11d. per ton owing to the lessening value of the ore now met with. Costs rose 1s. 1d. to 23s. 6d. per ton, and the rate of profit decreased from 12s. 7d. to 9s. 4d. per ton. The profit was £73,270 against £101,507; the dividend is reduced from 7s. to 5s. per cent., and the carry forward is £1,428 less at £119,132. Reserves of ore have decreased from 477,767 tons to 334,977 tons, but the value is 7.14 dwts., against 7.6 dwts.

**SUDAN GOLD.**—Although the value of the gold produced in 1917 was £525 larger than in 1916 at £55,047, the profit was £7,880, less at £11,194. This was due to the fact that a larger quantity of ore was treated for practically the same output, the grade of ore having fallen from 10 dwts. to 8 dwts. per ton. No dividend is declared, whereas a year ago 1s. per share was distributed on account of 1916. The available balance is £16,130, of which £3,562 is provisionally required to meet the excess profits duty for 1916, £3,441 is written off for depreciation, and £6,000 is absorbed in various items of mining and general expenditure, leaving only £1,649 to be carried forward against £4,936.

**BASSET.**—The report of this Cornish tin mine contrasts very unfavourably with similar concerns. No less than £61,000 was spent in earning £59,478, with the result that a loss of £1,523 is shown, which increases the debit balance to £23,422. Black tin sold decreased by 114 tons to 457 tons; the amount realised, however, was only £728 less at £59,570, the price per ton averaging £130 7s., an increase of £30 3s. 9d. The loss is accounted for by shortage of labour, causing a decrease in the amount of ore treated, which was 5,935 tons less at 26.486 tons.

**ESPERANZA COPPER AND SULPHUR.**—The output of pyrites in 1917 was 86,633 tons, a decrease of no less than 22,092 tons. One hundred and four tons of copper precipitate were produced, a decrease of 23 tons, and railway shipments of pyrites to Huelva decreased 8,848 tons to 93,258 tons. Profits amounted to £20,368, and, inclusive of £5,886 brought in, the total balance is £26,254. No dividend is to be paid, and after writing £8,356 off mine development, £17,897 is carried forward.

**KADUNA SYNDICATE.**—The profits for the year to October 31, subject to excess profits duty, were £12,974 against £9,787. Of this, £1,822 is written off, the general reserve gets £1,505, making it equal to the share capital, and a final dividend of 30 per cent. is to be paid, making 50 per cent. for the year, against 35 per cent., and £4,198 is carried forward. The output was 18 tons less at 210 tons, but the average price per ton of metallic tin was £246 1s., against £187 17s. in 1916.

**AMALGAMATED ZINC.**—During the half-year ended December 31 this company produced 24,387 tons of zinc concentrates and 928 tons of lead concentrates. Profit on working account was £20,214, which includes £14,231, being increased profit in respect of adjustments on concentrates shown in previous periods. The total profit was £27,574, as compared with £126,673 in the previous six months. It is explained that dividend No. 22 was paid out of last year's profits, and dividend No. 23 and also £8,852 transferred to depreciation reserve have been charged to the current and last year's profits, leaving no balance in the appropriation account.

## COMPANY MEETINGS.

## SCOTTISH UNION AND NATIONAL INSURANCE CO.

## YEAR'S RECORD RESULTS.

The annual general meeting of the Scottish Union and National Insurance Company was held at Edinburgh on Wednesday, Mr. Harry George Younger (chairman of the company) presiding.

The Chairman said: A year ago my predecessor in office had the satisfaction of submitting to you a report which constituted a record in the company's history. I am more than pleased to be able to say that during 1917 we even improved upon that achievement, and you have now before you the best report and accounts ever presented to the shareholders.

## BUILDING UP RESERVE FUND.

In the life account we issued 101 more policies, and the nett sums assured, after deducting reassurances, shows an increase of a few hundred pounds, and amount to over £700,000. This we regard as satisfactory, when we consider the number of our staff and of our agents who are now on military service. There were 79 fewer claims to be paid, and on this item there was a reduction in amount of £90,006, notwithstanding a sum of £30,168 due to war claims. It will have been observed that out of the life assurance and annuity fund a sum of £200,000 has been set apart as an addition to the investment reserve fund. In explanation of this it has to be pointed out that the shrinkage in the value of gilt-edged securities still continues, and it has been thought wise to gradually build up the reserve fund against the time when depreciation will have to be provided for.

## FIRE, ACCIDENT, AND MARINE RESULTS.

The fire account shows a distinct forward movement, the premiums having increased by £122,308, contributed to by all sections of our business. There is an underwriting surplus of premiums and interest over losses and expenses and unexpired liability of £100,079, or £6,331 more than a year ago.

The accident accounts continue to yield highly satisfactory results.

The marine account is again remarkable. You will observe that a profit of £80,000 has been brought into profit and loss, and an addition of £170,939 has been made to the fund.

## PROFIT AND LOSS ACCOUNT.

The profit and loss account brings together the results to the shareholders of all the departments other than life and leasehold. You will observe that, beginning with the balance brought forward from last year, there is £61,704 of interest and £205,770 of profit, these two items together representing the results of the year's operations; and when mention is made of the fact that they total 89 per cent. on the capital of the company, I think you will agree that the results for the year have been highly creditable. On the other side of the same account you will find the dividend paid to the shareholders in 1917, interest on bonds, agency balances irrecoverable, income-tax, and excess profits duty paid and provided for, a sum written off for depreciation in investments, and an addition made to the investment reserve fund, and there is a balance left of £172,899. Of this balance the directors propose to pay £45,000 in dividend, and to carry forward £127,899 to next year.

## CONSERVING COMPANY'S RESOURCES.

A word of explanation is due as to the dividend. It may be thought by some shareholders that the time has now come when a more liberal distribution might be made, particularly in view of the large amount of interest now being earned on the shareholders' funds. Had the times been normal, such a course would have been justified, and, no doubt, adopted. Your directors, however, have given full consideration to all the circumstances, and, influenced by the anxiety of the times in which we are living, and the effects which these times are having on the financial world, they are satisfied that the prudent course to adopt is for the company to conserve its resources. In asking the shareholders to carry out this self-denying ordinance, we are satisfied that, if not now, certainly when better days come, they will realise and endorse fully the wisdom of our having strengthened the company's reserves in these times of stress and trial.

## FINANCING THE COUNTRY.

The balance-sheet does not call for comment, except that I would draw your attention to the large sum (over two and three-quarter million pounds) held by the company at the end of the year in British Government securities. The directors have consistently furnished our surpluses to finance the country, and it may not be out of place here if I mention that in the accounts now before you there is provided, in the form of income-tax deducted at source and income-tax by direct assessment and excess profits, a sum of no less than £186,453. This is a large sum, and shows of what assistance the company has been to the country in times of financial strain.

After a sympathetic reference to the number of the company's staff who have fallen or been disabled in the war, the report and accounts were adopted.

## NORWICH UNION LIFE INSURANCE SOCIETY.

The 110th annual general meeting was held at Norwich on Wednesday, when the President (Mr. Haynes S. Robinson), in the course of his remarks regarding the report and accounts for 1917, said: A year ago the results which we had to present to you were so good—I might even say so excellent after three years of war and all that that implies in connection with the work of any life insurance office—that I ventured to bring before you five questions which I felt justified in speaking of as covering the whole range of prosperity or otherwise that a life office is capable of. There is just one risk about a bold line such as I took, for undoubtedly last year an awkwardly high standard of perfection was set up, such as no office could reasonably be expected to live up to year by year in such times as these. Should that line be taken one year and departed from the next, it might lead to a suspicion that a phenomenally good year had been followed by one less satisfactory. However, I am glad to say I find myself confronted by no awkwardness of that sort, and, although it is far from my intention to advocate the adoption year by year of one stereotyped form of words by the chairman of a meeting such as this, I think I cannot more clearly bring before you the satisfactory figures of the year 1917 than by answering exactly the same searching questions I made use of a year ago.

(1) Has our new business at least fairly well stood the strain of war conditions?

Under this heading we have fully held our own in comparison even with 1916, having completed and retained at our own risk no less than £3,556,313, notwithstanding that the ever-growing requirements of war service during the year steadily narrowed down both the field of life insurance activity and the number of the field workers; and I may say quite frankly that this business, large as it is, might have been swelled very substantially had we not kept steadily in view what we believe to be the best line of policy in the interests of our policyholders both now and as against the day when something like normal conditions prevail once more.

(2) Has our new business been secured, and have our affairs generally been administered, at a reasonable cost?

I am glad to be able to tell you that our business has been placed and maintained on the books at almost exactly the same figure of cost as in 1916—namely, 12.66 per cent. of premiums—a thoroughly conservative scale, looking to the magnitude and general composition of our business and also to the steady advance in cost of almost everything except insurance.

(3) Have we earned on our funds a fairly substantial margin of interest in excess of the rate assumed in our calculation of reserves?

I cannot too emphatically assure you of the comfort it has been to the directors throughout another anxious year to feel that our reserves have been maintained on the footing of an assumed nett earning rate of only 2½ per cent., and that, in addition, we set aside a further substantial reserve as against all possible war contingencies. Our actual earned rate for 1917, after deduction of the all-important item of income-tax, was £4 3s. 3d. per cent.—19s. 6d. per cent. higher than for 1916. It is only right to add that this increase is not so much due to improvement in the nett earning rate as to the fact that the full effect of our quinquennial revision of capital values comes into play for the first time in the figures of the 1917 accounts. It is a real satisfaction to me, however, from the point of view of both security and profit-earning, to be able to draw your attention to a margin of interest on our life funds for 1917 of no less than £1 13s. 3d. per cent. over our valuation rate of £2 10s. per cent.

(4) Has the value of our invested funds shrunk to any considerable extent since our last revision? After such a year as the past, a considerable further shrinkage of values might reasonably have been expected, but I am able to report even more favourably under this heading than last year. On re-valuation as at December 31, 1916, we found market values were £47,000 below book values, the latter being the market values at the date of our quinquennial valuation of June, 1916. This £47,000 had advanced as at December 31 last to £72,000—a result for the full 18 months with which I think we may well feel satisfied. In connection with this question of invested funds, I wish to draw your attention, in passing, to the fact that during the year our total funds have expanded to the extent of no less than £918,824. This record affords ground for special satisfaction in such times as these, when the general tendency is for funds to shrink, or, at all events, not to expand to any notable extent, owing, of course, to restriction of new business, incidence of war claims, and depreciation of capital values.

(5) Has our mortality experience for the year been satisfactory, taking into account the inevitable incidence of war claims?

Our mortality experience has, you will see, been once more within expectation, even including a toll of claims due to the war to the extent of £160,240. But for the latter it would have been specially favourable—71 per cent. of expectation. For 1916, on the same footing, the ratio, apart from war claims, worked out at only 65 per cent., but you may remember I commented a year ago on our very notably low experience, which could hardly be expected to extend over two consecutive years. So much for my five questions. The answers I have been able

to give clearly show that, as regards three important tests of prosperity—new business, nett interest-earning rate, and investment values—we fared even better than in our excellent year 1916. As regards the fourth—economy of management—the experience of the two years was identical; while, under the fifth heading—that of mortality—1917 was a little less favoured than the exceptional year 1916. I think you will agree that, all round, we have reason to feel pleased with our comparative good fortune under present conditions.

## SPILLERS AND BAKERS, LIMITED.

Mr. Wm. Edgar Nicholls, presiding on Saturday at the thirty-first annual general meeting of Spillers and Bakers, Ltd., at Cardiff, said that it was necessary first to explain why the directors had decided to meet the shareholders this year without presenting the accounts. On April 20 last year the Food Controller issued an Order taking control of the larger flour mills of the country, and in order that the position might be fully considered it was necessary to postpone the annual meeting; but the accounts presented at that meeting were in respect of the year ended February 28, 1917, when there was no control. The date on which control actually came into force was May 12, 1917, and in view of the fact of the company's many other businesses, it would be remembered that it had been found necessary to register Spillers' Flour Mills, Ltd., as a separate company, which had been done on August 30 last. In regard to the period prior to August last, the position was extremely complex, as no separate figures relating only to the flour mills industry could be obtained, the profits therefrom having up to that time been merged in the general profits of the company.

Government control extended also to the other businesses of the company except the insurance businesses. In regard to Spillers' Grain Co., Ltd., which carried on businesses at eight different centres, whereas their normal stocks would average about 250,000 qrs. before the war, at the present time their stocks would be about 5 per cent. of that figure.

Having dealt with the question of the requirements of the South Wales and other collieries, and the endeavours made by the company to supply them, he proceeded to instance Spillers' Victoria Foods, Ltd., as an example of the incidence of interference with trade. Prior to the war they were manufacturers of biscuits, &c., for dogs and poultry. Government Orders in regard to poultry were contradictory, and, while no Order had been made affecting dogs, the supply of the usual material for making biscuits was not now forthcoming, with the inevitable result that owners, instead of letting their dogs starve, were feeding them to a large extent on food fit for human beings.

The directors had decided to recommend the payment of the usual rate of dividend and bonus on the ordinary shares of the company.

The doctrine that traders should only be entitled to prescribed returns on their capital was no doubt politically attractive to some, but the company used their reserves and bankers' advances in addition to their issued capital, in carrying on the business, and the total of these figures must be taken in estimating the percentage of profits made.

The British manufacturing industries had to prepare for international trade after the war, and the present rate of excess profits duty, viz., 80 per cent., was beyond the limit to ensure energy and enterprise.

The reorganisation of the British Oak Insurance Co., Ltd., was reviewed, and he looked for an ample field for a strong, new insurance company with an active policy, especially in view of the fact that pre-war premiums paid to enemy insurance companies in respect of reinsurances were said to amount to 20 millions per annum.

Of the company's employees, 1,248 had joined H.M. Forces since the outbreak of war, of which number 77 had been killed or died of wounds, 123 wounded, 12 were prisoners, and seven reported missing. The record of decorations granted would be circulated to the shareholders in due course.

In regard to war bread, notwithstanding the heavy dilution with other cereals, this was wholesome and sound where the miller and the baker performed their respective duties properly. Had it not been for the citizens of the U.S.A. denying themselves, we should have had to put up with a compound no better than that supplied to the Germans.

It was an unfortunate sequel to Government control that the company's profit-sharing scheme had temporarily to be suspended, but economy necessitated it so as to ensure continuity of employment.

The Whitley Report was the subject now of the earnest consideration of manufacturers throughout the country. It must be remembered that the interests of a section of the community were only a part of the interests of the whole. Co-operation between employers and employed was essential, and he suggested that the commercial community might learn a lesson from the trenches with their repeated records of mutual trust as between officers and men. He concluded with an expression of his own and the shareholders' thanks to the staff for their work during the past year.

The retiring directors and auditors were re-elected, and after a vote of thanks to the chairman, directors, and staff of the company had been accorded, the meeting was formally adjourned, to enable the accounts, when ready, to be placed before the shareholders at a later date.

### THE FINANCIAL TIMES.

The ordinary general meeting of the Financial Times, Ltd., was held on Thursday, at the registered offices of the company, 72, Coleman Street, E.C., Mr. William Graham (the chairman) presiding.

The Secretary (Mr. H. A. Randall, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman said: The past year has been a strenuous one for the *Financial Times*—possibly the most strenuous of the war period—and this chiefly for two reasons. The first is the further drain, both on the editorial and business staffs, caused by experienced men being called to the Colours; the second, and perhaps even more pressing trouble, has been the shortage of paper—a trouble which unfortunately is increasing and almost certainly will still further increase while the war lasts. This has necessarily entailed a régime of the strictest economy. We have to cut our coat according to our cloth, and not only to the present, but to the prospective supplies of cloth. Every effort has been made to save space without injury to the efficiency of the paper. The figure of £20,062 3s. 8d., which represents the profit earned during the past 12 months, is slightly in excess of that earned for 1916, and is, I am sure you will agree, a very satisfactory showing under the present abnormal conditions. The usual amount has been placed to the staff pension fund, and the necessary redemption of debenture stock has been effected, and you will notice that the issue of second mortgage debenture stock has been entirely redeemed, and will henceforth disappear from the accounts. The balance of profit, after meeting all fixed charges, represents a very creditable percentage on the ordinary share capital, but, in view of the present political situation, we have thought it advisable strictly to conserve the finances of the company. In recommending a payment for the year on the ordinary shares of 4 per cent., the directors trust that the ordinary shareholders will feel that the wisest course has been adopted by limiting dividends and increasing the "carry-forward" by £6,000, and thus strengthening the position of the company as a whole. The advertising revenue during the past year was, in spite of the dearth of practically all prospectus business, well in advance of that of the preceding 12 months, and the two special supplements recently produced, dealing with insurance and banking, constituted a record. It has been impossible during the past year to do much in the way of launching new publications, but the "Income-tax Guide" which we produced met with a very large sale, and the sale of our 1917 edition of "Rubber Producing Companies" was largely in excess of that of any previous issues. A new edition of the "Income-tax Guide," covering the present Finance Act, is now being prepared, and will shortly be issued. The circulation of the *Financial Times* to-day is greater than it was at this time last year, and were it not for the paper difficulty we could increase this sale very materially. As a sign, and perhaps the most significant sign, of the vitality and usefulness of the *Financial Times*, I may once more call attention to the fact that our "Answers to Correspondents" column has fully maintained its popularity during the year, and far exceeds in dimensions that of any other daily newspaper dealing exclusively with finance. A word now as to the future of the *Financial Times* after the war. The war has enhanced rather than diminished the influence and reputation of the *Financial Times*. Its prestige never stood higher. It will get the benefit of all financial advertising going when the war is over, and there will be plenty of it. It is a great mistake to suppose that the enormous sums raised for war purposes represent money wholly lost. A very large proportion of it is money retained in the country, and it is a process rather of shifting than of extinction of capital. A considerable proportion of the newly made capital must inevitably seek investment, and once the ban of the Treasury is removed there will be no lack of new issues, and there will be a quickening of Stock Exchange business and of enterprise all round. I think we may look forward with full confidence to the future of the *Financial Times*.

Mr. F. F. Bridgewater (managing director) seconded the resolution, which was carried unanimously.

### NITROGEN PRODUCTS AND CARBIDE.

The fourth annual general meeting of the Nitrogen Products and Carbide Co., Ltd., was held on Wednesday at Winchester House, Old Broad Street, E.C., Mr. A. E. Barton (the chairman) presiding.

The Secretary (Mr. H. A. McMahon) read the notice convening the meeting and the auditors' report.

The Chairman said the year's working had resulted in the satisfactory nett profit of £212,880, equal to nearly 12 per cent. on the paid-up capital. Their Odda factory had worked throughout the year, and the whole of the cyanamide produced had been sold under contracts which had just been completed; fresh ones had been entered into which would assure an outlet for the whole of the production up to the end of the present year, at prices that should prove remunerative. The works at Alby had run throughout the year, and the company had been enabled to declare a satisfactory dividend. Work at Aura had been specially directed to the driving of the tunnel, so that when operations were resumed on a large scale harnessing up might be completed as speedily as possible. The large installation in France had been running continuously, other plants were nearing completion, or about to be constructed, and their

French friends considered their process of great value. The Italian factory should shortly be in operation, and they were negotiating for the sale of their rights in other countries. The profits would have been considerably greater had the products of their Odda works been disposed of as a nitrogenous fertiliser rather than utilised as the source of ammonia supply for war purposes. Shareholders would appreciate from that, however, that their company was not one of those whose source of revenue would disappear with the cessation of hostilities. On the contrary, when that happy time arrived, the demand for their products would be greater than ever. He was glad that the country had awakened to the vital importance of developing the productivity of the soil to the much higher standard already reached in other European countries, by the intensive use of artificial fertilisers. Had the importance of agriculture been thoroughly realised in pre-war days the country would now be in a very different position. As illustrating the financial benefit to the nation from an adequate use of fertilisers, if they took the probable acreage of wheat at 3½ million acres, on that crop alone the increased value would amount to at least £5,000,000 per annum; in the case of a potato crop the increased value would be approximately £8,500,000 per annum. A Departmental Committee, appointed by the Minister of Munitions to report on the post-war position of sulphuric acid and the fertiliser trade, called attention to the fact that the large surplus of sulphuric acid plant which would be available at the end of the war provided an opportunity for the development of a vigorous agricultural policy in relation to the efficient cultivation of the soil, and recommended that the powers of the Corn Production Act should be widely used to enforce the adequate use of fertilisers. The recommendation of the Committee had relation to the utilisation of sulphuric acid as much as possible by the manufacture of super-phosphates. The result of such a sound policy would, however, be more far-reaching, because if the quantity of phosphates applied to the land should be greatly increased, nitrogenous fertilisers must also be largely increased. In order to make Great Britain self-contained in regard to the necessary raw materials, the installation of adequate and cheap electrical power was essential, and the only means of obtaining cheap electrical power was by developing a suitable coalfield on an extensive scale, by carbonising the coal at high temperatures, recovering all the by-products therefrom, passing the coke through producers, and utilising all the gases for firing boilers to work steam turbines operating large electrical generators. They were preparing plans and estimates for a complete installation of 120,000 h.p., so as to be in a position on the cessation of hostilities to initiate and co-operate in the establishment of an industry of this nature in this country.

Major C. H. Campbell, in seconding the resolution, said it spoke volumes for the company that a business brought into being mainly to fill the requirements of agriculture should prove so adaptable and of such great value for the manufacture of high explosives. The great lesson which the war had brought home to all nations was the absolute necessity of being self-supporting, not only as regards peace, but under war conditions, and there was no doubt that in the near future their company would reap the benefit of this dearly bought lesson.

The resolution was carried unanimously.

### World's Shipping Output.

The Admiralty furnishes the following statement with regard to the shipping output for the past quarter and previous periods:—

Period.	United Kingdom.	Allied and Neutral.	World.
1915.....	650,919	551,081	1,202,000
1916.....	541,552	1,146,448	1,688,000
1917.....	1,163,474	1,774,312*	2,937,786*
1918, 1st quarter ..	320,280	544,327	864,607

\*Adjusted to include certain vessels advised since the issue of the Parliamentary White Paper in March (Cd. 9009).

### UNITED KINGDOM COMPLETIONS.

The tonnage of merchant vessels completed in United Kingdom yards and entered for service during April, 1918, compared with preceding periods, was as under:—

Month.	Completions.	Year Ending.	Completions.
1917.	Gross tons.	1917.	Gross tons.
April .....	69,711	April 30 .....	749,314
May .....	69,773	May 31 .....	773,116
June .....	109,847	June 30 .....	835,863
July.....	83,073	July 31 .....	865,147
August.....	102,060	August 31 .....	928,470
September.....	63,150	September 30 .....	957,185
October.....	148,309	October 31 .....	1,045,036
November.....	158,826	Nov. 30 .....	1,133,336
December.....	112,486	December 31 .....	1,163,474
1918.		1918.	
January.....	58,568	January 31 .....	1,173,953
February.....	100,038	February 28 .....	1,194,540
March .....	161,674	March 31 .....	1,237,515
April .....	111,533	April 30 .....	1,279,337

## INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE.		
	Week ending	Amount	In. or dec. on last year.	Amount	In. or dec. on last year.	
Assam Bengal	Mar. 2	Rs. 1,64,143	+ 36,332	Rs. 3,97,613	+ 3,16,300	
Barsi	" 9	10,200	+ 6,400	7,78,700	+ 2,28,700	
Bengal & N.W.	" 16	4,96,930	+ 9,158	99,66,892	+ 3,54,501	
Bengal Nagpur	" 9	12,93,000	+ 1,02,000	5,16,88,138	+ 42,45,529	
Bombay, Baroda	April 27	18,84,000	+ 3,05,000	69,72,000	+ 8,83,000	
B. rma	Mar. 2	5,53,453	+ 2,223	2,00,83,423	+ 61,708	
Delhi Umballa	April 27	96,100	+ 20,310	3,49,085	+ 52,775	
East Indian	" 27	26,86,000	+ 3,25,000	95,38,000	+ 3,83,000	
Gr. Indian Penin.	" 27	25,58,200	+ 93,200	90,72,200	+ 1,48,700	
Lucknow-Bareilly	Mar. 16	70,646	+ 16,924	12,96,717	+ 1,55,246	
Madras and S.						
Mahratta	" 9	11,00,000	+ 8,604	2,37,36,398	+ 12,49,258	
Nizam's Gd. (Broad)	" 2	1,66,964	+ 32,564	29,73,522	+ 1,10,871	
(Metre)	" 2	82,499	+ 1,511	18,87,625	+ 38,591	
Rohilkund and						
Kumaon	" 16	55,206	+ 14,463	11,11,039	+ 1,94,482	
South Indian	" 9	6,42,064	+ 29,796	1,47,83,311	+ 9,54,861	

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

Dublin United	Apr. 5	7,817	+ 1,914	99,454	+ 19,435
Hastings and Dist.	" 22	1,017	+ 43	16,614	+ 2,080
Isle of Thanet	" 20	277	+ 76	388,664	+ 1,969
Lancashire United	May 1	3,013	+ 943	45,991	+ 13,707
Provincial	Apr. 20	2,507	+ 351	70,343	+ 12,844
Yorks. (West. Ridg.)	May 5	2,545	+ 421	43,290	+ 9,817

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

Alabama Power	Mar. 5	126,829	+ 20,143	126,829	+ 20,143
Anglo-Argentine	May 6	59,028	+ 3,390	996,707	+ 73,000
Auckland Electric	Apr. 12	23,209	+ 2,031	224,466	+ 9,880
Brazilian Traction	Mar. 5	M3,925,000	+ M226,000	M118,600	+ M852,000
Brisbane Elec. Inv.	" 5	55,530	+ 2,100	102,039	+ 5,879
British Columbia	" 5	119,658	+ 29,210	1,032,557	+ 160,244
B.A. Lacroze	Apr. 4	41,643	+ 5,532	388,064	+ 8,601
Burmah Electric	Mar. 5	Rs. 27,906	+ Rs. 774	185,428	+ Rs. 991
Calcutta	May 4	Rs. 70,018	+ Rs. 8,582	Rs. 153,340	+ Rs. 80,703
Carthagenia and					
Herreras	Apr. 5	4,200	+ 166	17,558	+ 3,032
Cordoba Light					
P. & T.	Feb. 12	1,972	+ 1,076	147,938	+ 435
Hongkong	Mar. 9	12,990	+ 701	141,396	+ 2,377
La Plata	Apr. 6	5,160	+ 940	19,972	+ 2,807
Lima	Mar. 5	42,106	+ 4,520	127,535	+ 18,900
Madras Electric	Apr. 30	Rs. 42,911	+ Rs. 8,666	Rs. 320,724	+ Rs. 44,632
Manila Electric	Aug. 5	65,467	+ 4,667	547,492	+ 70,625
Mexico	Nov. 5	215,256	+ 108,669	3,193,106	+ 197,227
Rangoon	Apr. 5	5,885	+ 849	22,863	+ 3,363
Singapore Electric	Feb. 23	13,760	+ 707	144,652	+ 1,821
Toronto	Mar. 5	531,725	+ 56,119	1,442,834	+ 55,211
United of Monte V.	Apr. 5	33,704	+ 4,474	208,037	+ 19,475
Vera Cruz	Feb. 5	42,200	+ 6,300	84,800	+ 19,300
Winnipeg	Mar. 5	66,661	+ 16,980	216,856	+ 33,817

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

Albion and Gandia	May 4	Pa. 9,500	+ 500	Pa. 167,400	+ Ps. 27,470
Antofagasta (Chili)	" 5	50,120	+ 7,690	760,670	+ 93,650
Arauco	Mar. 5	12,500	+ 1,300	39,000	+ 6,000
Argentine N.E.	May 4	11,500	+ 1,800	374,400	+ 67,198
Bilbao R. and Cants	Apr. 5	5,453	+ 2,011	15,083	+ 2,919
Bolivar	" 5	13,000	+ 962	113,775	+ 14,630
Brazil	Feb. 5	M4,426,000	+ M713,064	M9,628,000	+ M1783,563
Brazil Gt. Southern	Dec. 5	M16,66,912	+ M2,712	M538,439	+ M74,769
B. Ayres & Pacific	May 4	96,000	+ 10,000	4,091,000	+ 299,000
Do. Central	Mar. 5	38,675	+ 14,024	252,258	+ 35,451
Do. Gt. South'n	May 5	116,000	+ 1,200	4,775,705	+ 192,549
Do. Western	" 5	76,000	+ 34,000	2,273,000	+ 108,000
Central Argentine	" 4	171,000	+ 85,700	4,980,200	+ 420,200
C. Ur'g'ay of Mte V.	" 4	18,620	+ 3,356	812,137	+ 229,669
Do. East'n Ex.	" 4	5,407	+ 390	224,567	+ 7,885
Do. North'n Ex.	" 4	3,425	+ 453	144,075	+ 35,421
Do. West'n Ex.	" 4	1,934	+ 436	98,543	+ 17,862
Cordoba Central	" 4	36,500	+ 3,290	1,352,350	+ 59,780
Costa Rica	Mar. 16	3,690	+ 601	104,620	+ 89,971
Cuban Central	May 4	32,630	+ 803	910,189	+ 163,416
Dorada Extension	Mar. 5	8,200	+ 400	23,900	+ 2,700
Egyptian Delta	Feb. 28	6,519	+ 1,253	264,360	+ 62,060
Entre Rios	May 4	19,400	+ 6,400	695,400	+ 165,000
French Sante Fé	Jan. 5	147,488	+ 55,713	147,488	+ 55,713
Gr. South. of Spain	Apr. 27	Pa. 29,535	+ Pa. 55,411	Pa. 512,305	+ Pa. 113,023
Gr. West. of Brazil	May 4	14,500	+ 3,300	323,300	+ 89,850
Havana Central	Apr. 20	10,911	+ 2,841	371,020	+ 78,402
Inter. of C. Amer.	Mar. 5	30,205	+ 9,999	77,876	+ 27,584
La Guaira and Car.	" 5	5,500	+ 4,000	19,250	+ 8,250
Leopoldina	May 4	30,403	+ 8,625	568,943	+ 160,823
Midland Uruguay	Mar. 5	14,894	+ 156	119,814	+ 4,266
Mogiana	Feb. 5	M1,793,000	+ M415,924	M3,948,000	+ M669,999
N.W. of Uruguay	Apr. 5	22,000	+ 6,710	260,697	+ 17,004
Nitrate	" 30	35,247	+ 601	241,090	+ 13,700
Paraguay Central	Apr. 27	3,230	+ 400	123,260	+ 14,790
Paulista	Feb. 5	M2,740,000	+ M994,536	M5,700,000	+ M1807,952
Peruvian Corp'n	Apr. 5	S1,079,880	+ S122,380	S10,024,440	+ S1142,548
Salvador	" 27	9,389	+ 567	79,017	+ 1,461
State of Bahia S.W.	Mar. 5	M47,000	+ M20,000	M237,000	+ M53,000
S. Paulo (Brazilian)	May 5	21,501	+ 1,740	559,428	+ 160,759
Sorocabana	Feb. 5	M1,784,000	+ M272,301	M3,736,000	+ M472,195
Taitai	Mar. 5	20,392	+ 119	224,678	+ 57,023
United of Havana	May 4	79,287	+ 11,300	2,523,008	+ 617,506
West'n of Havana	" 4	13,355	+ 2,316	397,974	+ 110,190
Zafra and Huelva	Mar. 5	13,419	+ 3,201	35,912	+ 3,593

\* Months. † From Jan. 1. ‡ From July 1. c Net. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

Beira	Dec. 5	49,448	+ 1,842	173,777	+ 6,532
Canadian Northern	Apr. 30	\$1,182,400	+ \$250,300	\$34,657,500	+ \$246,100
Canadian Pacific	" 30	\$4,072,000	+ \$407,000	\$45,799,000	+ \$235,300
Gr. Trk. Main Line	" 30	337,723	+ 102,900	3,141,049	+ 139,570
Gr. Trk. Western	" 30	55,654	+ 3,128	576,288	+ 164
Detroit G. H. & M.	" 30	14,733	+ 2,993	187,379	+ 10,178
Gr. Trk. Pac. Prairie Sc.	" 30	26,417	+ 2,070	412,801	+ 107,806
Mashonaland	Nov. 5	56,698	+ 1,486	56,698	+ 1,486
Mid. of West. Aus.	Feb. 5	8,617	+ 88	61,134	+ 3,915
New Cape Central	Mar. 16	2,177	+ 464	25,919	+ 4,639
Rhodesia	Jan. 5	76,395	+ 4,188	345,800	+ 7,737

\* Months. † July 1. ‡ Jan. 1. c From Oct. 1.

## What Balance Sheets Tell.

LONDON BANK OF AUSTRALIA, LTD.—Gross profits last year amounted to £232,000, an increase of £11,000, while expenses, contrary to general experience, were £3,000 less at £149,000. Consequently, with £4,000 less brought in, the available balance is up £10,000 and the dividend of 7 per cent. on both the ordinary and preference shares is repeated. Provident fund gets an extra £1,000, and £30,000, or £5,000 more, is placed to reserve, leaving £24,500, or £3,800 more, to be carried forward. Deposit and current accounts have increased £720,000 to £6,345,000, while cash and investments are up £460,000 at £3,263,000, and discounts, advances, &c., £210,000 at £4,722,000. The balance-sheet total has risen £730,000 to £8,335,000.

INDUSTRIAL BANK OF JAPAN, LTD.—Very gratifying progress continues to be made by this useful banking enterprise. In the past half-year gross profits amounted to yen 4,866,000, and the net to yen 730,000, so that there is no difficulty in maintaining the dividend at 6 per cent. after placing yen 74,000 to reserve. As compared with 18 months ago, the capital has been increased by yen 12,500,000 to yen 30,000,000, debentures by 13,000,000 to yen 76,403,000, and deposits, &c., by 30 millions to yen 50,094,000. The balance-sheet now totals at yen 181,500,000, an increase of 64 millions, and the position looks healthy, although perhaps a somewhat large proportion of the assets (yen 41,500,000) is tied up in fixed loans.

BRAZIL GREAT SOUTHERN RAILWAY CO., LTD.—Accounts for the year 1916 are only now presented, and they do not indicate much progress. Gross receipts on the main line amounted to £16,500, an increase of £1,350, but expenditure reached £19,310, an increase of £2,190. On the San Borgia extension gross receipts were £7,310, or £1,270 higher, and this just about clears expenses. Altogether, the deficiency for the year is £24,410, raising the total debit balance to £31,270. The most pleasant item in the report is the announcement that the Brazilian Government made an offer to pay a substantial part of the guaranteed interest in 5 per cent. internal bonds. This was accepted, and £44,250 has been received, while it is hoped that an arrangement will shortly be made for the payment of the remaining £20,250.

SPILLERS AND BAKERS, LTD.—The directors were not in a position to submit accounts at the annual meeting held last Saturday, and there is considerable uncertainty as to when they will be available, but the auditors are satisfied that the profits of the year to February 28 will permit of the payment of a final dividend of 7½ per cent., making 10 per cent. for the year, together with a bonus of 5 per cent., and this has accordingly been declared. A similar distribution was made a year ago. Profits have not been on the scale reached in 1915, and the principal business is now "controlled," but it continues to prosper.

SAMNUGGER JUTE FACTORY CO., LTD.—Although the jute business does not appear to have been quite so profitable last year as in 1916, the great Anglo-Indian companies have nothing much to complain of. This factory had an overturn of £1,283,000, or £264,000 less than in the previous year, and the trading profit was £154,000 lower at £353,120. Taxation, however, required £135,000 less, and with larger miscellaneous receipts the net profit, including about the same amount brought in, shows an increase of £10,000 at £276,100. From this £30,000 is set aside for depreciation of plant and £107,000 as a reserve for income-tax. Dividend is reduced from 40 per cent. to 35 per cent., and the carry forward of £26,600 is £104,000 down. It is stated that the outlook for the current year is quite satisfactory.

TITAGHUR JUTE FACTORY CO., LTD.—Balance of sales account for the past year amounted to £1,393,000, a decrease of £250,000, and the trading profit is £170,000 lower at £354,000. However, £150,000 was saved on taxation, and with £15,000 more brought in the available balance shows an increase of £19,000 at £332,800. From this £150,000 is set aside for depreciation and income-tax reserve, and the dividend of 40 per cent. on the ordinary shares is repeated, leaving £53,500, or £117,000 less, to be carried forward. Like other similar undertakings, the company has supplied a large proportion of its production to the Allied Governments at a very heavy discount on current market rates, but the directors very naturally regard the net results as entirely satisfactory. And we should think that the shareholders will cordially agree with them.

VICTORIA JUTE CO., LTD.—Sales account shows a total of £850,000, but this is £120,000 less than in 1916, and the trading profit is £63,000 down at £232,450. Excess profits duty for 1916 absorbed £105,000 of the large balance brought forward, and £89,000 is set aside in respect of the past year, with the result that the available balance is £128,000 lower at £180,800. Only £10,000 against £20,000 is set aside for depreciation, but income-tax reserve gets £78,000, and after paying 35 per cent. against 40 per cent., the carry forward is reduced by £54,000 to £15,300. For a time, owing to exchange and freight difficulties, an agreement was entered into to run the mills only five days per week, and this was in force till the beginning of the present year, when six days working was resumed.

# The Investors' Review

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## CANADA.

### THE DOMINION BANK.

Head Office, TORONTO.

Total Assets - - \$109,436,000.

SIR EDMUND B. OSLER, President.

W. D. MATTHEWS, Vice-President.

C. A. BOGERT, General Manager.

London Branch, 73, CORNHILL, E.C. 3.

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.

General Banking business transacted. Information furnished regarding Canadian matters.

### ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

PAID-UP CAPITAL .. £2,000,000  
REST AND UNDIVIDED PROFITS .. 914,968  
DEPOSITS .. 26,177,865

Head Office: ST. ANDREW SQUARE, EDINBURGH.

Cashier and General Manager, A. K. WRIGHT. Secretary, J. B. ADSHEAD.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager. ALEX. DICK, Deputy-Manager.

Glasgow Office: EXCHANGE SQUARE.

A. DENNISTOUN, Agent. THOMAS LILLIE, Sub-Agent.

167 Branches throughout Scotland.

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Established 1841.

Paid-up Capital .. £250,000 0 0 25,000 Shares of £10 each.

Reserve Fund .. £700,000 0 0 Reserve Profits .. £19,339

Reserved Liability of Shareholders £250,000.

Drafts issued. Remittances cabled, Bills negotiated or collected. Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents, The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

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Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - TAIPEH, FORMOSA.

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LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

### THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital .. Yen 48,000,000  
Capital Paid Up .. Yen 42,000,000  
Reserve Fund .. Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Bombay.	Honolulu.	Newchwang.	Shimonoseki.
Buenos Ayres	Hong Kong.	New York.	Singapore.
Calcutta.	Kobe.	Osaka.	Sourabaya.
Changchun.	Los Angeles.	Peking.	Sydney.
Dairen (Dalny).	Lyons.	Rangoon.	Tientsin.
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The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

### THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital .. £1,000,000.	Subscribed Capital .. £250,000
Paid-up Capital .. £500,000	
Reserve Fund .. £55,000	
	£1,055,000
Uncalled Capital .. £125,000	
Reserve Liability of Proprietors .. £225,000	
	£1,805,000

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

## BANKS.

# THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	...	£1,500,000
Capital Issued	...	1,125,000
Capital Paid Up	...	562,500
Reserve Fund (Undivided Profits)	...	708,432

## Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS  
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

**DEPOSITS** received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

# THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital	£4,000,000
Paid-up Capital	1,800,000
Reserve Fund	2,000,000

## BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILE—Valparaíso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 3.

# THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71, Old Broad Street, E.C.

Subscribed Capital	£1,276,747	10 0
Paid up Capital	669,685	0 0
Reserve Fund and Undivided Profits	409,526	1 1
Reserve Liability of Proprietors	806,962	10 0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

# ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office—35, Lombard Street, E.C. 3.

Subscribed Capital	£1,078,875	0 0
Paid-up Capital	539,437	10 0
Further Liability of Proprietors	539,437	10 0
Reserve Fund	500,000	0 0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION, Manager.

# BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, Queen Victoria Street, London, E.C. 4.

AUTHORISED CAPITAL £5,500,000

SUBSCRIBED CAPITAL.

Four per Cent. Guaranteed Stock	£529,988
"A" Preference Shares issued to New Zealand Government	500,000
"B" Preference Shares issued to New Zealand Government	250,000
Ordinary Shares	1,500,000
	<u>£2,779,988</u>

Reserve Fund and Undivided Profits £1,246,995

Negotiates and collects Bills of Exchange.

Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

## BANKS.

# BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital	£3,904,860
Reserve Fund	2,875,000
Reserve Liability of Proprietors	3,904,860
	<u>£10,684,720</u>

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.  
H. L. M. TRITTON, Esq. WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager. J. S. CAMPBELL, Secretary.  
HALKERSTONE MELDEUM, Assistant Manager. DAVID GEDDIE, Accountant.

The Bank has 331 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

# THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £2,000,000; together £4,000,000

Reserve Liability of Proprietors 4,000,000

Total Capital and Reserves £8,000,000

HEAD OFFICE - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

# FARROW'S BANK LIMITED

Authorised Capital	£1,000,000
Shares issued	700,000
Shareholders	4,000

All descriptions of Banking business, including the collection of Bills, Dividends, Annuities, etc., transacted. Foreign Money exchanged and Drafts issued to all parts of the World.

Chairman: Mr. THOMAS FARROW.

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Strong Rooms for the safe custody of deeds and other property provided for the use of the Bank's customers

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# The Investors' Review.

Vol. XLI.—No. 1,063  
New Series.

SATURDAY, MAY 18, 1918.

(Registered as a Newspaper) Price 6d.

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## ANSWERS TO QUERIES.

**One Reply to One Question—One Shilling.** Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

**Telegrams** advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

**Private letters** in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

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## Passing Events.

A slight improvement was shown in last week's sales of the Bank of England issue of National War Bonds. The increase, however, was only £100,000, and the total £9,215,000, whereas the actual expenditure of last week on supply services, debt interest and miscellaneous was £57,460,000. Mr. Bonar Law, in replying to remarks by M.P.'s on his Budget, which he did in his usual frank and engaging fashion, contrasted the "spectacular loan," as he called it, of £1,000,000,000 raised in January last year with the more modest but "most satisfactory" success of the advertising agents' Tank and Press campaign in furtherance of these National War Bond sales. Up to April 1, excluding the War Savings certificates, they had yielded £719,000,000. This is undoubtedly very good, but did we not in the same time spend more than twice as much? And does not the gap go on widening between what we receive and what we have to pay?

Look at last week's display. The expenditure, as we have said, was nearly £57,500,000, of which £54,984,000 was laid out on supplies, on the public services; that is, more particularly on the Army and Navy. This was at the rate of £7,855,000 a day, and just £9,276,000 of the money was provided from the revenue. The rest had all to be borrowed, and as the amount of floating debt falling due, or coming in for renewal, was, as usual, massive, the total outgoings reached £121,244,000. The Government had to pay back £57,320,000 on due Treasury bills and also to pay off £5,000,000 of its temporary advances. It further had to pay £945,000 on account of War Loans and Exchequer bonds, presumably tendered as subscriptions for the National War Bonds and £517,000 of "other" war debt had to be cancelled. So £72,099,000 was raised on new Treasury bills, or £14,715,000 more than was paid off. The total of these bills now outstanding, therefore, amounts to £972,850,000. Also £16,789,000 was received from "other" war debt sources, £13,030,000 from National War Bonds sold, and £7,982,000 was borrowed on temporary advances, or £2,982,000 more than was paid off. Consequently, temporary advances now stand at about £87,500,000, and with all the helps available, including £1,400,000 received from War Savings certificates, sales of which

are improving, the resources were £548,000 short of the requirements. Consequently Exchequer balances were again reduced by that amount, and are now down to £14,305,000, as compared with £23,225,000 a year back. This is a story of uneasy financial circumstances at the best, but we are not going to belabour the point this week. These are the facts. Let each one draw his own inference. Out of last week's actual revenue of £9,276,000, it may be added, £4,992,000 came from excess profits duty and income-tax. Up to date the revenue of all kinds has yielded £71,851,000 and the expenditure has been £321,195,000, including £18,688,000 of interest disbursed on the war debt.

In introducing the vote for the Board of Trade, Sir A. Stanley gave some very interesting information with regard to the actual volume of our imports and exports since the war disorganised and changed the character of our foreign commerce. In 1917, he said, the value of our imports amounted in round figures to 1,065 millions, and of our exports to 595 millions, including re-exports. But if the same price level was assumed for 1917 as for 1913, the value of imports would be only 545 millions, and of exports 375 millions. Accepting these adjusted figures, it would be found that the decrease in the volume of our imports was about 40 per cent. and of our exports about 30 per cent., as compared with 1913. In other words, we imported last year only two-thirds of the amount we did before the war, and it is expected that this year the volume will be cut down to one-half of the pre-war level. Of course, allowance has to be made for shipments direct to the Continent to make provision for our vast armies abroad, and other considerations have also to be taken into account. Trade with the enemy, which was a very important factor before the war, has been entirely cut off, and there has been a practical cessation of our trade with Belgium and Rumania, while of late Russia also has been almost completely eliminated. Apart from these influences, it must be remembered that the character of our foreign trade has changed enormously, partly owing to the shipping restrictions and also because the whole basis of normal conditions has been blotted out. Sir A. Stanley tells us that it is estimated that more than one-half of all the workpeople engaged in industry are doing work on Government account. It follows as a matter of course that whatever imports we

have obtained are mainly required for Government purposes. Just so, and Sir A. Stanley goes on to marvel at the wonderful resources which, he says, have been discovered in our own country. What a blessing it must be to have a mind that can work through these curious ellipses! We get along somehow or other, because almost every ounce of industrial effort is diverted into war work, and if you get sufficient iron, cotton, wool, and wood, there is nothing else to worry about for the time being. But there must be some consideration for what is likely to happen after the war. At present we get a wonderful output of materials for war purposes, but the goods received are mainly elemental, and have not the remotest relation to the complicated trade conditions which had to be faced in peace times, and which may become very much more acute after the war. For the time being all the shipping we have available has to be used to bring here essential food-stuffs and raw materials, and even in that respect the Control has failed lamentably both with regard to Australian and Argentine wheat and wool—millions of pounds' worth being left to rot because £5 to £50 per week Whitehall clerks thought they knew as much about shipping as the men who had spent their whole lives studying the complicated problems which crop up in the course of their business. Certainly it is true that the resources of this little island have proved to be far greater than it would have been safe to reckon on in pre-war times, but requirements have been reduced to the most elementary fundamentals, and we are not helped in trying to gauge the future by taking the past four years as a guide to what is likely to happen when at long last peace—the Allies' peace—is accomplished.

What is happening in Russia? No one knows, nor can we light upon anyone who possesses reliable information. It would seem, however, that Leninism is coming up against the difficulties that it has created, and that out of the chaos may soon emerge a beginning of a new order of life. It was easy to upset the old order, to cancel treaties, to seize property of every description, public and private, and to proclaim to a dazed and credulous population that henceforth all things were to be in common, that there were to be neither rich nor poor, but that everyone was to enjoy universal peace and plenty. But the realisation of this mad dream soon proved impossible, and now the perpetrators of the crime by which Russia was cast at the feet of the arrogant Prussian, bound and helpless, Lenin and his associates or dupes, are filled with alarm. He would resist the treacherous, cruel foe now that the Russian people have no arms with which to fight. In some sense this man's reversal of attitude is of small moment, but in regard to the state of Russia, it may have considerable significance. We have an idea that beneath the surface things are fermenting throughout Russia, and working towards a *dénouement* which may surprise us all. There are rumours of fights in many places, of war still going on in Finland, of revolts in Moscow, of uprisings in Caucasia, of this general and that colonel raising armies and making headway; but the most significant fact of all which emerges from the darkness is the conduct of the German robber. He is busy annexing, and in his sottish but cunning astuteness attempting to assimilate what he plays brute towards, and always with the bombastic affectation of the rôle of "liberator." William, "by the grace of God" still alive, has "liberated" Lithuania, and declared it "a free and independent State," but at the same time takes care to indicate that the convention to be concluded between this "independent" State and the German Empire will see to it that Lithuania "participates in the war burdens of Germany which have served to procure her liberation." A "firm alliance" on these terms is to be made between this Western province of Russia and the Prussian aggressor, all in the usual Alsace-Lorraine manner. It is the same everywhere. Prussian interests must come first, and the Prussian devastation of Germany itself has proceeded so far

that it has become an imperative necessity to enslave wherever possible in order to get the means of subsistence. That this is so is a most encouraging fact. The Germans are by their behaviour welding Russia anew, and out of the present welter of misery and strife may arise a national unity, even if a unity of federated States, which will do more to turn back and confine the Prussian brute in his inhospitable northern lands than any number of armies. Poland and Russia should act together in this agony, and the Southern Slavs, supported by Italy, should join in a league that will ensure them their individual and national freedom after a fashion and to an extent that would never have been possible by mere parchment agreements. It is well, therefore, not to despair about the present darkness and division which enshrouds Russia, for we have confidence that in the end all the Slav peoples will be indeed free. And in the meantime wherever and whenever opportunity offers we should remember Sir George Buchanan's advice and "help Russia."

We were misled by the summaries of the "peace" treaty last week in saying that Germany had exacted no indemnity from Rumania. In a technical sense the statement was true, but in actual fact the whole of Rumania is enslaved by way of "indemnity" by the greedy Prussian. Not only has he swept away nearly 8,500 square miles of Rumanian territory, and, as we explained last week, annexed the oil regions and taken a prior lien on the grain crops, but by the supplementary treaty has bound her to indemnify the Germans for all damages suffered by them on Rumanian territory "as the result of the military measures of one of the belligerent Powers." This stipulation also applies to the losses which the Germans have suffered as participants, and especially shareholders of undertakings situated in Rumanian territory. A commission is to assemble in Bukarest to assess these losses, and obligation to indemnify is to be applied in favour of neutral nations as well. That is to say, Rumania is to pay neutrals an indemnity for damages suffered by them as result of German military measures. Neither is the realised wealth left in the country exempt. The balances and deposits of the National Bank of Rumania now at the German Reichsbank, Clause 11 of the Supplementary Treaty says, shall remain there for five years, and, if Rumania falls behind with an instalment, for ten years as a security for Rumania's public debt service as regards the Germans. These moneys in the hands of the Reichsbank may be also drawn upon if necessary to pay interest and redeem drawn bonds. Thus at all points Rumania is shackled, and the only comfort one has in contemplating such terms is that their harshness will ensure their ultimate defeat. But meantime the hardship of the Rumanian people may well become past bearing.

In the Dominion House of Commons Mr. Borden has announced that the Government hopes to be able in next session of Parliament to make proposals for the nationalisation of the whole of the railway systems in the country with the exception of the Canadian Pacific. The Canadian Northern has already been taken over, and it is inevitable that the Grand Trunk Pacific should also be acquired, and in order to provide that system with an eastern outlet it would be necessary to secure the parent Grand Trunk Railway. Indeed, the Government has already made an offer to the directors of the latter company, who replied with a counter-proposition which was not acceptable, and further negotiations will be continued by Ministers coming to Europe during the summer. Owing to the enormous increase in working expenses the Grand Trunk is not in a favourable position to drive a hard bargain, but we hope a fair and reasonable compromise will be arrived at. Meantime the outlook does not improve. An arrangement has just been made whereby wages of Canadian railway employees will be increased proportionately to the advance on the American railroads, and as the latter have their nett income guaranteed by the Government they can afford to be generous in this

respect, but the Canadian lines are already finding it sufficiently difficult to make ends meet.

Evidence of the remarkable prosperity which Japan has been enjoying is furnished by the report of the Yokohama Specie Bank, Ltd., for the half-year to December 31 last. In every direction the figures show a wonderful expansion, which may be most concisely visualised in the fact that the balance-sheet now totals 982,756,000 yen, an increase of no less than 406 millions, as compared with the end of 1916, which in turn showed an advance of 193 millions over 1915. Including 2,227,000, or 800,000 yen more, brought in, the gross profits were 51,965,000 yen, an increase of 20,300,000, following a gain of 10,800,000 yen in the corresponding period, but interest, expenses, &c., absorbed 19,400,000 more at 46,084,000 yen, and the balance available for appropriation is 5,880,000 yen. Out of this the usual dividend at the rate of 12 per cent. per annum is paid, and the allocation to reserve fund is doubled at one million, leaving one million more at 2,720,000 yen to be carried forward. Deposit and current accounts are almost exactly doubled at 527 millions, and bills payable, acceptances, &c., are 140 millions up at 368,910,000 yen. Cash in hand has increased 9,200,000 to 39,915,000 yen, and balances at bankers are 97 millions higher at 133,320,000 yen. Discounts and advances have risen 47 millions to 225,532,000 yen, and there is an expansion of no less than 250 millions at 551,767,000 yen in bills receivable, &c. It is a wonderful display at every point, and the bank now ranks high among the leading financial houses of the world.

Splendid results are shown by the Fine Cotton Spinners' and Doublers' Association, Ltd., for the year to March 31. After charging £180,000, or £40,000 more, to depreciation, and providing for excess duty on the higher scale, the nett profits were only £9,000 less at £701,130. For depreciation of investments, £10,000 more at £125,000 is set aside, and other funds get £45,000, against £10,000, but last year £75,000 was written off for contingent losses on foreign debts, and with a larger amount brought in, the available balance is £23,600 higher at £561,930. The ordinary dividend is again 10 per cent., but it has to be paid on £200,000 more, and the balance forward is increased by £12,000 to £152,430. Creditors have increased £460,000 to £1,727,000, and the amount owing to bankers is up £123,000 at £1,215,000, but £475,000, or £300,000 more, of this is on account of War Loan advances. Properties, plant, &c., have been reduced £130,000 to £5,122,000, while stocks are up £1,500,000 at £3,576,000, and debtors have increased £550,000 to £1,995,000. It is a magnificent business, and as all enemy debts have been written off as bad, the position is really stronger than appears on the surface.

In spite of the higher income-tax the revenue of the Industrial and General Trust, Ltd., for the year to March 31 shows an increase of £11,000 at £199,400, and as usual the balance at the credit of realisations account (of which no details are given) has been applied in providing for depreciation on certain investments and for contingencies. After paying debenture interest and placing £35,000, or £11,000 more, to reserves (which now stand at £672,500), the dividend of 10 per cent. on the ordinary stock is repeated and the balance forward is slightly larger at £63,400. Investments have increased £35,000 and now stand at £4,243,000, but loans and advances have been reduced by £25,000 to £44,300. A full list of investments, carefully classified, is given as usual, but it is stated that owing to war conditions a reliable valuation is not at present practicable. It is, however, reasonable to assume that the reserve and contingency funds fully cover whatever depreciation may have to be faced, and the revenue shows that the earning capacity has not been impaired.

Although shareholders in the Marconi Wireless Telegraph Co. of America are not yet in sight of a dividend, very substantial progress was made last year. Gross earnings amounted to \$1,230,000, an increase of

\$433,000, and as operating expenses were rather less the nett income was \$445,000 higher at \$780,000. After placing \$87,000 more at \$163,000 to reserves, the nett profit is \$618,000, an increase of \$358,000, and the surplus is raised to \$1,420,000, while the reserves are \$134,000 higher at \$573,000. When war was declared with Germany all commercial traffic was suspended, and the company's stations were taken over by the Navy Department of the Government, but it is stated that "reasonable rental compensation arrangements have been agreed to." Two large additions have been made to the factory in New Jersey, and a third addition is in course of erection, while the company is also busily engaged in training operators and engineers. An important development is the organisation of the Pan-American Wireless Telegraph and Telephone Co., in which the Marconi Co. holds a large interest, and through which its activities will be extended to cover all the Americas. The concession for a station in the Argentine has already been secured, and it is proposed to erect a chain of high-power stations which will connect the United States with Mexico, the West Indies, and Central and South America.

As might be expected, Babcock and Wilcox, Ltd., continues to do an extremely profitable business in spite of the increased cost of labour and raw materials. Last year's manufacturing profit was a trifle of £3,000 less at £520,000, but more was received by way of interest and dividends, so that after paying a larger amount in income-tax the nett profit is £6,000 up at £445,000. Reserve again gets £150,000, raising it to £900,000, and the dividend of 15 per cent. (tax free) for the year is repeated, so that with £14,000 more brought in the carry forward is increased by £20,000 to £77,000, subject to excess profits duty. So far as we can make out the company has escaped this impost up to now. There is a dividend equalisation fund of £245,000, and the reserves now amount to £1,145,000, against the share capital of £1,939,000—there are no debentures—so that another bonus scheme similar to that of 1912, when 100 per cent. was paid in ordinary shares, would seem to be foreshadowed. Creditors have increased £370,000 to £776,000, while cash balances are up £109,000 at £501,000, investments £340,000 at £1,162,000, and stocks £220,000 at £1,100,000, but properties, &c., have been written down £70,000 to £555,000. A Spanish subsidiary company with a capital of 20 million pesetas has been formed, and will doubtless help further to enhance the prosperity of the business.

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Subscribed Capital	-	-	£24,920,232
Paid-up Capital	-	-	5,191,715
Reserve Fund	-	-	4,345,241

(2nd May, 1918.)

Deposits	-	-	£230,030,585
Cash in hand and Balances	-	-	
at Bank of England	-	-	75,012,029
Money at Call and Short Notice	-	-	8,280,522
Bills of Exchange	-	-	23,305,323

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Owing doubtless to the higher income-tax the revenue of the Bankers' Investment Trust, Limited, again shows a reduction of £3,000 at £110,300, but this was offset by the larger amount brought in, and the available balance of £87,450 is practically the same as at April 30 last year. After again placing £13,000 to reserve the dividend of 5 per cent. on the deferred stock is repeated, and £10,330 remains to be carried forward. Balance profit on realisation of investments and bonds paid off amounted to only £4,850 against £22,830, and, as usual, this, together with the appropriation to reserve, has been written off the cost of securities, leaving the reserve at £101,780. Investments show an increase of £13,000 at £2,837,000, but cash is £16,000 down at £25,950. The usual complete list of securities held is appended to the report.

The substantial progress made by the Government Gold Mining Areas (Modderfontein) and the Van Ryn Deep are the chief features of the reports of the Barnato group for the past year. The former increased its profits by £498,957, partly by treating 554,000 more tons, and partly by crushing higher grade ore. The Government's share of the profits was £230,333, and after writing off £418,777 on account of past development work, £146,332 is carried forward. An exceptionally large addition has been made to the ore reserves, as is shown in the following table, in which comparisons are made of the results of the past year with those of 1916:—

	Profit, 1917.	Profit, 1916.	Divi- dend, 1917.	Divi- dend, 1916.	For- ward, 1917.	For- ward, 1916.
	£	£	%	%	£	£
Cons. Lang. ....	229,392	284,396	17½	22½	59,082	98,627
Ginsberg .....	16,103	33,209	10	15	6,627	14,690
Government Areas..	708,923	209,966	12½	—	146,332	280,498
New Primrose .....	19,720	36,845	5	10	12,209	11,839
United M.R. ....	46,766	50,264	15	20	13,481	10,955
Van Ryn Deep .....	636,506	587,926	42½	40	220,945	172,334
Wit. (Knight's) .....	138,542	279,798	35	50	81,126	86,661

	Yield, 1917.	Yield, 1916.	Profit, 1917.	Profit, 1916.	Ore Reserves.	Inc. or Dec.
	s.	s.	s.	s.	Tons.	Tons.
Cons. Lang. ....	24.89	25.05	7.78	8.92	2,132,778	— 41,758
Ginsberg .....	18.49	20.69	1.68	3.40	169,722	— 100,782
Government Areas..	19.74	21.11	10.69	5.50	7,016,000	+ 2,086,000
New Primrose .....	15.48	15.34	1.66	2.66	167,900	— 37,411
United M.R. ....	19.48	19.29	5.52	5.74	247,843	— 129,781
Van Ryn Deep .....	43.63	39.39	24.09	21.62	2,258,598	+ 89,747
Wit. (Knight's) .....	24.88	25.29	7.59	10.02	1,317,900	— 144,209

The Van Ryn Deep also had a more profitable year, chiefly owing to the milling of higher-grade ore, and the outlook for this mine is officially described as excellent.

An official statement has now been issued by the Board of Trade with reference to the important new zinc concentrate contract referred to on April 27 in these notes. It states that the board, representing the British Government and the Zinc Producers' Association Proprietary of Australia, have signed an agreement for the purchase by the Government of the stocks of Australian zinc concentrates existing on December 31, less reserves, and subject to the reasonable protection of Australian requirements, the production from January 1, 1918, up to 250,000 tons yearly for the war period and one year thereafter, and 300,000 tons per annum for nine years thereafter. The Government also secures an option over the balance of production, subject to certain reservations; for example, provision for the requirements of the Australian zinc refining works and the fulfilment of existing contracts. The agreement, which, as we have previously explained, varies an earlier agreement by enlarging the quantity and modifying the purchase terms, provides for a flat rate of prices up to the end of five years after the war. For the remainder of the period prices will be determined by market conditions, with the "flat rate" of the earlier period as a minimum. What the "flat rate" is is not stated, but we understand that it is a liberal figure, which ensures good profits to the Broken Hill companies for ten years after the war. Under that part of the old contract which still remains, the Imperial Government will take during the same period 45,000 tons of Australian produced spelter, which will represent the balance of the concentrates. As to what the Government will do with the concentrates is not

stated, but the British smelters have not the capacity to treat the quantity of concentrates which the Government will purchase. Perhaps the plan which the Government will follow will ensure the British smelters obtaining the 100,000 tons of concentrates which they have the capacity to treat, and will resell the balance to foreign buyers, principally in Belgium and France. But we expect to see a further extension of Australian smelting facilities owing to the great economy which would be effected thereby in shipping space, for one ton of spelter can be carried for every three tons of concentrates.

The reports of the Consolidated Mines Selection group for the past year are particularly satisfactory, for they record an increasing scale of profitable operation, and a considerable extension of its areas on the Far Eastern Rand. Additional ground has been secured by the Brakpan, and the group now controls the Daggafontein Mine. The Springs Mines has reached the crushing stage, and should be able to pay a dividend before very long. The group, in conjunction with the Anglo-American Corporation, has secured the lease of the Rietfontein East area of 2,236 claims adjacent to the Springs property. The report of the Consolidated Mines Selection Co. for 1917 shows a profit of £164,246, against £124,004. Sales and commissions contributed £99,000, against £49,000 in 1916. Reserve gets £20,000, or £5,000 more, the dividend is raised from 22½ to 30 per cent., and the carry forward is increased from £9,216 to £29,149. Apart from some interest in the Russian Mining Corporation, the company has disposed of all its Russian mining interests at a profit. Holdings in the Itabira Iron Ore Co. have been increased. The Rand Selection Corporation—formerly known as the Transvaal Coal Trust—increased its profits in 1917 from £160,083 to £184,256. Dividends amounting to 30 per cent. have been paid, against 27½ per cent., and the carry forward is £16,462 larger at £75,044. The profit from coal, £13,261, indicates a smaller reduction than might have been looked for since the properties were transferred to the Tweefontein. United on September 1 last, in return for £45,000 in cash and a large block of Daggafontein shares.

### Heavy Taxation and Some Magicians of the New or "Cubist" Finance.

The Chancellor of the Exchequer has stuck to his guns, and his Finance Bill, embodying the Budget scheme, was read a second time in the Commons last Tuesday. We cannot say that we expected any other conclusion because whatever may be the objections held to certain tax proposals, when it comes to the point, and when the Chancellor of the Exchequer insists that he must have the money, the most doctrinaire opponent can do nothing but give way. We shall, therefore, have the twopenny per cheque impost to meet three months hence, and the higher rates of postage will also come into operation soon, and all that can be done is to acquiesce and do our best to adapt ourselves to the changed conditions. But we shall be agreeably surprised if the official estimate of an extra £1,000,000 comes from the twopenny stamp on cheques, and are not at all sure that the nett revenue of the Post Office will benefit appreciably by the increased postal charges. All such taxation falls with the greatest severity upon the poor—not so much on the individual amongst the poor in his or her private capacity, but on the small and struggling man of business. It is probable, however, that in the coming time this meritorious person will be elbowed out, and as the trade of the country and its industries become systematised and regulated his disappearance may come to be regarded as not much to moan about. There is no knowing, for everything is falling into a state of fluidity in public and private affairs. But the necessity laid upon us to save by minimising work of all descriptions renders it probable that the small trades will disappear—be absorbed.

If Mr. Runciman was right, however, and we rather

think he was, speaking from our own limited experience, it would have been easy to draw more of the needed revenue from the rich without harassment of the poor. The danger of taking too much from the multitude is that the wealth springs of the country may dry up before anybody notices it. But the rich could undoubtedly bear a much larger weight of taxation than has even now been laid upon them, and many are willing enough to assume the load. "As one journeyed about the country," said Mr. Runciman, "one came across men of means who said that they would gladly pay whatever scale of taxation might be imposed upon them by the Government, and that they would invest all their surplus resources in War Bonds," but they asked, could they be sure that the money so provided would be spent to the best advantage? That is a side of the subject on which neither Mr. Law nor any other speaker on the Government side dared to touch, but without doubt the revelations which have been made by the Comptroller and Auditor-General's reports, and by the scandals revealed in sundry public trials, have tended to disgust many people. "What is the good of saving and of handing our savings to the Government if the money is flung away regardless of consequences?" too many are disposed to say. That feeling, however, must not be allowed to get the mastery. Extravagance, waste of all kinds, is inevitable in war time because all men who have the handling of money in any form are not uniformly wise. All the same, it is necessary to carry this war to a successful finish, and in doing that the nation must make up its mind to bear losses and foolish extravagances of all kinds. Money losses are, after all, least onerous to bear, and we hope that Mr. Runciman is right in saying that those whose incomes were subject to taxation "would be just as ready to provide 6s. 8d. in the £ as 6s.," and in his opinion this generosity of feeling and "financial patriotism" had been less exploited by the Chancellor of the Exchequer than it might have been.

Assuredly the rich would do well for selfish reasons, to glance towards nothing higher, to be ready to pay half, ay, two-thirds of their income in taxation lest worse befall. For if the Prussian triumphed he would take all. Inevitably at a time like this many minds are already exercised about the future, and theories of taxation, of debt redemption, of commercial intercourse, of banking and credit are coming to the surface, pointing towards a time when here at home many will be asked to surrender their all. Signs of the ferment under the surface multiply, and must not be lightly put on one side, not even the most wild-looking among them. We have before us a book called "A Fraudulent Standard: An Exposure of the Fraudulent Character of our Monetary Standard with Suggestions for the Establishment of an Invariable Unit of Value." Its author is Arthur Kitson, and it is published by P. S. King and Son, Ltd., so that it is no mere hole-and-corner affair put forth by a "crank" seeking notoriety. Mr. Kitson's style seems imitative of William Cobbett's, is full of abusive epithets without being strong, and betrays a serenity in ignorance on many topics that amuses. But the man is in dead earnest. In all his book there is only one being mentioned who always comes in for praise unstinted, and that is Sir Edward Holden, the distinguished head of the great London City and Midland Bank. To Sir Edward, indeed, the laudation heaped upon him by Mr. Kitson must be embarrassing, because it seems to claim him to be a supporter of, or in sympathy with the wild monetary expedients put forward as cure all and pay all.

Mr. Kitson's idea of progress seems to be as old as "honest money," and as fanciful as old, but, like Sir Edward Holden, he has an antipathy to the Bank of England, and roundly calls it a fraud, never misses a chance to curse it. He hates also the "gold standard" with a perfectly ignorant, and therefore perfectly untrammelled, hatred, so the remedy he proposes for all our debt worries and monetary hypocrisies is drastic enough to please a Lenin amongst revolution-

aries. Instead of basing a country's credit upon gold in any form he would base it on the "wealth of the nation" taken in bulk, and instead of issuing loans—at a fine profit, as he is careful to point out, to the handlers or vendors thereof—he recommends that the Government should purchase shares of our banks by "exchange of War Loan Certificates at a just valuation," and "run" these banks with their present deficient staffs. But for what purpose? In order to use their machinery to dissolve or dissipate the nation's credit.

Assume the wealth of the nation to be so many thousands of millions in pounds sterling, and with the whole sum down in the Bank ledger as available credit. The whole property in the country would in this way become national in the sense of being available for all. Instead of issuing loans the Government would simply draw upon its bank, and the payments made by said Bank would be debited against the national wealth. Nothing could be simpler. Currency could be emitted against this massed wealth on an arbitrary valuation and to any extent for Government or other purposes, and the Bank would make all the advances demanded of it for nothing. How do the wealthy among us relish a prospect of this kind? Talk of conscription of capital, this is "confiscation" entire and final. "It is absurd." Perhaps; in these times one never can be sure.

From "The Cities Committee of the Sociological Society" we have received some pamphlets entitled "Papers for the Present," and have read one, entitled "The Banker's Part in Reconstruction," with a certain interest and some curiosity. Judging by the style the author would seem to be Mr. Victor Branford, whose faculty for inventing new labels for old things, bewildering epithets to disguise plain facts, is familiar. Here also effort is made to face the currency difficulty and to vulgarise wealth; to conjure it out of the hands of the people who now own it and devote it to the common good. Gold would be deposed from its position as the standard of value, and there would be substituted for it an "index number." As that index number went up or down the value of the £ as measured by its purchasing power would advance or recede. Proceeding from this foundation would spring a liberty unlimited to create credit extending in all directions down to the humblest of rural councils. Supposing £60,000,000 was to be spent on building two hundred thousand cottages of £300 each. A public utility society would be formed and would issue currency to the extent required to pay for those houses. Every hamlet, in fact, might create its own currency. And the great war debt? We are not quite sure, but rather think that also might be paid off in notes. Why not, indeed? The author, however, of this pamphlet is

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modest and reasonable after his manner, and there is no hint at confiscation, or, shall we say, levitation, of the "money" created to pay for houses built. It is to be debt that will be paid back according to an arranged scheme. None the less does the pamphlet show as vividly as Mr. Kitson's spluttering book a readiness to abolish all old foundations of society and to launch into new experiments which may produce consequences as yet undreamt of, with all the light-headedness of the ignorant. And more and more the taxes fall short of the current requirements.

### Brazilian Trade and Finance.

The past five years have proved a very trying period for this South American Republic. Before the war economic and fiscal conditions were greatly disturbed by the rubber débâcle, and when the present cataclysm overtook Europe the dislocation to finance and industry, and the demoralisation of the exchange, became complete. The Government, however, set themselves resolutely to deal with the situation. New channels of trade were opened up to replace those closed through the loss of the markets of the Central Powers, and new branches of production were developed. Imports were drastically reduced, and national expenditure was cut down to the lowest possible point. The cancellation of an immense amount of commercial debt was accompanied by a substantial improvement in the value of the milreis. Government revenue, sadly depleted by loss of Customs duty on reduced value of imports, was augmented to some extent by resort to other means of taxation, and in August last Brazil was able to bring to an end the agreement with its foreign creditors, and to resume cash payments upon its National Debt. The value of imports showed an increase in 1917, accompanied, we imagine, with a larger yield from the Customs duty than in 1916, but the value of the imported goods was far below the pre-war level, and it is doubtful, even after allowing for new sources of revenue, if incomings are sufficient to provide for administrative expenditure cut down to the lowest possible point. Support is given to this view by the estimates for the current year, a deficit of over 70,000 contos paper being at first considered as within the realms of possibility. Fortunately, however, a windfall has come to hand in the form of a cash payment of 33,860 contos gold from the French Government in connection with the acquisition of the German vessels formerly interned in Brazilian ports. With the help of this payment, the anticipated budget deficit will be more than wiped out; indeed, the Republic is likely, if other sources of revenue come up to expectations, to finish the year with a substantial sum in hand.

Economically, Brazil seems to be at the moment in a much sounder position than has been the case for some years past, but all the same, the immediate outlook is uncertain. Considering the conditions obtaining during 1917, the exports and imports for that year can only be regarded as being exceedingly satisfactory, but they are, we are afraid, far from indicative of the present course of trade. During the whole of 1917 the movement of Brazil's seaborne commerce was, of course, subject to much restriction, but it was much more free in the earlier than in the latter part of the year, when the scarcity of tonnage became more pronounced. In considering the import and export figures for 1917 regard, too, must be paid to the fact that the increase in the aggregate value in sterling, particularly during the last few months of the year, was to a large extent determined by the improvement in the exchange. For the first nine months of 1917 the average value of the milreis comes out at about 12.66d., while for the rest of the year it averaged as much as 13.46d., an increase of about 6.3 per cent. Exports for 1917 amounted to £59,875,000, an increase on the previous year's total of £4,865,000, while imports totalled £44,510,000, an improvement of £4,141,000 on the corresponding figure of 1916. Exchange for 1916 averaged about 12.15d., and for 1917 about 12.88d., an increase of about 6 per cent. Allowing for this factor, it will be seen that the 1917 figure for both imports and exports represent a slight advance. But the tendency towards the end of the year was unsatisfactory. Thus the increase in exports, which for the first nine months amounted to £6,158,000, had by the time the year closed fallen to £4,865,000, while the growth in the volume of imports, if allowance be made for the improvement in the exchange, was practically arrested.

So far we have seen no figures for the current year, but it is to be feared that the less favourable trade movement in evidence during the last three months of 1917 has become more pronounced. Coffee, although representing a smaller ratio to the total trade of the country than in former years, is still the most important staple article of commerce, and the restrictions placed upon its sale and shipment cannot but react unfavourably upon the trade of the country. Prohibition in Great Britain has been in force for many months. France and the United States have reduced shipments very considerably, while Scandinavia has ceased to take practically anything. A heavy stock is accumulating in Brazil, and the Government has had to commence valorization. The French Government has, it is true, as part of the agreement with the Brazilian Government previously referred to, undertaken to buy from Brazil 2,000,000 bags of coffee and merchandise to the amount of 100,000,000 francs; but the aggregate value of this only bears a relatively small proportion to the total Brazilian trade. Foreign meat shipments may continue upon an increasing scale, but the ex-

port of manganese, which contributed no less a sum than £3,062,000 to the total exports last year, is at the present moment practically at a standstill owing to the Central Railway, through lack of coal, having been obliged to suspend the transport of the commodity. If the volume of trade falls off there will be an attendant deficiency of bills, and the view which is held in some quarters that the exchange will probably touch lower levels may not be incorrect.

We are not suggesting that there is at the moment any cause for grave uneasiness, but the position appears to be such as to justify a note of warning and the discouraging of the many over-optimistic interpretations that are placed upon the present situation and outlook. One hears far too much of accumulating favourable trade balances and of producers of foodstuffs growing rich on the needs of consuming centres. Much of the riches that have accrued to the Brazilian producer is attributable to high prices. Imported articles cost infinitely more than before the war, and the producer, like his confrère in European countries, operates in a vicious circle of economic conditions. Then as to the heavy trade balances, it is exceedingly doubtful if these are as beneficial as appears at first sight. The exceptional dimensions of these balances is, of course, largely attributable to the reduction in imported goods, and this is far from an unmixed blessing. It not only means loss to the national exchequer through the falling off of the Customs duty on imported goods, but inability to purchase articles requisite for the progressive needs of the nation. Prior to the war Brazil went through a period of over-development, and an eventuality of this character is, of course, to be guarded against in the future, but a certain amount of progressive development in a young and comparatively undeveloped country is of first importance if it is to continue its economic progress; and this inability to satisfy its requirements for imported necessities is certainly not of benefit to it. And concerning this progressive development and the opening up and further exploitation of new sources of wealth production has there not been far too great a tendency in many quarters to lose a proper sense of perspective? The recent efforts of the Brazilian authorities to open up new sources of wealth production, has there not been far too great a our unqualified appreciation and approval, but wonders cannot be achieved in a day.

Much of the success of Brazil in exporting certain new classes of produce is attributable to the abnormal conditions prevailing, and after the war she will have to compete with prices in a world market. The fertility of the country is, we believe, as great as any in the world, but cautious people will realise that there is a long row to hoe.

### By-the-Way War Notes.

We wish it were possible to admire the Harmsworth-George political strategy to the extent of its boldness. Any feelings of that kind, however, are checked by thought of the risks the nation runs. For example, when last week the storm arose over General Maurice's letter, the Press worked from Carmelite Street—and Carmelite Street extends its influence over a good many Continental journals—set to work to scatter broadcast the idea that the attack led by Mr. Asquith was a demonstration against and designed to upset the arrangement by which General Foch has become the Commander-in-Chief of the whole of the Armies on the Western front. We were treated, the day after the publication of reports of the debate, to extracts from sundry foreign journals, French and German especially, emphasising this point above all others. Now, that was most pernicious, and so calculated to stir bad blood that we venture to say no suborned traitor could have done the country a greater disservice.

The Maurice letter did not originate at all in any feeling of jealousy towards General Foch and his position. There never has been any disposition here to cavil at or resent that eminent soldier's appointment. It has been universally recognised that the change was necessary, and we know that it was acquiesced in, even where not recommended cordially, by the British commanders in the field. The real impulse, so far as an outsider can judge, behind General Maurice's letter and its accusations, accusations never in the slightest degree answered by the Government, was the discontent prevailing amongst the soldiers at the front—the men, that is, who stemmed the German onrush and gave their lives by the thousand to prevent the Prussians from overwhelming us, even as the Italian common soldier saved Italy from the Austrian deluge after the surprise and rout of Caporetto—over the tactics of the Government at the previous debate on the Somme fighting. The men—we speak with knowledge—resented the way in which Mr. George and his Ministers then cast, by implication, the blame for the Somme defeat, for it was a defeat, upon the men in the field and their generals, and they found justification for their discontent in the harsh-looking treatment of General Gough, and, above all, the speech of the Prime Minister himself. As this journal, in dealing with that speech, pointed out at the time, the Prime Minister skillfully avoided all reference to the now obvious unpreparedness of our Army before the surprise assault of the Germans was launched, and devoted his eloquence to paint a glowing picture of the rapidity with which reinforcements and war material were rushed to the front after the catastrophe. In taking this course the Ministry, through the Prime Minister, tacitly confessed to the previous remissness of the War Cabinet, and strove in doing so to shunt popular indignation away from the Government to the soldier. That was what lay behind

General Maurice's self-immolating intervention, and that it did so places his action on an entirely different footing from the one it has been planted on by said Ministry and its Harmsworth Press.

And now again this Harmsworth Press organisation has twisted things around so as to make it appear that the whole Maurice incident was merely one more illustration of British jealousy of the French. In doing this we say deliberately the Harmsworth Press in its greed of notoriety and power was playing traitor to the nation and aiding and abetting the enemy in his belief that, by holding on, he is going to win the war. The whole story of the intimate connection between the present Government and this degraded Harmsworth Press syndicate, one of whose star performers is Mr. Horatio Bottomley, is as revolting as it is disloyal to the best interests of kingdom and Empire.

But we are not going to be turned aside from our purpose, nor are we going to betray our Belgian, French, Italian, Serbian, and other Allies, whatever "stunt" journalism may do. We shall not even forsake Russia because of Georgian political intrigues and the strategy of self-seekers on the make which characterises much of our present action in the sphere of politics. The men that are fighting are true and to be counted on. They will hold on and fight on to the victorious end. We hope also that in spite of its being apparently steeped in mean intrigues, the Government of Mr. George has at last learned its lesson sufficiently to ensure that when the impending onslaught which all are waiting for does come it will not again find our men in the front lines without sufficient reserves available behind to support them in rebutting the assault, and that we shall be at all points fully equipped to continue the struggle to a triumphant close.

Certainly it is encouraging to see the manner in which the united Anglo-French armies are handling the enemy while he is gathering himself for his next desperate onslaught. Day and night, in good weather and bad, that enemy is being harassed and impeded in his preparations. Continuously our air service grows in volume and efficiency, and proves its mastery by the destruction it works upon enemy lines of communication, enemy stores, railway stations, factories, encampments, food and ammunition dumps, gun emplacements, and all the rest of the numberless preparations for wholesale murder.

So unceasing and masterful is our activity, not only in the air, but with our artillery all along the front, that we sometimes begin to hope that the war may end without the necessity being imposed upon the Allies to repel this much-advertised final assault at all. Evidently the enemy is embarrassed, and, it may be, is getting short of both men and material, else why is this sudden calling upon Austria for help? There is much telegraphic gossip in the Press about the brief meeting of the two Kaisers in distress, the mouthing strutter, William Hohenzollern, and the whining, needy Charles of Lorraine—and we are asked to believe that the upstart Brandenburg Kaiser has opened his mouth and swallowed the wobbling Habsburg. It may be so. It does not matter much whether it be so or not; for one thing is sure, William Hohenzollern cannot call upon the subjects of Habsburg Charles, as he does in Luthania, to assume their "share" of Germany's war burdens, for the Austrian Empire itself is foundering, and must presently disappear, beneath the weight of its own war debts. It may be, however, that Austrian troops—not particularly enthusiastic as combatants—will be sent to form spectacular reserves in assistance to the German hosts. If so, we may be sure that the utmost skill of the German Press directors will be expended in attempts to overawe or intimidate the Allies at the prospect of overwhelming attacks coming, just coming, due to-night or to-morrow—perhaps.

But the Germans are deceiving themselves if they nourish any such ideas. They apparently are expected by the military ruffians who direct their slaughter to believe that the American Army is as "contemptible" as William the strutter and bawler called the first British one which went to stand by its French and Belgian comrades at the outbreak of hostilities in August, 1914. But President Wilson's War Minister reminded us early this week that already 500,000 American troops are in France, and every week sees their numbers multiplied. They are assembling fast on the spot, fully equipped, ready and eager to join in the fray. The longer, therefore, the Prussian waits the more hopeless will his dash for victory get to appear.

And the Prussians' conquests in the East, let us once again repeat, will count for nothing unless he can win his coveted triumph in the West. It is said that Austria has compacted with her Prussian garrotter to resume her assaults upon the Italian front, and, hateful as slaughter must always be, we hope this may be true, because we long to see the war closed. The more the pawns of the tyrants are consumed, the sooner will the way be opened to a satisfactory peace. And farther East the Germans continue to be sacrificed to the boundless ambition of their Prussian masters. The first supplies of food have arrived in Berlin from the Ukrainian Republic said William the braggart at Aix-la-Chapelle the other day; and at what a cost they have been wrung from the farmers!

After boasting that already 600,000 British had been put *hors de combat* on the Western front with a loss of 1,600 guns, and declaring that we (the British) were only being kept alive by the French help, William went on to boast that "we (his German serfs) are going ahead in the Crimea also." The first trains laden with foodstuffs have arrived in Berlin from the Ukraine, thereby "improving our food supply." "At Sebastopol we have captured a big and richly laden merchant fleet. There we shall revive traffic on

the Black Sea." Why not on the Mediterranean and Atlantic also—eh, William? In a sense, there may be foundation for these boasts, for Russia is helpless. But they are not all true. But how long can this triumph of Teutonic aggression continue if the armies massed against us are defeated in the West? All the war will be won when we win there, and the long work to be done after we have succeeded in the West, the work of clearing out the enemy from Asia Minor, from Russia, from the Balkan countries, from Rumania and elsewhere, will be, although tedious, easy enough when Germany has no more men to put in the field, when hunger consumes what remains of her martial energies. That is why we hope there will be no slackness or betrayal this time, and that our War Office, now directly under the control of the German-born Viscount Milner, will not fail our fighting men at the utmost crisis of our fate. It might even contrive to give a little judicious help to those in Russia who are now struggling to bring back order there.

In answer to a question in the House, Dr. Macnamara, Parliamentary Secretary to the Admiralty, told a hopeful tale about our progress in beating down the submarine piracy. Since January 1 the general trend of submarine warfare has progressed quite satisfactorily, he told the House, but he excused his Department from giving particulars. The Navy is coming into its own, though, witness Ostend after Zeebrugge. These feats and the new mine field in the North Sea make us think the Ministry was right when it changed the high personnel at the Admiralty.

## Insurance News.

In 1917 the Norwich Union Life Insurance Society, which, in addition to being the largest home mutual life assurance office, and enjoys the distinction of transacting the largest volume of new business of any purely ordinary life office established within the United Kingdom, issued 6,831 policies for a nett amount of £3,556,313, an increase of £39,933. The mortality experience was within expectation, notwithstanding war claims; but for the latter it would have been 71 per cent. only of expectation. By an addition of £918,824 the total funds were raised to £14,834,415, a record all the more satisfactory at a time when the general tendency has been for funds to shrink, or at all events not to expand to any notable extent. The nett rate of interest earned was £4 3s. 3d. per cent., an increase of 1s. 6d. per cent. as compared with 1916. The margin of interest on the life funds for 1917 was thus £1 13s. 3d. per cent. over the valuation rate of 2½ per cent.

In the year to November 15 last the Standard Life Assurance Company issued 1,789 policies for £1,027,604, an increase of 277 in the number, but a decrease of £239,567 in the amount

# New Zealand.

**A Wealthy Country, Splendid Climate, Fertile Soil, Plenty of Water.**

**An Ideal Country for the farmer, the percentage of grain and lambs being phenomenally high.**

**New Zealand, a country as large as the United Kingdom, with but a million population, has an annual export of raw products exceeding Twenty Million Pounds sterling.**

**New Zealand is rich in COAL, IRON, TIMBER, GUM, GOLD AND SILVER. Total yield of Minerals, over One Hundred and Twenty Million Pounds.**

**Over Eighteen Million Pounds have been advanced by Government to Farmers and Workers for Improvements and Buildings at a low rate of interest.**

**The Railways, 3,000 miles, Telegraphs and Telephones, 124,000 miles, are owned and operated by the State.**

**New Zealand has the highest wealth-rate and the lowest death-rate in the World.**

**To those desirous of making a home in a new country, New Zealand offers solid advantages.**

**Excellent Steamship Services are run direct to New Zealand by the Shaw Savill and Albion Company, Limited, New Zealand Shipping Company, Limited, and the Federal and Shire Lines.**

Full information is supplied free by

**THE HIGH COMMISSIONER FOR NEW ZEALAND,**

413-416, STRAND, W.C.2.

assured; the nett amount of premiums on the new business was £50,544, or £1,858 less than for the previous year. With £919,608 from premiums, and £668,598 from interest, the revenue for the year was £1,588,206, an increase of £27,919. Owing to the continuance of the war it has once again been impossible to obtain full accounts from Hungary, and no accounts have been received from Belgium since January, 1916. The directors have again fixed the intermediate bonus on ordinary participating policies of five years' standing which become claims during the current year, at the rate of £1 per cent. The dividend to shareholders is maintained at 10 per cent.

The cost of the principal fires in Canada and the United States for April again reached a large total, namely, £4,022,000, or only about £20,000 less than the figures for April, and £300,000 more than in the corresponding month of last year. The losses last month represent a heavy burden for fire underwriters, for nearly all the important properties were insured.

The report of the Eagle, Star, and British Dominions Insurance Company for 1917 shows that marked progress was made in 1917. There was an increase of £424,973 to £1,909,792 in the nett marine premium income, and the balance of this account was raised by £431,924 to £1,443,663. In the fire and general account nett premiums were £181,949 higher at £493,043, and the balance of the account was raised by £79,866 to £251,905. The life premium income amounted to £928,493, and the total life and annuity funds now stand at £10,064,859. From the sum of £502,458, being the cost of acquiring the business and assets of various companies, £251,798, or one-half, has been written off. In addition, £50,000 is added to general reserve, and £12,500 to investment reserve; the amount of the latter fund is more than sufficient to cover any depreciation on the securities as at December 31 last. The dividend is made up to 12½ per cent., tax free, for the year, as compared with 10 per cent. for 1916. The total assets amount to £13,323,755.

### American Business Notes.

Since the war began there has been a marked decline in the European holdings of United States Steel Corporation shares. At the end of 1914, for example, this country held 710,621 common shares in the company, and at the end of March last this holding is returned at only 173,538 shares. That, however, was 464 shares more than at December 31, 1917. Dutch holdings fell less. They were 314,645 shares at the end of 1914, and fell to 229,185 by the end of 1917, that figure remaining unchanged from June 30 last year. In fact, the Dutch have sold very few shares since 1914. France held 64,537 shares at the end of 1914 and 29,170 shares at March 31 last. No other European country possessed many of these shares except Belgium, which is credited with still holding 2,625, and at the end of 1914 the Belgian holding was only 3,509 shares. Scotland held 4,208 shares at the end of 1914 and held 740 shares as recently as June 30 last. Of preference shares, France still holds 26,048, which is 285 more than at the end of the previous year. At the end of 1914, however, the French possessed 36,749 of these preference shares. Our possession in these preference shares has fallen from 174,906 shares at the end of 1914 to 39,424 shares at the end of March last, and the latest figure may be said to represent our interest in the United States Steel Corporation for the past 15 months. Holland holds now 25,274 preference shares, or practically the same as for the last two years, and at December 31, 1914, the Dutch investment therein was only 29,000 shares. The Scotch proportion has fallen from 13,747 shares to 234, whereas the Swiss has risen from 2,617 at the end of 1914 to 2,853 now, but in the interval the number rose slightly beyond 3,000. In Austro-Hungary 2,086 of these preference shares were held at the end of 1914, and the number rose by 1,600 to 3,683 by December, 1916, but it is now down to 683, and Germany is credited with 876 shares now against 3,252 in December, 1914. In Italy 331 more of these preference shares are held now than at the earliest date, 2,009 being credited to that country at March 31 this year as compared with 1,678 at the end of 1914. Both of the ordinary and preference shares a few are held in many other countries, but beyond those named in Europe there are no figures large enough to be worth putting on record here.

The Reading "holding" company showed a nett revenue of \$15,696,000 for last year, and a surplus of \$9,780,000 after meeting taxes and all interest charges, and the nett income for the 18 months ended December 31 last was sufficient, after deducting the dividends on the first and second preference and on the common stock, to leave a surplus of \$2,702,000.

As for the Philadelphia and Reading Railway, the principal asset of the "holding" company, its revenue was nearly \$6,500,000 up last year at \$66,831,000, and its nett income, including \$851,000 from outside sources, was \$18,942,000. This compares with \$24,697,000 for 1916, and after meeting all charges including interest and rents, together with \$3,785,000 invested in physical property, there was a surplus of \$4,715,000, which compares with \$13,257,000, the surplus of the previous year.

The Philadelphia and Reading Coal and Iron Company also showed a surplus of \$5,437,000, after meeting its fixed charges for the past year, and the surplus was nearly \$3,000,000 larger than that for 1916.

In 1917 the Illinois Central Railroad earned \$87,145,000, at a cost of \$62,340,000 of working expenses. Its nett income from working was, therefore, about \$24,805,000 higher at \$24,805,000,

but taxes were fully \$2,000,000 higher at \$6,186,000, which compares with \$4,116,000 for 1916 and \$3,270,000 for 1915. The company was none the less able to pay 7½ per cent. on its common stock for 1917, compared with 5½ per cent. for 1916 and 5 per cent. for 1915. The surplus left was \$7,092,000 for 1915 after paying the 5 per cent. dividend. In 1916, however, the surplus was \$11,455,000.

Apparently the New York, New Haven, and Hartford Railroad, which was in an almost hopeless-looking mess some years ago, has been brought round, and last year its income of \$85,785,000 was the largest in the company's history, and \$5,353,000 more than for the previous year. Expenses, however, rose \$7,598,000 to \$61,970,000, and the nett revenue by working the line was only \$20,472,000, compared with \$23,049,000. Altogether, including income from various securities held, the entire nett revenue was \$27,742,000, as against \$30,347,000, and after meeting the funded debt charges, rents, &c., there was just \$2,404,000 left, the smallest surplus for the past three years.

## THE YOKOHAMA SPECIE BANK, LIMITED.

Head Office: Yokohama.

London Office: 7, Bishopsgate, E.C. 2.

Capital Subscribed	-	-	Yen 48,000,000
Capital Paid Up	-	-	Yen 42,000,000
Reserve Fund	-	-	Yen 23,100,000

The Seventy-Sixth Half-Yearly General Meeting of Shareholders was held at the Head Office, Yokohama, on the 9th March, 1918, when the Directors submitted the following Statement of the Liabilities and Assets of the Bank, and the Profit and Loss Account for the Half-Year ended 31st December, 1917, which was duly approved.

### BALANCE SHEET.

LIABILITIES.		Y.
Capital (paid up)	...	36,000,000.00
Reserve Fund	...	22,100,000.00
Reserve for Doubtful Debts	...	2,828,504.21
Notes in Circulation	...	20,023,208.95
Deposits (Current, Fixed, &c.)	...	527,004,429.91
Bills Payable, Bills Re-discounted, Acceptances, and other sums due by the Bank	...	368,909,057.45
Dividends Unclaimed	...	10,304.77
Balance of Profit and Loss brought forward from last Account	...	2,226,757.81
Net Profit for the past Half-year	...	3,653,690.92
		Yen 982,755,954.02
ASSETS.		Y.
Cash Account—	Y.	Y.
In Hand	...	39,951,479.39
At Bankers	...	133,320,613.13
		173,236,092.52
Investments in Public Securities	...	25,780,511.68
Bills discounted, Loans, Advances, &c.	...	225,531,618.83
Bills receivable and other sums due to the Bank	...	551,767,497.66
Bullion and Foreign Money	...	3,476,836.33
Bank's Premises, Properties, Furniture, &c.	...	2,963,397.00
		Yen 982,755,954.02

### PROFIT AND LOSS ACCOUNT.

To Interests, Taxes, Current Expenses, Rebate on Bills Current, Bad and Doubtful Debts, Bonus for Officers and Clerks, &c.	...	46,084,294.89
To Reserve Fund	...	1,000,000.00
To Dividend—		
{ yen 6.00 per Old Share for 240,000 Shares }	...	2,160,000.00
{ yen 3.00 per New Share „ „ „ }	...	2,720,448.73
To Balance carried forward to next Account	...	Yen 51,964,743.62
		Y.
By Balance brought forward 30th June, 1917	...	2,226,757.81
By Amount of Gross Profits for the Half-year ending 31st December, 1917	...	49,737,985.81
		Yen 51,964,743.62

## PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1918, and May 11, 1918:—

	Estimate for the Year 1918-1919.	Total Receipts into the Exchequer from April 1, 1918, to May 11, 1918.	Total Receipts into the Exchequer from April 1, 1917, to May 12, 1917.
Balances in Exchequer on April 1—Bank of England .. Bank of Ireland ..	£ —	£ 19,361,578 1,668,452	£ 25,209,947 1,225,912
<b>REVENUE.</b>		<b>21,030,030</b>	<b>26,435,859</b>
Customs .....	—	9,253,000	8,170,000
Excise .....	—	4,127,000	3,815,000
Estate, &c., Duties .....	—	3,390,000	3,374,000
Stamps .....	—	948,000	707,000
Land Tax .....	—	—	—
House Duty .....	—	235,000	250,000
Property and Income Tax and Super Tax .....	—	19,266,000	16,574,000
Excess Profits Duties, &c. ....	—	30,337,000	20,598,000
Land Value Duties .....	—	60,000	91,000
Post Office .....	—	3,200,000	3,200,000
Crown Lands .....	—	50,000	50,000
Receipts from Sundry Loans, &c. ....	—	895	500
Miscellaneous .....	—	984,308	574,336
Revenue .....	—	71,851,203	57,403,836
<b>Total .....</b>	<b>—</b>	<b>92,881,233</b>	<b>83,839,635</b>
<b>OTHER RECEIPTS.</b>			
Repayment of Advances for Bullion .....	—	550,000	290,000
For Treasury Bills (for supply) .....	—	493,465,000	218,455,000
For 5 per Cent. Exchequer Bonds, 1922 .....	—	—	22,585,000
For 5 per Cent. Exchequer Bonds, 1930 .....	—	799,500	—
For War Savings Certificates .....	—	11,700,000	4,900,000
For other Debt (War Loan Acts, 1914-1917) ..	—	65,389,999	55,785,229
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .....	—	—	80,250,000
For National War Bonds .....	—	*92,096,000	—
Temporary Advances—Ways and Means .....	—	100,482,000	83,055,000
<b>Total .....</b>	<b>—</b>	<b>858,363,732</b>	<b>549,159,924</b>

\* Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1918-19.	Total Issues out of the Exchequer to meet payments from April 1, 1918, to May 11, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1917, to May 12, 1917.
<b>EXPENDITURE.</b>	£	£	£
Permanent Charge of Debt ..	—	2,852,837	3,409,551
Interest, &c., on War Debt ..	—	18,687,599	6,562,149
Payments to Local Taxation ..	—	—	—
Accounts, &c. ....	—	200,380	200,380
Other Consolidated Fund .....	—	—	—
Services .....	—	242,079	240,306
Supply Services .....	—	299,212,600	282,744,400
<b>Expenditure .....</b>	<b>—</b>	<b>321,195,495</b>	<b>293,134,786</b>
<b>OTHER ISSUES.</b>			
For Advances for Bullion .....	—	700,000	460,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	84,909	84,909
Under Telegraph (Money) Act, 1913 .....	—	—	20,000
Under Post Office (London) Railway Act, 1913 ..	—	12,000	—
Under Housing Act, 1914 .....	—	106,300	175,400
For Treasury Bills for Supply .....	—	1493,398,000	138,715,000
For War Loans, Exchequer Bonds, &c., under Section 34 of Finance Act, 1917 .....	—	5,753,231	24,810
For War Expenditure Certificates under War Loan Act, 1916 .....	—	†14,100	—
For other Debt under the War Loan Acts, 1914 to 1917 .....	—	7,114,836	—
For Depreciation Fund under the Finance Act, 1917 .....	—	2,660,022	—
Old Sinking Fund, 1900-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	20,000	—
Temporary Advances repaid—Ways and Means ..	—	13,000,000	93,320,000
<b>Total .....</b>	<b>—</b>	<b>844,058,893</b>	<b>525,934,905</b>
Balances in Exchequer—Bank of England .....	1918. May 11. £ 12,684,830	1917. May 12. £ 21,898,000	
Bank of Ireland .....	1,620,009	1,327,019	
<b>Total .....</b>	<b>—</b>	<b>14,304,839</b>	<b>23,225,019</b>
<b>Total .....</b>	<b>—</b>	<b>858,363,732</b>	<b>549,159,924</b>

MEMO.—Treasury Bills outstanding on May 11, 1918, £972,850,000.  
\* Includes £207,000, the proceeds of which were not carried to the Exchequer within the period of the account, besides a part (not yet ascertained and brought to account) of the Bills tendered as subscriptions to National War Bonds.  
† Includes part payment of Bills and Certificates tendered as subscriptions to National War Bonds.

Some faint idea of what we have done to help Russia since the war began may be gathered from the return of our shipments to Archangel. During the years 1915, 1916, and 1917, cargoes consisting of munitions and other warlike supplies, every kind of gun required by the armies, together with vast quantities of clothing, boots and food, were furnished to Russia by us. In 1915, 270 vessels sailed to Archangel with 540,000 tons of general cargo. In 1916 402 vessels, of which 182 were British, the others being American, French, and Norwegian, carried 1,600,000 tons of cargo, and in 1917, notwithstanding the heavy demands of tonnage for Italy, Salonika, Egypt, Mesopotamia, and East Africa, 207 vessels, of which 102 were British, carried cargoes weighing 1,200,000 tons all to Archangel. Russia's coal requirements were mostly met by Great Britain. We sent in 1915 680,000 tons to North Russia, in 1916 over 1,000,000 tons, and in 1917 1,050,000 tons. Has any of this material been got back?

## MINING RETURNS FOR APRIL.

Ashanti.—7,192 tons; 8,853 ozs.; value, £57,546 (£37,686).  
Aurora West.—14,050 tons; profit, £1,260 (Mar., £536).  
Balaghat.—6,450 tons; 1,619 ozs. fine gold (Mar., 1,599 ozs.).  
Bantjes.—19,170 tons; profit, £16 (Mar., loss, £521).  
Brakpan.—54,400 tons; profit, £35,068 (Mar., £37,021).  
Bullfinch.—4,741 tons; profit, £763 (March, £642).  
Champion Reef.—29,200 tons; 8,172 ozs. gold (Mar., 8,814 ozs.).  
City and Sub.—22,722 tons; profit, £8,919 (Mar., £7,757).  
City Deep.—60,000 tons; profit, £46,445 (Mar., £45,023).  
Cons. Langlaagte.—47,000 tons; profit, £15,057 (Mar., £14,094).  
Cons. Main Reef.—55,470 tons; profit, £12,373 (Mar., £12,615).  
Crown.—172,000 tons; profit, £45,656 (Mar., £37,448).  
Durban Road. Deep.—26,600 tons; profit, £5,152 (Mar., £4,065).  
East Rand Prop.—118,500 tons; profit, £6,591 (Mar., £6,084).  
Ferreira Deep.—44,700 tons; profit, £20,667 (Mar., £22,190).  
Gaika.—3,049 tons; profit, £1,110 (Mar., £1,102).  
Geduld.—43,000 tons; profit, £19,379 (Mar., £19,233).  
Geldenhuis Deep.—52,500 tons; profit, £2,811 (Mar., £714).  
Ginsberg.—13,500 tons; £11,370; loss, £953 (Mar., loss, £526).  
Glencairn.—18,100 tons; profit, £498 (Mar., £406).  
Globe and Phoenix.—5,814 tons; profit, £13,389; Mar., £18,506).  
Glynn's Lydenburg.—3,620 tons; profit, £1,790 (Mar., £1,447).  
Golden Horse Shoe.—12,666 tons; profit, £8,837 (Mar., £9,034).  
Gov. Areas Mod.—110,000 tons; profit, £65,371 (Mar., £60,410).  
Ivanhoe G. Corp.—16,747 tons; profit, £5,400 (Mar., £5,400).  
Jubtil.—1,300 tons; 423 ozs. fine gold (Mar., 502 ozs.).  
Jupiter.—20,400 tons; profit, £2,296 (Mar., £584).  
Kalgurli.—5,214 tons; profit, £516 (Mar., £520).  
Knight Central.—24,500 tons; profit, £300 (Mar., loss, £955).  
Knight's Deep.—98,100 tons; profit, £322 (Mar., £1,778).  
Langlaagte Estate.—43,450 tons; profit, £9,584 (Mar., £5,309).  
Lonely Reef.—5,130 tons; profit, £9,666 (Mar., £8,592).  
Luipaards Vlei.—20,060 tons; loss, £778 (Mar., loss, £2,345).  
Meyer and Charlton.—10,950 tons; profit, £20,050 (Mar., £22,511).  
Modder "B."—45,000 tons; profit, £54,562 (Mar., £48,224).  
Modder Deep.—42,700 tons; profit, £50,885 (Mar., £49,176).  
Mysore.—71,983 tons; 15,346 ozs. fine gold (Mar., 15,471 ozs.).  
New Goch.—16,000 tons; profit, £291 (Mar., profit, £516).  
New Heriot.—12,200 tons; profit, £1,014 (Mar., loss, £6,086).  
New Kleinfontein.—64,860 tons; profit, £5,480 (Mar., £5,321).  
New Modder.—59,500 tons; profit, £71,630 (Mar., £64,297).  
New Primrose.—17,300 tons; profit, £486 (Mar., £68).  
New Unified.—12,750 tons; profit, £2,646 (Mar., £1,247).  
N. Anantapur.—4,000 tons; 1,133 ozs. gold (Mar., 1,136).  
Nourse.—42,700 tons; £47,219; profit, £3,630 (Mar., £2,050).  
Nundydroog.—21,118 tons; 6,513 ozs. gold (Mar., 6,482 ozs.).  
Ooregum.—30,005 tons; 7,398 ozs. fine gold (Mar., 7,467 ozs.).  
Pahang Cons.—17,500 tons; output, 150 tons.  
Princess Estate.—19,400 tons; loss, £1,605 (Mar., loss, £1,440).  
Randfontein Cent.—154,100 tons; profit, £10,335 (Mar., loss, £9,841).  
Robinson Deep.—45,000 tons; profit, £7,583 (Mar., £9,352).  
Roodepoort U.—23,875 tons; loss, £2,503 (Mar., loss, £1,061).  
Shamva.—54,034 tons; profit, £11,465 (Mar., £11,078).  
Simmer & Jack.—54,700 tons; profit, £12,456 (Mar., £15,729).  
Sons of Gwalia.—11,989 tons; profit, £1,072 (Mar., £2,067).  
Simmer Deep.—43,200 tons; profit, £873 (Mar., loss, £1,617).  
Springs.—36,920 tons; profit, £36,007 (Mar., £33,613).  
Sub Nigel.—9,800 tons; profit, £8,304 (Mar., £8,561).  
Sudan.—1,152 ozs.; value, £4,094 (Mar., £4,088).  
Transvaal Gold.—14,290 tons; profit, £3,415 (Mar., £5,940).  
Van Ryn.—35,500 tons; profit, £6,693 (Mar., £8,027).  
Van Ryn Deep.—40,140 tons; profit, £50,113 (Mar., £54,071).  
Village Deep.—52,300 tons; profit, £4,035 (Mar., £6,273).  
Wanderer.—10,830 tons; profit, £192 (Mar., loss, £1,863).  
West Rand Cons.—35,250 tons; profit, £1,011 (Mar., loss, £2,676).  
Witwatersrand.—39,150 tons; profit, £11,049 (Mar., £11,258).  
Wit. Deep.—34,700 tons; profit, £150 (Mar., loss, £912).  
Wolhuter.—32,500 tons; profit, £6,566 (Mar., £5,184).

Having no cotton left, and being in no position to obtain any, thanks to the control of the Allied fleets over the sea, German manufacturers have been hunting about for a cotton substitute. It is "substitutes" everywhere in Germany nowadays—except in the man butchery trade. According to recent information it is estimated that nearly 50,000 acres are to be devoted this year in Germany to the cultivation of nettles, and doubtless the nettle leaves when young are excellent food, as good as spinach we are assured; but it is not the food manufacturers are after, it is fibre, and out of this 50,000 acres it is calculated that about 18,000 tons of the fibre will be produced. Nettle fibre is now being "spun into yarn of very high counts," we are told, and a company has been formed to push forward the industry with a capital of £250,000, expandable at need.

# A GREAT NATIONAL DISTRIBUTION THE PRUDENTIAL

Paid to its Policyholders in 1917 over  
**£9,700,000**  
or over **£31,000** for each Working Day.

## SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

**ASSETS exceed £11,000,000.**

**FIRE (INCLUDING LOSS OF PROFITS), LIFE, ACCIDENT, ILLNESS, ANNUITIES, PENSIONS, LEASEHOLD, BURGLARY, CLASS BREAKAGE, TRANSIT OF SECURITIES, FIDELITY, PROPERTY OWNERS' LIABILITIES, HORSE DRIVING ACCIDENTS, MOTOR CAR RISKS, THIRD PARTY, EMPLOYERS' LIABILITY AND MARINE INSURANCES EFFECTED ON THE MOST FAVOURABLE TERMS.**

Edinburgh: 35, St. Andrew Square.

London: 5, Walbrook, E.C. 4, and 4, St. James' St., S.W. 1.

## PHENIX ASSURANCE COMPANY LIMITED.

ESTABLISHED 1782.

Head Office: PHENIX HOUSE, KING WILLIAM STREET, LONDON, E.C. 4.

Total Assets Exceed **£17,000,000.**

Claims Paid Exceed **£100,000,000.**

Chairman—Rt. Hon. LORD GEORGE HAMILTON, P.C., G.C.S.I.

**FIRE. LIFE. ACCIDENT. MARINE.**

Loss of Profits following Fire, Workmen's Compensation, Fidelity Guarantee, Burglary, Trustee and Executor, &c.

Prospectuses and Proposal Forms may be obtained on application to any of the Branch Offices or Agencies, or to the Head Office.  
General Manager — SIR GERALD H. RYAN.

# The Investors' Review.

## Money and Credit Notes.

**BANK RATE 5 PER CENT.** (Reduced from  $5\frac{1}{2}$  per cent. on Thursday, April 5, 1917.)

*Norfolk House, Friday Evening.*

By looking with a microscope one may discover some traces of movement in the Money market, but it rarely goes beyond call loans. Sometimes these have been negotiated at  $2\frac{1}{2}$  per cent., but the general rate is 3 per cent., and  $3\frac{1}{4}$  per cent. remains the rate for seven-day advances. Sixty-day Bank bills do move enough to give a certain interest in the business, but the quotation of  $3\frac{1}{2}$  per cent. remains unaltered for all usances up to four months, and even four months' bills are frequently bought at  $3\frac{1}{2}$ . June bills have changed hands at and are in demand at  $3\frac{1}{8}$ . The market, take it all round, is about as uninteresting as it could be.

A week ago the Bank return showed a large draft upon other deposits, with corresponding movements in "other" securities and public deposits. This week other deposits have risen £5,690,000 and public deposits have again swollen by £3,884,000. The source of this increase in liabilities has been £8,112,000 added to the "other" and £1,445,000 to the Government securities. The reserve is up £49,000, thanks to a return of coin and bullion larger than the expansion in the note circulation. That is to say, coin and bullion is up £373,000 and notes down £294,000. The proportion of reserve to liabilities has fallen to  $17\frac{1}{4}$  per cent., and is  $3\frac{1}{4}$  per cent. below the figure of a year ago, but that is not so much because the reserve is smaller as because the liabilities on deposits are £27,000,000 higher.

It is understood that the committee appointed to consider the question of bank amalgamation will recommend the establishment of a tribunal, the sanction of which will have to be obtained before any fresh schemes are carried through.

A fresh statement comes from America regarding the position of United States advances to the Allies on this side. According to this the total of these advances now amount to £1,153,000,000, of which Great Britain has received £599,000,000. This cannot be accurate, although the figures are given by the Washington correspondent of the *Times* on the authority of Mr. McAdoo, the Secretary to the Treasury. At any rate, a week ago the

total advances to this country alone was set down, presumably officially, at £759,000,000, and since then a further £40,000,000 is, according to Mr. McAdoo, credited to Great Britain out of a total of £80,000,000 advanced to the Allies. Of the balance, France gets £20,000,000.

A new and novel type of National Defence Bonds will be offered for sale in France as from the end of this month. These bonds will be issued with a currency of one month, and will bear interest for this period of 30 centimes per cent., payable in advance, so that if the bonds are redeemed at maturity the yield will be 3.6 per cent. But holders will have the option of renewing the bonds for a further period of one or two months, and in order to induce them to renew a higher rate of interest is offered for the extended period—namely, 35 centimes per cent. per month. Thus, if the bonds are renewed for one month, the yield will be 3.9 per cent., and if for two months 4 per cent. The attractiveness of these terms lies in the fact that the 4 per cent. interest obtainable on the existing bonds, which have a three months' currency, may be obtained by subscribing to the new bonds, without the holder being compelled in any case to hold his bonds for three months from the date of subscription.

The State of San Paulo has arranged to renew for a further period of two years its 5 per cent. "two-year" Treasury notes, sold here in 1914. These notes originally amounted to £4,200,000, and first matured on January 1, 1916, but as funds for the repayment of only 30 per cent. were then available, the remaining 70 per cent. was renewed until January 1 last. Apparently only about £650,000 was then repaid, for £2,205,000 has been renewed until January 1, 1920.

The principal neutral exchanges have moved sharply against this country this week. Amsterdam has fallen 27 points to 9.47½ fl., and the pound sterling is now equivalent to only 19.30 Swiss francs. Christiania at 15.10 kr., Copenhagen at 15.15 kr., and Stockholm at 13.92½ kr. are from 2½ to 4 points lower, while pesetas are also dearer at 16.95 to the pound. All the South American currencies are dearer, including Buenos Aires at 52½d., Rio at 13½d., and Valparaiso at 16½d. Montreal has unexpectedly risen quite sharply, and is now quoted at \$4.83½.

The interesting announcement is made that the Sumitomo Bank of Osaka will open a London branch at 87, Gracechurch Street, in the course of next month. When this takes place Japan will be represented here by three of its leading banks. The Sumitomo Bank was founded by the influential family of the same name, whose present head is Baron K. Sumitomo, and whose properties are among the largest and richest in the country. The bank has 22 branches, with a paid-up capital of 26,000,000 yen, and deposits aggregating 188,000,000 yen.

The Yokohama Specie Bank, Ltd., London, announce that £135,700  $4\frac{1}{2}$  per cent. sterling bonds of the 1st Series and £124,860  $4\frac{1}{2}$  per cent. sterling bonds of the 2nd Series of the sterling loans of 1905 have been purchased on behalf of the Imperial Japanese Government for the purpose of cancellation. The good work of redemption goes on steadily.

### SILVER.

There is nothing at all to say about silver this week. The market has become fixed at 48½d. per oz., and will vary only as charges incidental to transmission vary.

Applications for the Rs. 60,00,000 Indian Council drafts offered on Wednesday amounted to Rs. 2,19,55,000. Of these Rs. 59,59,000 were allotted in deferred transfers, and Rs. 41,000 in immediate transfers. Tenders for bills and deferred transfers at rs. 5 29-32d., and for immediate transfers at rs. 6d., received about 27 per cent.

Mr. John Ferguson, London manager of the National Bank of Scotland, Ltd., has joined the London board of the Scottish Union and National Insurance Co.

Sir Albert Stanley, President of the Board of Trade, made out a good case for the higher season ticket fares suddenly sprung upon the public by the railway companies, and we are sorry to say that we feel bound to agree with him. It would have been much more pleasant to take the side of the season ticket holder and join him in abusing the authorities, as he is now busy doing. Facts, however, forbid us to adopt any such attitude. No doubt the railway companies, when they began the development of their suburban traffic, did their utmost to attract residents to the vacant lands along their lines by cheap fares, and season tickets were sometimes granted free to new settlers for a certain period, while always the "season" fares were low, so low sometimes that, as Sir Albert said, it was occasionally possible to save money by taking a season ticket, although using it only once a week. That ought never to have been, and the travelling public, particularly suburban residents, should make up their minds that this is probably only a first step in raising the cost of travelling to everybody except, perhaps, railway directors. The suburban residents will have to turn attention to their landlords and agitate for lower rents or for a redistribution of the burden of rates, lest between taxes, cost of travelling, rents, and rates they get squeezed out altogether. Even now, however, the cost of a railway journey to and fro five days a week will be considerably less than  $\frac{1}{4}$ d. per mile, Sir Albert Stanley said, compared with the  $\frac{1}{4}$ d. per mile which is now charged on the ordinary single journey third-class ticket.

## BANK OF ENGLAND

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, May 15, 1918.

## ISSUE DEPARTMENT.

	£	£
Notes Issued .. ..	79,574,335	Government Debt .. .. 11,015,100
		Other Securities .. .. 7,434,900
		Gold Coin and Bullion .. 61,124,335
		Silver Bullion .. ..
	£79,574,335	£79,574,335

## BANKING DEPARTMENT.

	£		£
Proprietors' Capital ..	14,533,000	Government Securities ..	57,316,732
Reserve .. ..	3,180,036	Other Securities ..	105,522,431
Public Deposits (including		Notes .. ..	29,597,785
Exchequer, Savings		Gold and Silver Coin ..	583,852
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	41,457,354		
Other Deposits .. ..	133,820,292		
Seven Day and other Bills	10,118		
	£193,020,800		£193,020,800

Dated May 16, 1918.

E. M. HARVEY, Chief Cashier.

## BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. May 16.	May 8, 1918.	May 15, 1918.	Increase.	Decrease.
£	£	£	£	£
3,135,107	3,147,637	3,180,036	32,399	—
54,172,724	37,573,152	41,457,354	3,884,202	—
19,375,972	128,129,817	133,820,292	5,690,475	—
37,907	10,772	10,118	—	654
45,049,406	Gov. Securities ..	55,871,732	57,316,732	—
111,479,848	Other do. .. ..	97,410,123	105,522,431	—
34,745,456	Total Reserve ..	30,132,523	30,181,637	—
			9,607,076	9,607,076
			Increase.	Decrease.
£	£	£	£	£
38,724,155	Note Circulation ..	49,682,980	49,976,550	293,570
55,019,611	Coin and Bullion ..	61,365,503	61,708,187	342,684
5	Proportion .. ..	18 2 p.c.	17 2 p.c.	—
	Bank Rate .. ..	5	5	—

## LONDON BANKERS' CLEARING.

Date.	1918.	1917.	Increase.	Decrease.
	£	£	£	£
January	2,073,224,000	1,865,125,000	208,099,000	—
February	1,605,654,000	1,779,524,000	—	173,870,000
March	1,784,836,000	1,492,825,000	292,011,000	—
April	1,446,306,000	1,403,902,000	42,404,000	—
May 1	378,749,000	364,965,000	13,784,000	—
" 8	384,904,000	476,840,000	—	21,936,000
" 15	392,971,000	338,984,000	53,987,000	—
Total ..	8,066,594,000	7,652,165,000	610,285,000	195,806,000

## PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended May 11.)

REVENUE.	EXPENDITURE.
	£
Customs .. .. .	2,083,000
Excise .. .. .	535,000
Estate, &c., Duties .. .. .	631,000
Stamps .. .. .	286,000
Land Tax and House Duty	20,000
Property and Income Tax	715,000
Excess Profits Tax .. .. .	4,277,000
Land Values .. .. .	10,000
Post Office .. .. .	700,000
Crown Lands .. .. .	—
Sundry Loans .. .. .	—
Miscellaneous .. .. .	40,000
Bullion advances repaid .. .. .	120,000
For Treasury Bills for Supply	72,099,000
3% Exchequer Bonds, 1930 .. .. .	—
5% Exchequer Bonds, 1922 .. .. .	—
6% Exchequer Bonds, 1920 .. .. .	—
National War Bonds .. .. .	*13,030,000
War Savings Certificates .. .. .	1,400,000
4% War Loan, 1920-1942 .. .. .	—
5% War Loan, 1920-1947 .. .. .	—
Other Debts created under .. .. .	—
War Loan Act, 1915, and .. .. .	—
Finance Act, 1916 .. .. .	16,789,087
Telegraph Money Act, 1913 .. .. .	—
Under Post Office Rly. Act, .. .. .	—
1913 .. .. .	—
Under Military Works Act, .. .. .	—
1897-1903 .. .. .	—
Under Public Buildings .. .. .	—
Under Housing Act .. .. .	—
Repayment of Advance for .. .. .	—
Interest on Exchequer .. .. .	—
Bonds .. .. .	—
China Indemnity .. .. .	—
East Africa Loan repay- .. .. .	—
ments .. .. .	—
Suez Canal Drawn Shares .. .. .	—
Ways and Means Advances .. .. .	7,982,000
Decrease in Exchequer .. .. .	—
balances .. .. .	548,346
	£121,244,433

National Debt Service .. .. .	146,391
Interest, &c., on War Debt .. .. .	2,319,316
Development & Road Impvt .. .. .	—
Payments to Local Taxation .. .. .	10,380
Other Consolidated Fund .. .. .	—
Charges .. .. .	—
Supply Services .. .. .	54,984,000
Bullion Advances .. .. .	—
For Advance for Interest .. .. .	—
on Exchequer Bonds under .. .. .	—
Capital Expenditure .. .. .	—
(Money) Act, 1904 .. .. .	—
For Treasury Bills .. .. .	57,320,000
Other Debt under War Loan .. .. .	—
Acts, 1914-16 .. .. .	516,724
For War Loan and Ex- .. .. .	—
chequer Bonds under .. .. .	—
Section 61 of Finance Act, .. .. .	—
1916, and Section 34, 1917 .. .. .	945,322
Under Telegraph (Money) .. .. .	—
Act, 1913 .. .. .	—
Under Post Office (Lon- .. .. .	—
don) Railway Act, 1913 .. .. .	—
Under Military Works Acts .. .. .	—
Under Housing Act, 1914 .. .. .	—
Public Buildings Expendi- .. .. .	—
ture Act, 1903 .. .. .	—
Old Sinking Fund, 1907-8 .. .. .	—
Sinking Fund, 1910-11 .. .. .	—
China Indemnity .. .. .	—
East African Loan .. .. .	—
Cunard Agreement Act .. .. .	—
Expenditure Certificates .. .. .	2,300
Depreciation Fund .. .. .	—
Suez Canal Drawn Shares .. .. .	—
Temp. Advances Repaid .. .. .	5,000,000
Increase in Exchequer .. .. .	—
balances .. .. .	—
	£121,244,433

\*Excluding sales through banks which have not yet been brought to account.

## CURRENCY NOTES.

Return of Currency Notes for the week ended May 15, 1918.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes .. ..	4,798,843	2,614,304	175,953,138
10s. notes .. ..	1,576,199	1,152,316	39,369,768
Note certificates .. ..	490,000	40,000	28,740,000
Previous total .. ..	906,725,200	665,720,715	—
	913,590,242	669,527,336	244,062,906

Ratio of gold held against notes, this week, 13.23 p.c.; last week, 13.44 p.c.

## FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Apr. 12, 1918.	Apr. 5, 1918.	Apr. 13, 1917.
	£	£	£
Gold coin and certificates ..	97,752,400	96,756,000	67,673,800
Gold Settlement Fund ..	81,594,200	76,232,600	39,654,200
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks ..	189,846,600	183,488,600	107,328,000
Gold with Federal Res. Agent ..	171,408,400	174,615,400	82,159,200
Gold Redemption Fund ..	4,700,200	4,680,800	486,800
Total gold reserves ..	366,054,200	362,784,800	189,974,000
Legal tender notes, silver, &c. ..	12,944,800	12,701,800	4,227,200
Total reserves ..	378,999,000	375,486,600	194,201,200
Bills discounted—Members ..	142,561,400	114,776,600	4,401,800
Bills bought in open market ..	63,771,400	65,300,600	16,120,800
Total bills on hand ..	206,332,800	180,777,200	20,522,600
U.S. Gov. long-term sec. ..	10,847,400	12,080,600	7,243,600
U.S. Gov. short-term sec. ..	28,428,600	52,080,000	14,674,000
All other earning assets ..	754,200	614,400	3,663,600
Total earning assets ..	246,363,000	244,882,200	45,503,800
Due fm other Fed Res bks—n. ..	363,000	1,991,400	214,200
Uncollected items ..	76,601,800	69,399,400	33,836,800
Total deducts. fm gross dep. ..	76,964,800	71,350,800	34,551,000
5% Red. Fund ag Fed. Res. bknts ..	107,400	107,400	80,000
All other resources ..	64,800	64,800	600,800
Total resources ..	702,499,000	691,931,800	274,736,800
Capital paid in .. ..	14,949,600	14,898,800	11,281,600
Surplus .. ..	226,700	226,800	—
Government deposits .. ..	20,174,600	20,963,600	8,419,400
Due to members—Res. account ..	298,907,400	294,658,800	148,308,400
Collection items .. ..	47,554,000	45,227,800	2,212,800
Other dep inc For Govt crdts ..	17,014,200	16,413,400	—
Total gross deposits ..	383,730,200	377,263,600	182,970,600
F.R. notes in actual circulat'n ..	299,875,400	295,984,000	80,361,800
F.R. bk nts in circn—nett liab. ..	1,600,000	1,572,000	—
All other liab. in for Gov crdts ..	2,117,000	1,976,600	122,800
Total liabilities ..	702,499,000	691,931,800	274,736,800
Gold res. ag nett deposit liab. ..	61.9%	60.0%	72.1%
Gold res ag F.R. nts in act circ ..	58.8%	60.6%	102.9%
Ratio of gold res to nett dep. ..			
and F.R. nts liabilities comb. ..	60.3%	60.3%	82.9%
Ratio of total res. to nett ..			
deposit and F.R. note liab. ..	62.5%	62.4%	84.7%

## NEW YORK ASSOCIATED BANKS AND TRUST COMPANIES (dollar at 4s.).

	May 11, 1918.	May 4, 1918.	April 27, 1918.	May 12, 1917.
	£	£	£	£
Loans, Discounts, etc. ..	906,310,000	902,902,000	901,584,000	716,234,000
Cash in Vaults of Members ..	—	—	—	—
Fed. Res. Bk. .. ..	21,906,000	21,138,000	—	—
Aggregate Reserves .. ..	107,430,000	111,892,000	—	—
Excess Reserve .. ..	8,582,000	11,848,000	12,224,000	13,070,000
Nett Demand Deposits ..	743,134,000	752,010,000	746,684,000	711,704,000
Nett Time Deposits .. ..	35,912,000	36,812,000	36,292,000	58,198,000
U.S. Deposits Deducted ..	70,766,000	65,626,000	—	—
Circulation .. ..	7,272,000	7,232,000	7,212,000	5,748,000

## BANK OF FRANCE (25 francs to the £).

	May 10, 1918.	May 2, 1918.	April 25, 1918.	May 10, 1917.
	£	£	£	£
Gold in hand .. ..	133,731,960	133,701,960	133,670,200	132,395,800
Silver in hand .. ..	10,233,000	10,244,640	10,242,840	10,282,960
Bills discounted .. ..	47,095,960	52,643,240	41,751,280	21,825,000
Advances .. ..	39,960,240	40,161,280	55,893,160	45,599,040
Note circulation .. ..	1,050,473,440	1,069,325,080	1,055,810,040	771,006,840
Public deposits .. ..	1,875,760	1,606,600	2,230,560	1,270,240
Private deposits .. ..	122,081,200	125,414,520	132,530,120	100,726,160
Foreign Bills .. ..	284,760	381,440	342,080	117,680

Proportion between bullion and circulation 20.86 per cent., against 21.08 per cent. last week. Advances to the State £646,000,000, increase £8,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £19,238,240, decrease £22,880, and at the branches £24,434,600, decrease £121,600.

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	May 7, 1918.	April 30, 1918.	April 23, 1918.	May 7, 1917.
	£	£	£	£
Total Coin & Bullion ..	123,247,750	123,239,800	123,236,250	127,525,100
Treasury Notes .. ..	77,577,250	76,759,750	73,235,150	25,458,800
Bills discounted .. ..	678,879,400	694,389,400	634,934,950	435,528,050
Advances .. ..	—	435,500	361,900	462,000
Note circulation .. ..	990,116,600	591,039,650	578,201,550	415,179,600
Deposits .. ..	342,852,200	352,750,250	314,939,150	197,604,900

Clearing House return during March £459,815,355, against £420,879,905 in February.

## BANK OF SPAIN (25 pesetas to the £).

	May 4, 1918.	April 27, 1918.	April 20, 1918.	May 5, 1917.
	£	£	£	£
Gold .. ..	81,684,725	81,589,031	81,104,753	55,878,227
Silver .. ..	28,200,850	28,435,357	28,280,814	29,991,260
Foreign Bills .. ..	3,840,631	3,838,743	3,730,343	3,583,238
Discounts and Short Bills ..	30,522,723	29,895,595	30,230,376	33,642,414
Treasury Account, &c. ..	24,982,402	25,085,924	25,011,667	25,182,782
Notes in Circulation .. ..	117,755,436	116,431,718	116,501,000	97,594,112
Current Accounts, Deposits ..	35,300,191	35,406,764	34,875,995	30,201,468
Dividends, Interests, &c. ..	1,657,095	1,911,130	2,109,813	1,496,158
Government Securities .. ..	3,081,971	3,169,589	3,410,170	8,698,540

## NETHERLANDS BANK (12 Florins to the £).

	May 17, 1918	May 4, 1918	Apr. 27, 1918	May 12, 1917
	£	£	£	£
Gold and Silver ..	60,778,000	60,763,666	61,087,000	50,221,416
Bills and Advances ..	18,080,300	20,602,750	17,021,750	14,102,600
Note circulation ..	79,164,583	81,297,250	78,244,250	64,237,500
Deposits ..	4,858,750	5,072,333	5,275,416	3,336,166

## SWISS NATIONAL BANK (25 francs to the £).

	April 30, 1918	April 23, 1918	April 15, 1918	April 30, 1917
	£	£	£	£
Gold and silver ..	17,293,936	17,276,252	17,207,788	15,736,412
Bills ..	11,559,972	10,889,266	10,241,904	8,052,832
Note circulation ..	28,008,604	26,410,880	26,619,744	21,155,360
Current and deposit accounts ..	3,315,280	3,447,212	3,532,244	4,721,020

## BANK OF NORWAY (18 kroner to the £).

	April 30, 1918	April 22, 1918	April 15, 1918	April 30, 1917
	£	£	£	£
Gold ..	6,733,000	6,734,000	6,735,000	7,165,000
Balance abroad and Foreign Bills ..	3,645,000	3,590,000	3,648,000	4,117,000
Govt. Securities ..	712,000	713,000	713,000	708,000
Discounts & Loans ..	18,446,000	18,450,000	18,572,000	12,438,000
Notes in Circulation ..	19,741,000	19,746,000	19,675,000	15,085,000
Deposits at notice ..	6,415,000	6,457,000	6,736,000	6,703,000

## BANK OF SWEDEN (18 kroner to the £).

	Apr. 13, 1918	Apr. 6, 1918	Mar. 30, 1918	Apr. 14, 1917
	£	£	£	£
Gold ..	14,327,000	14,331,000	14,337,000	10,727,000
Balance abroad and Foreign Bills ..	7,538,000	7,307,000	7,306,000	7,358,000
Swedish and Foreign Govt. Securities ..	3,901,000	3,914,000	3,920,000	3,250,000
Discounts and Loans ..	15,675,000	15,769,000	15,844,000	9,160,000
Notes in circulation ..	33,855,000	34,662,000	35,037,000	23,331,000
Deposits at notice ..	7,168,000	6,552,000	7,062,000	7,315,000

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	May 14, 1918.		May 16, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	9.63	9.68	9.32	9.37
Paris ..	Cable transfers ..	27.13	27.18	27.13	27.18
" ..	Three months' bills ..	27.53	27.58	27.53	27.58
Switzerland ..	Cable transfers ..	19.45	19.55	18.90	19.05
" ..	Three months' bills ..	19.70	19.80	19.15	19.40
Genoa, &c. ..	Cable transfers ..	43.10	43.20	41.05	43.15
Spain ..	Cable transfers ..	16.94	17.04	16.95	17.05
" ..	Three months' bills ..	63 1/2	66 1/2	65 1/2	68 1/2
Lisbon and Oporto ..	Cable transfers ..	28 1/2	29 1/2	29 1/2	30 1/2
Copenhagen ..	Cable transfers ..	15.12	15.22	15.07	15.17
Christiania ..	Cable transfers ..	15.12	15.22	15.03	15.13
Stockholm ..	Cable transfers ..	13.90	14.00	13.75	13.85

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22 1/2	27.15 1/2	27.14 1/2
Amsterdam, cheques ..	Florins to £1 ..	12.107	9.79 1/2	9.30
Italy, sight ..	Lire to £1 ..	25.22 1/2	43	43.08
Madrid, sight ..	Pescetas to £1 ..	25.22 1/2	17.09 1/2	16.95
Lisbon, sight ..	Pence to milreis ..	532d.	298d.	300d.
Switzerland, sight ..	Francs to £1 ..	25.22 1/2	19.57 1/2	18.35
Christiania, sight ..	Kroner to £1 ..	18.159	15.17 1/2	15.01 1/2
Stockholm, sight ..	Kroner to £1 ..	18.159	14.02	13.64 1/2
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.20	15.11 1/2
Petrograd, sight ..	Roubles to £10 ..	94.57	nom.	nom.
Alexandria, sight ..	Piastres to £1 ..	97 1/2	97 1/2	97 1/2
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/5 1/2	1/5 1/2
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/5 1/2	1/5 1/2
Hong Kong, T.T. ..	Sterling to dollar ..	—	3/1 1/2	3/1 1/2
Shanghai, T.T. ..	Sterling to tael ..	—	4/6	4/6
Singapore, T.T. ..	Sterling to dollar ..	—	2/4 1/2	2/3 1/2
Yokohama, T.T. ..	Sterling to yen ..	21.58d.	2/2 1/2	2/2 1/2
New York, cable ..	Dollars to £1 ..	4.36 1/2	4.76 1/2	4.76 1/2
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	52 1/2	52 1/2
Valparaiso, 90 days ..	Pence to peso ..	—	15 1/2	16 1/2
Montevideo, T.T. ..	Pence to dollar ..	51d.	65d.	65d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13 1/2	13 1/2

## OPEN MARKET DISCOUNT.

	Last week.	This week
	Per cent.	Per cent.
Thirty and sixty day remitted ..	3 1/2-3 3/4	3 1/2-3 3/4
Three months ..	3 1/2	3 1/2
Four months ..	3 1/2	3 1/2
Six months ..	3 1/2	3 1/2
Three months fine inland bills ..	4 1/2	4 1/2
Four months ..	4 1/2	4 1/2
Six months ..	4 1/2	4 1/2

## BANK AND DEPOSIT RATES.

	Last week.	This week
	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
" .. short loan rates ..	—	—
Bankers' rate on deposits ..	3	3
Bill brokers' deposit rate (call) ..	3 1/2	3 1/2
" .. 7 and 14 days' notice ..	3 1/2	3 1/2
Current rates for 7 day loans ..	3 1/2	3 1/2
" .. for call loans ..	2 1/2-3	2 1/2-3

## The Week's Stock Markets.

There is less and less to be said in a general way about the Stock markets. On the whole, considering the small number of transactions dealt with, the tone has been wonderfully good under the lead of gilt-edged securities, which have benefited by the idea that a reduction in Treasury bill and deposit rates will be put in force shortly. Arguments in favour of and against this course are about equally divided, and it is just conceivable that if the purchase of Treasury bills were curtailed money would flow more freely into the more permanent National War Bonds, but past experience does not altogether justify that view, and the needs of the Exchequer are so insistent that mere patch-work arrangements of the kind suggested are likely to do more harm than good. There is plenty of surplus cash in the country, as the persistent demand for speculative investments proves, but we do not think our rulers are going the right way to annex it. If, however, they play about too long they may easily land us in a very deplorable mess—all the more aggravating because entirely unnecessary.

Business on the Stock Exchange has been extremely quiet throughout the week, and, except on Monday, when there was the usual accumulation of orders over the week-end, the number of transactions has never nearly reached 3,000 markings. On the whole, however, the tone has been good, and gilt-edged securities, particularly, appear to have been in moderate demand. Consols eased off a trifle, but the 5 per cent. War Loan advanced a very substantial fraction, and Local Loans, Indian issues, and a few others, all improved. Bank stock also gained several points, no doubt on hopes that the new management will do something to give stockholders a larger dividend. Colonial issues showed conspicuous strength at the beginning of the week, and some of the shorter-dated issues were in particular request, as there is a demand for such stocks which will yield nearly 6 per cent., allowing for repayment. In the Foreign market, Spanish, Japanese, Brazilians, and Uruguays were dull, but at times Chinese were strongly supported. Peruvian Corporation was in some request, and advanced a fraction.

Home Railways opened firm, and, after slight fluctuations, closed good, with considerable gains, owing, probably, to the increase in season ticket rates, which, we may be sure, will not go back to their old level for some time after the war. American Railroads showed more animation than for some time past, and Southern and Erie preference were particularly good. Among Foreign Railways, Antofagasta showed strength, and San Paulos and Mexican ordinary also improved, but Argentines were weak in spite of the favourable traffics. However, the labour situation is still so vague that the outlook must be regarded as uncertain. Canadian Pacific only just held their ground, and Trunks displayed a moderate amount of firmness on the news that negotiations for the purchase of the system by the Canadian Government are still in progress.

Bank shares were exceptionally in favour, and Colonial issues received quite a large amount of support, with the result that prices nearly all round are higher. Breweries were good, and did not seem to be at all alarmed at the prospect of State purchase. Guinness gained as much as 7 points, and Allsopps, Watney, Combe, and Meux were very strong. Egyptian securities, after a feeble opening, generally improved, and several good gains are recorded, but Sidi Salem declined a fraction. Land shares were not in much evidence, and Hudson's Bays declined a little, while Nitrates, after a firm opening, reacted, and lost most of the earlier gains. Shipping shares were steady, without much movement, except that P. and O. deferred and Royal Mails both gained a point or two. Among Miscellaneous Industrials, Catering shares, like Aerated Bread and Lyons, and a few others, were well supported, and probably there is reason to believe that profits under present arrangements are exceptionally favourable. Iron and Steel shares generally were good, but Birmingham Small Arms, Nobel Explosives, and one or two others declined fractionally. Courtaulds were adversely affected by the sale of a fairly large block to an outside firm by the Public Trustee, and this has given rise to a considerable amount of ill-feeling. Fine Cotton Spinners gave way, in spite of the excellent report just issued, but expectations had been pitched high. Alby Carbides naturally gave way on the terribly poor results reported, and it is rather surprising that the reaction was not greater.

Oil shares generally have been wonderfully firm, considering the difficulties under which most of the companies are working. "Shells," North Caucasian, Roumanian Consolidated, and Burmahs all showed considerable gains, but in a good many cases the closing prices were below the best. Rubber shares have naturally been affected by the continued fall in the price of the raw material, but holders are evidently unwilling to part while the ultimate prospects of the industry are still regarded as so favourable.

It happens so often that the Board of Trade returns reach us late on a Friday afternoon that we are almost forced to the conclusion that the time is fixed by design and not by accident. At any rate, we must be content this week with stating that imports in April amounted to £110,833,000, an increase of no less than £35,300,000, and by far the largest figure ever recorded. Exports showed an increase of £4,272,000 at £40,071,000, but re-exports dwindled to £2,141,000, a decrease of as much as £6,348,000. For the past four months

imports have amounted to £424,912,000, an increase of £97,890,000, but exports are £7,220,000 lower at £156,840,000 and re-exports have fallen £22,220,000 to the low level of

	Last Week	This Week		Last Week	This Week
Consols.....	56½	56½	N.S.W. 5%, 1921-3 .....	97½	99½
War Loan 3½% .....	87½	87½	" 5½%, 1920-2 .....	99	99
" 4½% .....	90½	90½	" 5½% Debs. ....	102	102½
" 5% 1929-47 .....	93½	93½	New Zealand 4½%, 1929 ..	85½	86½
" 4½% 1919-42 .....	101	101½	Queensland 4½%, 1920-5 ..	93	93
India 3% .....	54½	55	S. Australian 5½% 1922-7 ..	99½	99½
" 3½% .....	63	63	Union of S. Africa 4½% ..	93½	94
Australian 5½%, 1920-22 ..	99½	99½	1920-5 .....	93½	94
Canada 4%, 1940-60 .....	80	80	Victoria 4½%, 1920-5 .....	93	93½
" 4½% 1920-5 .....	94	94	Westn. Aus. 4% .....	79	79
Argentina 5% 1886 .....	98½	98½	French War Loan, 5% .....	78½	77½
Belgian 3% .....	62½	63	Japan 4½% (1st), 1905 .....	95	95
Brazil, 1913 .....	69	69½	" 5%, 1907 .....	89	89
" 5%, 1914 .....	84½	84½	Mexican 5%, 1899 .....	53½	52½
Chinese 1896 .....	90	92	Russia 4% .....	3½	3½
" 1912 .....	77	79	" 4½%, 1909 .....	35	37
Egypt Unified 4% .....	87	87	" 5%, 1906 .....	42½	44
Caledonian defd. ....	9½	9½	London and N.-W. ....	87½	89
Gt. Central pte. ....	13	12½	London and S.-W. dfd. ....	21½	22
" dfd. ....	68	68	Metropolitan .....	26½	20½
Gt. Eastern .....	34½	35	Met. District .....	14	14
Gt. Northern dfd. ....	55½	55½	Midland dfd. ....	55½	55½
Gt. Western .....	83½	84	Nth. British dfd. ....	13½	13½
Lanes. and Yorks. ....	64	65	Nth.-Eastern .....	94½	94½
London Brighton defd. ....	56	56	Sth.-Eastern dfd. ....	27½	27½
London Chatham ord. ....	8½	8½	Chesapeake .....	61½	62
Canadian Pacific .....	157	158½	Erie .....	18	18½
E. Indian Guar. 4½% debs. ....	84	84	Southern .....	23½	26½
Grand Trunk ord. ....	88	90	Leopoldina .....	38	36
Do, 1st pf. ....	50	50	Mexican ord. ....	16	17½
Do, 3rd pf. ....	18½	19	San Paulo (Brazilian) .....	182	184
Antofagasta dfd. ....	145½	148	United of Havana .....	72½	72½
B. A. & Pacific .....	42	42½	London & Brazilian .....	25	24½
B. A. Gt. Southern .....	68½	67½	London City & Midland .....	72	72
B. A. Western .....	68½	67½	London County & West .....	15½	15½
Cent. Argentine ord. ....	59½	59	London Joint Stock .....	28½	28½
Anglo-South American .....	8	8	Nat. Prov. (£10½ pd) .....	25	25½
Bank of Australasia .....	118	119	Do. (£12 pd) .....	29½	30
Bank of N.S. Wales .....	35½	35½	Standard of S.A. ....	11½	11½
Barclay & Co. "A" .....	78	78	Union Discount .....	10½	10½
Do, "B" .....	12½	12½	Kynochs .....	41½	41½
Capital & Counties .....	27½	27½	Mond Nickel ord. ....	32	32
Chartered of India .....	74	75½	Nobel, £1 .....	74½	72½
Hongkong & Shanghai .....	82	85	South Durham Steel .....	42½	43½
Lloyds .....	25	25	Thornycroft .....	39	38½
Armstrong, Whitworth .....	41½	41½	Vickers .....	43½	41½
Birmingham Small Arms .....	64½	63½	Forestal Land .....	47½	47½
Cammell-Laird .....	58	58	Hudson's Bay .....	78	78½
Cargo Fleet .....	26½	26½	Imperial Tobacco "C" pf. ....	32½	32½
Davis, D. & S. ....	11½	11½	Lever Bros. "C" pf. ....	20½	32½
Dorman, Long .....	35½	36½	Lyons, J. ....	38	38
Associated Cement .....	4	3½	Marconi .....	38	38
Borax dfd. ....	36½	37½	Maypole Dairy dfd. ....	16½	16½
Bovril .....	21½	21½	Pears, A. & F. ....	18	18
British Amer. Tobacco pf. ....	17½	18	Underground Inc. Bds. ....	75½	77
British Aluminium .....	31½	31½	Coats .....	5½	5½
British Oil & Cake .....	31½	32½	Courtaulds .....	6½	7½
Brunner, Mond .....	188	188	English Sewing Cotton .....	52½	52½
Castner-Kellner .....	38	38	Fine Cotton Spinners .....	35½	33½
Eastern Telegraph .....	154½	154½	Harrods Stores .....	2½	2½
Eastmans .....	9½	10½	Demais Bros. ....	37½	36½
Cunard .....	42	42	National Steam Car. ....	18½	18½
Furness, Withy .....	62½	63½	Rolls-Royce .....	1½	2
P. & O. dfd. ....	33½	33½	Shell .....	6½	6½
Royal Mail .....	120	122	Spies (10/-) .....	71	71
Anglo Argentine 1st Pf. ....	2½	2½	Trinidad Leaseholds .....	35½	34½
Brazil Traction .....	41	43	Ural Caspian .....	18	18
Darracq .....	32½	33½	Venezuelan .....	18	18½
Anglo-Egyptian "B" .....	35½	35½	Perak 2/- .....	71	71
Burmah .....	78	78	Port Dickson 2/- .....	41	39
Lobitos .....	2	18½	Robt. Estates Krian 2/- .....	31½	36
Mexican Eagle pf. ....	3½	3½	Rubber Trust £1 .....	25½	24½
North Caucasian .....	4	4	Sampang (Java) 2/- .....	21½	21½
Roumanian Cons. ....	7½	9½	Seaport £1 .....	25½	25½
Allagar 2/- .....	31	29½	Sengat 2/- .....	31	29
Anglo-Dutch, £1 .....	29½	29½	Seremban £1 .....	36½	32½
Anglo-Java Rub. 2/- .....	6½	5 10½	Sialang £1 .....	61½	61
Anglo-Malay 2/- .....	13½	13½	Singapore Para 2/- .....	41	41
Ayer Kuning £1 .....	45½	45½	Singapore United 2/- .....	30½	210
Brit. N. Borneo Trust £1 .....	16½	16½	Pataing 2/- .....	40½	40½
Bukit Cih 2/- .....	49	46	Straits Bertam 2/- .....	61	51½
Bukit Mertajam 2/- .....	41½	41½	Sumatra Para 2/- .....	71½	71½
Bukit Sembawang 2/- .....	32½	31	Sungei Bahr £1 .....	36½	36½
Carey United £1 .....	40½	40½	Taiping 2/- .....	41	31½
Chersonese .....	32½	31	Tanjong £1 .....	81½	80½
Chevi 2/- .....	58½	58½	Tanjong Malim £1 .....	30½	30½
Dalkeith 2/- .....	27½	27½	Tebrau £1 .....	65	60½
Grand Central £1 .....	25½	26	Teloredo £1 .....	39½	39½
Highlands £1 .....	57½	56½	Tempeh 2/- .....	21½	21½
Java Investment £1 .....	24½	24½	London Serdang 2/- .....	101	91½
Johore Rubber Lands £1 .....	30½	29½	Val d'Or 2/- .....	31½	31½
Kamunin 2/- .....	31½	31½	Vallambrosa 2/- .....	19½	19½
Kinta Kellas 2/- .....	31½	31½	Kyshtim .....	88	88
Labu 2/- .....	8½	8½	Mashonaland Agency .....	6½	6½
Langen Java £1 .....	37½	37½	Meyer & Charlton .....	42½	42½
Linggi 2/- .....	21½	21½	Modder "B" .....	78	78
London Asiatic 2/- .....	84½	84½	Do. Deep .....	78	78
Malayalam £1 .....	36½	36½	Mysore .....	28	28
Merlimau 2/- .....	5½	5½	Nigerian Tin .....	18½	18½
Bechuanaland Exp. ....	71½	71½	Pahang (3/-) .....	13½	12½
Brakpan .....	42	42	Rand Mines (5/-) .....	22	22
Broken Hill Prop. (8/-) ..	67½	67	Renong .....	22	22
Cam & Motor .....	111	106½	Rio Tinto (£5) .....	66½	66½
Central Mining (£12) .....	58½	68	Russo-Asiatic .....	28	28
Chartered .....	15½	15½	South Crofty (5/-) .....	28	28
City Deep .....	38½	38½	Spring Mines .....	32	32
Cons. Gold Fields .....	34½	33½	Tanganyika .....	38	38
Cons. Langlaagte .....	17½	16½	Tanayik .....	38	38
Crown Mines (10/-) .....	18½	18½	Van Ryn Deep .....	38	38
De Beers dfd. (£2 10s.) ..	12½	12½			
East Pool (5/-) .....	31	30½			
East Rand .....	43½	43			
Geduld .....	2	2½			
Gevoor (10/-) .....	26½	25½			
Gov. Aras Mod .....	38	38			
Gt. Boulder (2/-) .....	11½	11½			

## LONDON PRODUCE MARKETS.

SUGAR.—Quotations remain unaltered for all descriptions.

COFFEE.—Public sales of moderate extent proved steady, with good competition for all mild liquoring descriptions, but inferior grades moved off slowly. Mocha, fine long-berry, sold, at 122s. 6d. to 123s. 6d.; Costa Rica, good bold, 134s. 6d.; Nairobi, fair to fine bold, 118s. to 140s. 6d.; Uganda, fair to good, 106s. 6d. to 110s. 6d.; Jamaica, low mid, 99s. The terminal market remained inactive, and prices quite nominal.

Cocoa reservedly offered, and a small business transpired at graded prices.

SPICE.—Cloves quietly steady at 2s. 5d. for fair Zanzibar, on spot. Pepper firmer. Fair black Singapore, spot, sold, 1s. 5d.;

## CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING MAY 17, 1918

	Last Week	This Week		Last Week	This Week
Sugar—per cwt. duty 25.8, 98% polarisation ..	£ s. d.	£ s. d.	Wool—per lb. Scoured Merino ..	£ s. d.	£ s. d.
Tate's Cubes ..	3 4 9	3 4 9	Scoured Cr'ssbr'd ..	nom.	nom.
Crushed ..	3 4 9	3 4 9	Greasy Merino ..	nom.	nom.
Granulated ..	2 17 9	2 17 9	Greasy Crossbred ..	nom.	nom.
Lyle's granulated Foreign granulated, first marks f.o.b., spot ..	nom.	nom.	New Zealand (scoured) Merino ..	nom.	nom.
German Cubes f.o.b. ..	nom.	nom.	Greasy Crossbred ..	nom.	nom.
French Cubes ..	nom.	nom.	Cape snow white ..	nom.	nom.
Crystallised, West India ..	2 17 9	2 17 9	Indiarubber p. lb. Plantation, Spot ..	0 2 4	0 2 3
Beet, 88% f.o.b. ..	nom.	nom.	Crepe ..	0 2 4	0 2 3
Tea—per lb., duty 1/- lb. ..	s. d.	d. s. d.	Coal—per ton Durham, best ..	nom.	nom.
Indian Pekoe ..	1 4	1 4	Seconds ..	nom.	nom.
Broken ..	1 4	1 4	East Hartlepool ..	nom.	nom.
Orange ..	1 4	1 4	Seconds ..	nom.	nom.
Broken ..	1 4	1 4	Steamers, best ..	32 6	32 6
Pekoe Souchong ..	1 4	1 4	Seconds ..	29 6	29 6
Ceylon Pekoe ..	1 4	1 4	Lead—per ton. English Pig ..	£ s. d.	£ s. d.
Broken ..	1 4	1 4	Foreign soft, net ..	£ 29½-£ 28½	£ 29½-£ 28½
Orange ..	1 4	1 4	Quicksilver—per bottle firsthand ..	nom.	nom.
Broken ..	1 4	1 4			
Pekoe Souchong ..	1 4	1 4			
Cocoa—per cwt. duty 6d. per cwt. ..	s. d. s. d.	s. d. s. d.	Tin—per ton English Ingots ..	£ 400	nom.
Trinidad—per cwt. ..	86 0 90 0	56 0 90 0	Do, bars ..	£ 401	nom.
Grenada ..	80 0 85 0	79 0 85 0	Standard cash ..	£ 380	£ 364
West Africa ..	60 0 65 0	55 0 65 0	Pin Plates, per box ..	nom.	nom.
Ceylon Plantation Guayaquil ..	78 0 100 0	85 0 100 0	Copper—per ton. English, Tough ..	nom.	nom.
Guayaquil ..	up to 90 0	up to 90 0	per ton ..	nom.	nom.
Coffee—per cwt. duty 42/- per cwt. ..	110 0 135 0	110 0 135 0	Best Selected ..	£ 119-£ 123	£ 119-£ 123
East India ..	77 0 151 0	77 0 151 0	Sheets ..	£ 149	£ 149
Jamaica ..	110 0 137 0	110 0 137 0	Standard ..	£ 110-110½	£ 110-110½
Costa Rica ..	110 0 137 0	110 0 137 0			
Provisions—Butter, per cwt. ..	25½	25½	Jute—per ton. Native firsts for shipment ..	nom.	nom.
Australian finest ..	25½	25½	Oils—Linseed, per ton ..	£ 58	£ 58
Argentine ..	25½	25½	Rape, crude ..	£ 66	£ 66
Irish Creameries ..	nom.	nom.	Cott'n Seed, crude ..	£ 60	£ 60
Dutch ditto ..	nom.	nom.	Petroleum Oil, per 8 lbs. ..	1/10½	1/10½
Russian finest ..	nom.	nom.	Water White ..	1/11½	1/11½
Paris baskets ..	nom.	nom.	Oil Seeds, Linseed ..	—	—
Danish finest ..	nom.	nom.	Calcutta—per ton ..	Spot	By agreement.
Brittany rolls ..	nom.	nom.	Rape ..	£ 29-10½ 30	£ 29-10½ 30
doz. lb. ..	nom.	nom.	Iron—per ton Cleveland Cash ..	nom.	nom.
Bacon—per cwt. ..	188½	188½	Tobacco—duty, unmanufactured 8½-10½ per lb. ..	1 6-2 6	1 6-2 6
Irish ..	172½	172½	Virginia, cat. ..	1 0-1 6	1 0-1 6
Continental ..	170½-171½	170½-171½	Kentucky leaf ..	1 6-6 6	1 6-6 6
Canadian ..	170½-180½	170½-180½	Latakia ..	1 6-6 6	1 6-6 6
American ..	161½-165½	162½-165½	Havana ..	2/ upds.	2/ upds.
Irish ..	125½-165½	125½-165½	Cigars, duty 15/7 per lb. ..	2/ upds.	2/ upds.
Canadian ..	161½-165½	162½-165½			
American ..	125½-165½	125½-165½	Timber—Wood. Pitch Pine ..	300/-400	300/-400
Cheese—per cwt. ..	nom.	nom.	Indian Teak ..	380/-700	380/-700
Dutch ..	nom.	nom.	Turpentine—American Spot ..	120/-	120/-
Canadian ..	126½-168½	102½-149½	Copra—per ton Malabar ..	46 0 0	46 0 0
English Cheddar ..	nom.	nom.	Ceylon ..	46 0 0	46 0 0
Wilts loaf ..	nom.	nom.	F.M.S. Singapore ..	45 10 0	45 10 0
New Zealand ..	nom.	nom.	F.M. Straits ..	45 10 0	45 10 0
Rice—per cwt. ..	s. d.	s. d.			
Japan ..	41 3	41 3			
Rangoon 2 stars ..	26 3	26 3			
Eggs—per 120. English ..	36 0-37 0	36 0-37 0			
Irish ..	32 6-33 6	34 6-35 0			
Danish ..	35 0-36 6	36 0-37 0			
Spelter—G.O.B. as to position ..	£ 54 £ 50	£ 54 £ 50			
Flour—per sack. Country Straight ..	44/3	44/3			
Runs ex Mill ..	44/3	44/3			

Tellicherry, 1s. 5½d.; Aleppy, 1s. 5d.; white Singapore, 2s. 5½d.; and Muntok, sold, 2s. 5½d. to 2s. 6d. Tapioca, fair flake, spot, 7½d. Pimento, spot, value, 5½d.; and cassia lignea, whole, selected, 92s. 6d.

SHELLAC.—There is no fresh feature in this market, with business unimportant. Fair T.N. orange, spot, sellers, 340s.; and May-June shipment, 305s.

RUBBER.—Dealings were on a moderate scale, and prices tended easier. Standard crepe, spot, sold, 2s. 3½d. to 2s. 2½d.; June, 2s. 3½d. to 2s. 3d.; July-December, 2s. 4½d. to 2s. 4d.; October-December, 2s. 5½d. to 2s. 4½d. Smoked ribbed sheet, spot and May, 2s. 2½d. to 2s. 1½d.; and fine hard Para, spot, quoted, 3s. per lb.

£11,263,000. We must leave a more detailed examination of the figures till next week.

**ISINGLASS.**—Public sales of moderate extent met with good support, but prices irregular and easier. Lump, fair palish, sold, 10s. to 12s.; leaf, fair to good palish, 10s. 3d. to 15s. 3d.; tongue, fair to good pale, 9s. 6d. to 12s. 3d.

**CORN** (Mark Lane).—While remaining distinctly steady, there has not been much fresh business transacted this week, offers being still on a limited scale. English wheat nominal at 76s. 9d. per qr. (504 lbs.). Of imported descriptions; No. 1 Northern Manitoba has been placed at 82s. 3d., and No. 2 hard winter at 80s. 9d. Australian quoted at 85s. 6d. Flour: English, 44s. 3d. per sack, ex mill. Imported grades realised 50s. 3d. to 51s. 3d. Dealings fair. Oats: Some American white clipped No. 2 realised 61s. 6d. Maize: American mixed, on landed terms, changed hands at 81s. 3d., being very sparingly submitted.

**COTTON** (from our Manchester correspondent).—There has been very little activity in the market during the past week, and most of the transactions have been of retail dimensions. Traders are very uncertain as to the future course of events, and it is a long time since there was so little enterprise on the part of buyers. Numerous producers have not been at all anxious to sell, there being a general desire to reduce contract lists. The wages question has been considered by the masters and the trade union officials, and a further conference will be held on Wednesday next. It is understood that important decisions by the Control Board are pending. The inquiry in cloth for our leading outlets abroad has been generally disappointing, there being very few workable offers. India has not been at all active, most of the buying being in light fabrics such as mull dhooties. No better news has come through from China, and trading has been of very small extent. Here and there rather more business has been reported for South America. Egypt, after being a healthy market for several months, is now giving less support, chiefly owing to the fact that supplies on the other side have recently increased. A steady demand has been experienced in fancy goods for the home trade. The turnover in home American yarns has not been at all important. Users, however, have searched for supplies, and have been willing to pay top prices for small lots to be sent in at once. There has been very little forward buying. Export bundles have not attracted much attention. Here and there fair lots have changed hands in Egyptian spinnings, but there has not been any general buying movement.

### The Week in Mines.

Business has been moderately active in the Mining markets this week, and the tone has been quite firm as a rule, though towards the end of the week the market showed a disposition to mark time. The principal incident has been the activity and buoyancy of Broken Hill shares on the publication of an official statement as to the terms of the zinc contract. Tin shares have been prominently firm, and some of the leading South Africans have shown unwonted firmness.

#### SOUTH AND WEST AFRICANS.

In the South African market Eastern Rand shares have been supported, notably East Rand Mining Estates, which have risen 1s. 6d. to 19s. 3d., Geduld, which are  $\frac{1}{8}$  higher at 2 3-32, and Sub-Nigels, which have risen  $\frac{1}{4}$  to 17 $\frac{1}{2}$ . City Deeps have further improved to 3 7-32, and Crown Mines have rallied after a long period of depression, the quotation being 3-32 higher at 1 31-32. In sympathy Central Minings have risen to 6 $\frac{1}{16}$ , and Rand Mines to 2 $\frac{1}{2}$ . Profit-taking has caused a relapse in the Gold Fields group, Gold Mines Investments being 1s. lower at 23s. 9d., and Gold Fields are back to 33s. 6d. Shares of the Barnato group were supported on the issue of the reports; Modder Leases rising to 3 $\frac{1}{4}$ , Modder B's to 7 $\frac{1}{16}$ , Modder Deeps to 7 $\frac{1}{2}$ , and Van Ryn Deeps to 3 $\frac{1}{8}$ . Roodepoort Uniteds have been flat at 5s. Among Rhodesian shares Gaikas have advanced 3-32 to 31-32, but Tanganyikas have been offered down to 3 3-32. West Africans have been steady.

#### COPPER AND MISCELLANEOUS.

The only movements of interest in the copper market have been rises of  $\frac{1}{4}$  to 66 $\frac{1}{4}$  in Rio Tintos, and of 9d. to 28s. 3d. in Mount Lyells. Despite the reaction in the metal market, tin shares have been very firm. Berridas have risen 2s. 3d. to 13s. 6d., and Tincrofts have been actively bought up to 16s. on the idea that the terms for converting the priority shares will be modified. Anglo-Continental at 16s. 3d. were not affected by the doubling of the dividend, the increase having already been discounted. Broken Hills have been active and strong. British Proprietaries are 2s. 6d. higher at 47s. 6d. after having touched 49s.; South Silvers have risen  $\frac{1}{4}$  to 10 $\frac{1}{2}$ , Sulphides 1s. 3d. to 28s. 3d., and Zinc Corporations 1s. 3d. to 24s. Mexican shares have weakened slightly on the imposition of new export taxes on metals shipped from Mexico.

### MINING NEWS.

**PLYMOUTH CONSOLIDATED MINES.**—A nett profit of £34,984 was made in 1917, as compared with £45,361. Two dividends of 1s. each were paid during the year, against three dividends of 1s. each in 1916, but a further dividend of 1s. per share was paid on January 31 last. The most important result of the year's development work was the discovery of the north foot-wall ore shoot at the 2,150 ft. and 2,300 ft. levels. It is expected that a large tonnage of ore, well above the average grade of the mine, will be available for the mill during the coming year from this shoot, as developments this year indicate that this shoot is improving in depth.

**TRANSVAAL GOLD PRODUCTION.**—The production of gold in April amounted to £3,046,045, a decrease of £109,076 on the same month of last year. The following table shows the monthly production since January, 1913:—

Month.	1913.	1914.	1915.	1916.	1917.	1918.
January ..	£ 3,353,116	£ 2,708,470	£ 3,037,058	£ 3,314,948	£ 3,324,418	£ 3,933,653
February ..	3,118,325	2,660,186	2,872,406	3,201,063	3,063,976	2,824,477
March ..	3,358,050	2,917,346	3,202,514	3,384,121	3,343,363	2,957,614
April ..	3,334,358	2,994,924	3,160,551	3,205,643	3,155,121	3,046,045
May ..	3,373,998	3,059,340	3,243,347	3,303,377	3,310,618	—
June ..	3,173,382	3,049,558	3,208,224	3,235,767	3,227,101	—
July ..	2,783,917	3,111,398	3,272,258	3,232,891	3,219,094	—
August ..	3,092,754	3,024,037	3,397,975	3,318,116	3,214,079	—
September ..	2,999,686	2,982,630	3,299,423	3,277,408	3,135,837	—
October ..	3,051,701	3,116,754	3,388,122	3,365,642	3,191,279	—
November ..	2,660,788	3,040,677	3,317,534	3,326,253	3,070,426	—
December ..	2,857,938	2,952,755	3,317,949	3,289,705	3,068,639	—
Total ..	37,358,040	35,588,075	38,627,461	39,484,934	38,323,921	11,839,789

**NATIVE LABOUR RETURNS.**—For the first time since November these returns show a decrease in the labour supply. The total shows a net loss of 309, the gold mines losing 563 labourers.

Month.	Natives on Gold mines.	Natives on Coal mines.	Natives on Diamond mines.	Total natives.
April, 1917 ..	125,975	11,435	6,314	203,724
May ..	180,168	11,432	5,805	197,405
June ..	175,727	11,258	5,369	192,354
July ..	171,653	11,381	5,223	188,257
August ..	170,817	11,401	5,028	187,246
September ..	171,334	11,601	4,791	187,726
October ..	170,331	11,841	4,620	186,792
November ..	169,083	11,633	4,620	185,336
December ..	172,740	11,695	4,593	189,028
January, 1918 ..	176,424	11,469	4,715	192,608
February ..	181,066	11,243	4,825	197,134
March ..	183,055	11,076	4,745	198,876
April ..	182,492	11,322	4,753	198,567

**BRAKPAN MINES.**—During 1917 there were crushed 677,500 tons, a decrease of 31,800 tons, due to shortage of labour. But the yield was £70,693 larger at £1,168,455, owing to the grade of ore being 3s. 7d. higher at 34s. 6d. per ton. Working costs rose by only 1s. to 20s. 3d. per ton, leaving a working profit of 14s. 3d. per ton milled, as against 11s. 8d. in 1916. Both yield and profit ratios constitute fresh high records for the mine. The total working profit was £468,209, and the nett profit was £474,431, as compared with £409,718. The dividend has been raised from 4s. to 4 $\frac{1}{2}$  per cent., and £35,395 carried forward, against £19,354. At the end of December the ore reserves stood at 3,268,000 tons, estimated at 9.2 dwts. over 67 in. stopping width, as compared with 3,054,000 tons, the stopping width being greater by about 5 in., due to the greater width of the ore developed in 1917. In the latest calculations of the ore reserves a considerable tonnage previously included has been omitted on account of the general rise in working costs. Progress has been made with the extension of the reduction plant, raising its capacity to 75,000 tons monthly; but under present conditions it is unlikely that the full capacity will be attained in the near future.

**SPRINGS MINES.**—The report for 1917 explains that preliminary crushing began in January, but the mine did not deliver ore to the mill until March. There were crushed during the year 313,065 tons, which yielded £610,441, or 39s. per ton. Working costs averaged 22s. 1d. per ton, leaving a profit of 16s. 11d. per ton. The yield was adversely influenced by abnormal circumstances incidental to starting, while costs were swollen by various abnormal charges, and by the large amount of excess development accomplished during the year. The working profit was £258,711, and the nett profit, after meeting debenture interest, was £214,954. Reserves of ore are estimated at 2,567,000 tons, valued at 9.8 dwts. over a stopping width of 58 in., an increase of 783,000 tons. The capacity of the reduction plant has been increased from 30,000 to 40,000 tons monthly; on this capacity the ore reserves are equal to over five years' supply.

**WITWATERSRAND DEEP.**—Very poor results were obtained by this mine in 1917, owing to a decrease in the tonnage milled of 74,750 tons, and an increase in costs of 3s. 2d. per ton. The yield was £502,155, against £595,117, the recovery being 23s. 7d., against 23s. 10d. per ton. Working costs averaged 20s. 7d., leaving a working profit of 3s. per ton, as against 6s. 5d. in 1916. The nett profit declined from £160,282 to £64,496, and the dividend has been reduced from 2 $\frac{1}{2}$  to 5 per cent., but the carry-forward is raised from £81,025 to £99,356, the bulk of which is represented by stores. The ore reserves have decreased from 1,571,300 tons to 1,383,359 tons, valued at 5.66 dwts. Practically no profit was earned in the second half of the year, owing to the increase in costs. The future of the mine depends largely upon the values to be disclosed in the 121 claims remaining to be explored.

**TONGKHAH HARBOUR TIN DREDGING.**—The working account for the twelve months ended September 30 shows a credit of £77,266, and a nett profit of £67,923, as compared with £40,808. Dredging costs averaged 3.9d. per cubic yard, against 4.026d. last year. Four dividends, aggregating 25 per cent. (5s. per share), have been paid, against 40 per cent., leaving a balance of £80,302, against £50,815. Last year the

directors paid £60,000 in dividends, distributing £20,692 from reserves, in addition to the full profits earned. On account of the past year only £37,500 was paid in dividends out of the profit of £67,923, but since the closing of the books the directors have distributed a further 3s. per share, or 15 per cent.

**GURUM RIVER (NIGERIA) TIN.**—The report for the year to September 30 shows a profit of £6,783, and the debit at profit and loss has been reduced from £9,906 to £1,693. The liabilities, which, in the previous balance-sheet, amounted to £13,909, were reduced during the year to £7,000, and this amount has since been settled by the sale at par (10s.) of 14,000 of the unissued shares. During the year 142 tons of tin concentrate were produced, and the improvement in the financial position was due to the very low working costs.

### COMPANY RESULTS IN BRIEF.

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re-serves.	Divi-dend.	Carried For-ward.
Arding and Hobbs..(Feb.)	£ —	22,610	25,000	8½	4,930
Do. ....Prev.	—	18,490	15,000	7	7,530
Atkinson's Brewery (Oct.)	—	78,090	25,000	20	53,000
Do. ....Prev.	—	27,360	—	—	27,360
British Ever-Ready Co. (Mar.)	—	34,680	25,000	17½	6,050
Do. ....Prev.	—	28,650	22,500	15	2,900
Bombay Gas Co. ..(Dec.)	100,900	30,530	26,170	8	18,610
Do. ....Prev.	92,830	28,980	24,920	7½	16,930
Eastern Bank.....(May)	143,850	77,910	90,000	7	15,910
Do. ....Prev.	108,110	60,540	70,000	6	9,540
House Property and Investment Co. ..(Mar.)	72,330	16,850	46,170	5½	2,900
Do. ....Prev.	75,380	16,730	45,780	5½	2,730
Liverpool Storage Co. (Mar.)	—	16,300	—	10	11,800
Do. ....Prev.	—	13,500	—	10	9,000
Mackeson and Co...(Sept.)	80,070	14,230	24,000	8	9,770
Do. ....Prev.	66,860	11,640	21,000	6	7,340
Melbourne City Properties Trust .....(Dec.)	17,670	3,290	—	2½	2,020
Do. ....Prev.	16,060	*750	—	—	—
Puerto Cabello & Valencia Railway .....(Dec.)	50,000	10,220	5,990	1½	5,230
Do. ....Prev.	40,300	12,250	3,440	—	4,440
San Lorenzo Nitrate(May)	16,900	10,060	24,000	25	—
Do. ....Prev.	24,190	11,900	24,000	25	—
Scottish Mort. and Trust Co. ....(Mar.)	11,140	9,420	27,000	6	7,970
Do. ....Prev.	11,500	9,990	26,000	6	4,470
Texas Land and Mort. Co. (Mar.)	64,080	24,080	170,000	12½	5,120
Do. ....Prev.	67,310	24,490	170,000	15	8,170
Thos. Owen & Co...(Mar.)	54,680	43,340	187,980	7½	16,340
Do. ....Prev.	69,170	38,660	159,720	7½	15,410

\* Loss.

### Answers to Correspondents.

**\* A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.**

**Deposits against future queries may be lodged with the Publisher.**

Sevac.—Generally, quotations depend on the course of prices for the stuff. We see small prospect of that showing an improvement in the near future. Therefore, the tendency is likely to be downward. That said, here, in brief, is the position of each company named. (1) Better sell this. (2) A good company doing well. May be worth keeping. (3) Also a strong company, although probably has seen its best for the present. (4) Immediate prospects unfavourable. (5) Ditto.

Jabez.—These may go up, but they are not an investment.

P. J.—Both are a pure gamble at present, a bet on our success in the war. If you feel sure of that, by all means buy.

G. W. T.—(1) The immediate prospects are not very encouraging. High costs and restricted sales are against the market. It might be prudent to reduce. See remarks elsewhere. (2) Doing wonderfully well, and should continue prosperous. Might be bought for the yield. (3) Look like going higher still, but should not recommend as a permanent investment. (4) Business profitable, carefully managed. Price looks high, but they give a tempting return.

M. B. R.—Quite fair.

C. H. H.—Dividends are paid at the exchange of the day, so their yield is not so high as it looks. We hope they will recover after the war. Only English tax is deducted.

Rover.—(1) We think not; the security is quite good. (2) Yes, the company is strong, and must be doing well.

D. T. K.—We cannot advise selling, although prospects of a recovery are not great. There is always a speculative chance for them.

L. W. S.—There is no hurry, as market seems likely to drop.

Start.—Not now. Some arrangement will, no doubt, be made with the Government. Negotiations are proceeding.

### Letters to the Editor.

#### POST OFFICE "HOARY INIQUITIES."

SIR,—You are right when, in your issue of 11th inst., you ask, "How much of the increased cost of working the postal business is due to gratuitous services imposed upon the Department?"

My father, the postal reformer, advocated the total abolition of the franking privilege—a hoary iniquity—but vested interests and (said *Punch*) "pig-headed obstruction" were too potent even for Rowland Hill's strong resolve; and during the 15 years of survival after his retirement from the Post Office in 1864 he often deplored the steady increase of that essentially undemocratic practice which my brother, now also dead, assured me went on growing, and still, I believe, gains in volume.

To take but a single instance. The late Duke of Cambridge, while titular head of the British Army, was said to enjoy the franking privilege, "because he was the Commander-in-Chief." Why the "because"? It would be hard to say.

In the earlier edition of my father's pamphlet on "Postal Reform" (January, 1837) he advocated a charge of one penny an ounce on letters, but Mr. Spring-Rice, then Chancellor of the Exchequer, unto whom this earlier edition was privately submitted, took alarm at so revolutionary a suggestion, and, in deference to his kindly reception of the plan, the penny charge was limited to half an ounce, the original proposal being postponed for many years.

It may be well to add that prepayment and uniformity of rates of postage throughout the United Kingdom were the main features of my father's plan—entirely novel features, too—and that, owing to the variety and consequent perplexity of the charges levied under the old system, which the practised officials only were capable of calculating, the recipient, not the sender, of a letter paid the postage on delivery, and, of course, necessarily in coin of the realm—a fact which, were the public better acquainted than it is with postal history, should suffice to shatter belief in the flimsy claims occasionally met with to priority of invention of the postage-stamp in the dark ages which preceded the happy days of penny postage—now, as we are told, to be "abolished."

To the evil effect of the raised rates bound to take place, to which you make allusion, I would mention another as likely to eventuate, namely, a partial revival of what, under the old system, used to be called "letter-smuggling," a practice which, stimulated by the gross injustice of that system, flourished apace.

Yours faithfully,

ELEANOR C. SMYTH.

London, May 14, 1918.

\* We sympathise with Mrs. Smyth's feelings, and profoundly regret the disappearance of the "penny post" established by her father, Sir Rowland Hill. And we also think it a pity that the Postmaster-General has not thought it expedient to imitate Mr. Spring-Rice, and changed the weight, but kept the coin.—ED.

#### M. GUYOT'S GUARANTEES OF PEACE.

MY DEAR FRIEND,—I thank you very much for the benevolent notice which you were so kind as to publish in the *INVESTORS' REVIEW* on my book, "Les Garanties de la Paix, T. I., Leçons du Passé." But you say you are not sure that I had got hold of the entire truth when "I say that the most solid guarantee of peace is the intellectual capacity of men. . . . Will intellectual clear-sightedness and reason suffice to woo Germans from the mineral deposits belonging to France?"

The argument is for my thesis. You can see in my book, "Les Causes et les Conséquences de la Guerre" (II. Partie, ch. x., p. 229), the list of the iron mines which the Germans owned in France; Frenchmen also owned coal mines in Westphalia.

Compare now the value of all the iron mines of the Bassin de Briey and the cost of the war, and you will be convinced that the acquisition by war was a stupid conception when their acquisition by bargain was very easy.

Men ought to learn to make the balance between the costs and profits: and then war, which is the collective form of robbery, will disappear.—Yours very truly,

YVES GUYOT.

Paris, May 11, 1918.

\* Now we comprehend. M. Guyot is right. But can we hope ever to convince the Germans that thieving is not profitable? Why, they are now stealing from each other.—ED.

#### NEW SOUTH WALES—A WELCOME DISCLAIMER.

DEAR SIR,—In your issue of the 11th inst. you point out with regret the large sum of money required for Australia for purposes other than the war during this year, amounting to nearly £16,000,000, and you state, incidentally, that this total includes the sum of £5,000,000 which New South Wales is arranging to procure on its own account.

I desire to state that I have no knowledge of any such arrangement and I shall be glad if you will say what is your authority for this statement.—Yours faithfully,

Sydney House, Cockspur Street, S.W. 1,

May 14, 1918.

C. G. WADE.

\* We took the figure from the *Australasian Insurance and Banking Record* of February 21, 1918, p. 88.—ED.

## Tea, Oil and Rubber.

People who vigorously support the artificial restriction of rubber output can always argue quite plausibly, when it is pointed out that the scheme, so far, has not been a conspicuous success in maintaining prices, that things would have been much worse under a *laissez faire* policy. In the nature of things it is impossible to supply a conclusive answer to that line of reasoning, but there is at least some ground for holding the other view, that, but for the uncertainty and suspicion caused by the *volte face* of the leaders of the industry, the market might never have got into the demoralised condition which is now so painfully evident. Last week's arrivals amounted to 620 tons, while the deliveries were 1,510 tons, and although the stocks are still 15,980 tons, against 9,780 tons last year, the discrepancy might have been expected to steady the market, especially as the 20 per cent. restriction is becoming more and more visible in the monthly outputs. Instead of that the price of standard crêpe fell to 2s. 3d., and buyers are not tumbling over each other to get it at that figure. It is reported that imports into the United States will be limited to 100,000 tons, which represents a reduction of about 30 per cent., and as the States are by far the largest consumers, this immediately off-sets, so far as supply and demand are concerned, the curtailment of output. But whether or not the price can be maintained near the level which the Rubber Growers' Association aimed at, it must be perfectly obvious that the producers of 70 per cent. of the commodity who have not joined the scheme must benefit at the expense of those who have, and we have never known of a case where an arrangement of that kind did any good or created anything but heartburnings.

**ANGLO-MALAY RUBBER CO., LTD.**—Year to December 31: Capital, £150,000 in 2s. shares; reserve fund, £12,500. Output, 1,720,000 lbs., a decrease of 42,000 lbs., although the acreage in bearing shows an increase of 205 acres at 3,785 acres. Average price obtained, 2s. 5.75d., against 2s. 5.47d., but all-in cost increased from 11.23d. to 1s. 0.85d., including 2d. per lb. for war risk insurance. F.o.b. cost was only a trifle higher at 8.21d. Gross receipts were £6,000 less at £207,800, and after writing off £6,360 for depreciation the nett profit is £10,000 down at £123,980, but £6,000 more was brought in.

Final dividend, 35 per cent., making 65 per cent. for the year, against 85 per cent., but £20,000 more at £50,600 is carried forward. Output for the current year is estimated at 1,410,000 lbs. Practically the whole planted area of 4,450 acres will be in bearing next year, and output can be considerably increased when desired. Over 3,000 acres are ten years old and upwards.

**PATAING RUBBER ESTATES SYNDICATE, LTD.**—Year to December 31: Capital, £22,500 in 2s. shares; reserve fund, £25,500. Output, 730,450 lbs., increase, 10,000 lbs.; average price, 2s. 6.18d., against 2s. 7.15d. all-in cost, including 2.13d. for war risk insurance, 1s. 0.14d. against 10.13d. Gross receipts, £88,540, decrease, £6,000; nett profit, £59,500, decrease, £7,000; final dividend, 130 per cent., making 250 per cent. for the year, against 300 per cent. For the current year the output is estimated at 584,000 lbs., but as 1,420 acres out of 1,835 planted are over ten years old, a large increase can be obtained whenever desired. The company has the advantage of an extremely modest capital, like most of the pioneers of the industry, and it has been excellently managed.

## DIVIDENDS ANNOUNCED.

**Anglo-Sumatra Rubber Co.**—Interim for year ending May 31, 1918, of 10 per cent., actual, less tax, payable May 31, same as a year ago.

**American Freehold-Land Mortgage Co. of London.**—For year ended March 31 of 10 per cent. (5 per cent. of which was paid in December last), and a bonus of 5 per cent., making 15 per cent. for year.

**Anglo-Portuguese Telephone Co.**—Final 3 per cent., less tax, for 1917, making 6 per cent., the same as for 1916.

**Broken Hill Proprietary Block 10 Co.**—No. 113 of 1s. per share, less tax, payable June 5, the same as a year ago.

**British-American Tobacco Co.**—Interim 6 per cent. for 1918-19, on the issued ord. shares, free of British income-tax, payable June 29.

**Beyer, Peacock, and Co.**—On ordinary shares for 1917 at rate of 10 per cent. per annum, less tax, same as for 1916.

**Central Tea Co. of Ceylon.**—Interim of 2½ per cent., less tax, on ord. shares for year ending June 30, 1918, against 5 per cent.

**Cassel Cyanide Co.**—Interim of 1s. per share, less tax, payable June 12.

**Chargola Tea.**—Final at rate of 7 per cent. per annum, less tax, for year ended Nov. 30, on the pref. shares.

**Dorman, Long and Co.**—Interim of 4 per cent., free of tax, for half-year ended March 31.

**Government and General Investment Co.**—Interim of 4 per cent. on deferred stock for current financial year, payable June 1.

**Great Northern Telegraph Co.**—Total dividend and bonus of 22 per cent. for 1917 (against 24 per cent.), including the 5 per cent. already paid.

**Guardian Assurance Co.**—On ordinary shares of 4s. per share, to be paid June 29, together with preference dividend of 2s. per share, both subject to tax, and payable June 29.

**Golden Horse Shoe Estates Co.**—First interim for 1918 of 2s. 6d. per share, free of tax, payable June 15, the same as a year ago.

**Loders and Nucoline.**—Interim on ordinary shares of 7½ per cent. for year to August 31, 1918, less tax, at 5s. 5d. in the £.

**Liverpool Warehousing Co.**—Interim of 6d. per share, less tax.

**Lumut Rubber Estates.**—Interim for year ending September 30 of 5 per cent. (actual), less tax, payable July 1, against 7½ per cent.

**Mount Lyell Mining and Railway Co.**—Interim (No. 25) of 51s. 3d. per share, less tax, payable June 28, the same as a year ago.

**Madras and Southern Mahratta Railway Co.**—Interim of £3 per cent., less English income-tax at 5s. 0½d. in the £, payable on July 1.

**Meredith and Drew.**—Final at rate of 6 per cent. per annum, making 6 per cent. for the year; forward, £7.799.

**North Broken Hill.**—No. 48 of 2s. per share, less tax, payable on June 28.

**Nobel's Explosives Co.**—At rate of 15 per cent., free of tax, for year 1917, making a total of 20 per cent., the same as for 1916.

**South Australian Co.**—Final 30s. per share, to be paid on July 15, together with a bonus of 20s. per share, both free of tax, the same as a year ago.

**Strand Hotel.**—Interim at rate of 7 per cent. per annum on the participating preferred ordinary shares for six months ended March 31.

**South African Lighting Association.**—Final 7 per cent. for half-year to Dec. 31, less tax, making 10 per cent. for 1917, compared with 9 per cent. for 1916.

**Trustees Corporation.**—On the preference stock at the rate of 4½ per cent. per annum, less tax, for half-year to May 31, payable on June 1.

## BOOKS RECEIVED.

*The Oil and Petroleum Manual, 1918.* By Walter R. Skinner. Price 4s. nett. 11-12, Clement's Lane, Lombard Street, London, E.C. 4.

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# THE OIL & PETROLEUM MANUAL, 1918.

By **WALTER R. SKINNER,**

Editor and Publisher, "Mining Manual and Mining Year Book."  
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The work also contains a glossary of terms and table showing monthly production for the year ending March 31, 1918, of principal producing Companies and World's Petroleum Production since 1857.

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**WALTER R. SKINNER,**  
11-12, Clement's Lane, London, E.C. 4.  
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## What Balance Sheets Tell.

**ALLIANCE TRUST CO., LTD.**—This flourishing Dundee company has, of course, suffered from increased taxation. The revenue for the year to January 31 was £7,000 smaller at £271,000, while taxes absorbed £14,000 more at £76,200, but a little less had to be paid as interest on borrowed money, and the nett profit of £126,700 is £18,000 down. However, there is no difficulty in repeating the handsome dividend of 19 per cent. on the ordinary stock, but £25,000, against £40,000, is placed to contingent fund, and the balance forward is reduced £1,000 to £10,400. During the year the directors further increased the company's holdings in securities of the British Government and its Allies, and, including transactions since the books closed, these investments aggregate £1,545,000, the balance still held being £852,000, an increase of £202,000, mainly composed of War Loan and National War Bonds. The present rate for debentures is 5½ per cent., and the average paid by the company for the past year was 4.31 per annum, while the corresponding figures last time were 5 and 4.09 per cent. respectively.

**ROSARIO NITRATE CO., LTD.**—For the year to September 30 the gross profit amounted to £148,870, an increase of £31,000, but income-tax absorbed more, and £25,000 is written off for exhaustion of grounds and depreciation of plant, so that the nett profit is only a trifle higher at £81,680. The amount brought in was £9,000 less, but the dividend is raised from 15 per cent. to 17½, and the balance forward is cut in half at £22,800. No details are given as to production, and no estimate is furnished with regard to the probable life of the property, which is now valued at £560,000. That is £150,000 less than the amount two years ago, and we are glad that the question of amortisation is at last receiving proper attention.

**SALAR DEL CARMEN NITRATE SYNDICATE, LTD.**—Last year saw a substantial improvement in the fortunes of this company, partly owing to the acquisition of new grounds from which supplies were drawn during the eight months May to December. Production amounted to 616,180 quintals, against 380,000 quintals in 1916, and the gross profit amounted to £66,000, an increase of £45,300. Including loss on realisation of investments (£5,900) and value of stocks in Germany (£2,800) written off expenses were £11,000 higher. To pay for the new ground the capital was doubled during the year, and now stands at £220,000. An interim dividend of 20 per cent. was paid on the original capital and a final dividend of 15 per cent. is declared on the total existing capital (as against 15 per cent. in all last year), and after placing £10,000 to reserve, as against £7,500 written off investments a year ago, the carry forward is doubled at £2,660. It is stated that the new grounds are yielding satisfactory results.

**ANGLO-CONTINENTAL GUANO WORKS, LTD.**—This was a German controlled concern which was acquired by the Rhondda group from the Public Trustee as from December 31, 1915, and the first report has recently made its appearance. The purchase consideration was £325,000, all of which has been discharged. For 1916 the profit was £28,500 and for 1917 it was £37,300, and after paying interest on the purchase price the distributable profits amounted to £65,800. Preference dividends absorb £5,600, and the 100,000 ordinary shares receive £46,500, leaving £13,670 to be carried forward subject to excess profits duty, if any. Land, buildings, plant, &c., stand at £171,250, stocks at £133,200, debtors at £54,000, and cash in hand at £18,130. It seems to be a highly profitable business, and its career will be watched with exceptional interest.

**BRAZILIAN WARRANT CO., LTD.**—Trading profits last year at £98,740 were practically the same as in 1916, and while administration expenses were higher less had to be set aside as income-tax reserve, and the nett profit comes out £2,000 to the good at £75,730, while £21,000 more was brought forward. A year ago the balance of goodwill (£20,000) was written off, and this time the reserve gets £10,000, raising it to £160,000, after which the dividend is doubled at 5 per cent. and £12,700 more at £58,000 remains to be carried forward. During the year 200,000 ordinary shares of 10s. each were issued, and creditors have increased £230,000 to £598,000, so that we find investments up £180,000 at £567,000 and debtors £130,000 higher at £892,000. Bills and remittances in transit are £138,000 against £21,400, but stocks are £40,000 lower at £180,000. The company, of course, has benefited by the improvement in the exchange, which was 131½d. at the end of the year, as compared with 12½d. at the end of 1916.

**SIR ELKANAH ARMITAGE AND SONS, LTD.**—A smart recovery is shown in the results of this cotton spinning firm for the year to March 31. Profits were nearly doubled at £51,300, after providing for excess duty, and £3,000 more was brought in. Consequently the directors are able to place £15,000 to a suspense outlay account, and, in addition to the tax-free dividend of 10 per cent., they propose to pay a bonus of 5 per cent., less tax. There then remains £24,400 more at £18,000 to be carried forward. Except that stocks have increased £64,000 to £172,800, nothing in the balance-sheet calls for mention.

**W. P. LOWRIE AND CO., LTD.**—In the year to March 31 this Scotch distillery company made a profit of £125,500, and after placing £10,000 to reserve (raising it to £165,000), the directors can repeat the dividend of 25 per cent. for the year, leaving a bagatelle of £109,000 to be carried forward. That is £7,000 more than was brought into the accounts, but when the public

have to pay many scores of times the cost price of their drops of whisky, the modesty of the dividend astonishes us. Who gets the stuff? The proprietary, brand users, who pay 2s. a gallon and charge 9s. or more a bottle? It is a beautiful game, and so helpful to the temperance cause!

**ALBY UNITED CARBIDE FACTORIES, LTD.**—For the year to June 30 last the nett profits were only £6,410, as compared with £45,130 for the previous 12 months, and were £60,470 for 1914-15. For the latter year the gross trading profit was £76,600, and in the past 12 months it was only £810, but more was received as dividend on investments. This almost total collapse in trading results is attributed to loss on exchange with Norway, the difficulty in maintaining stocks of raw material, the increasing cost of labour, high freights, and the existence of a contract for the delivery of carbide at pre-war price. No doubt these are formidable obstacles in the way of profitable working, but we are afraid the explanations given will not entirely satisfy the shareholders, and for our own part we do not regard them as quite adequate. Anyhow, after paying the preference dividend the balance forward is increased by £3,000 to £14,130, and £642,000 of ordinary capital gets no return against 5 per cent. for the two previous years.

**IMPERIAL DIRECT LINE, LTD.**—It is announced that the debentures having all been redeemed and cancelled, and the company converted into a private one, the usual issue of the annual report and balance-sheet will be discontinued. We are informed, however, that the profits for last year were £64,500, a decrease of £5,500, but the dividend of 10 per cent. is repeated. The reserve fund again gets £20,000, and the carry-forward is increased by £15,000 to £49,000. The company seems to have been more successful than most of its neighbours under control conditions.

In the British Bank of South America's latest circular there are some interesting facts about the position and progress of commercial and financial affairs in Brazil and Argentina. In both these countries the effects of the war are making themselves felt in many ways, and not least in the increased cost of living and of labour. Wages have risen in the State of Sao Paulo (Brazil) by 20 to 25 per cent., and labour is scarce. Complaints are heard of the very high cost of the smaller agricultural implements, such as hoes, axes, shovels, &c., and the bulk of the supplies seem to be drawn from the United States, but Japan is cutting into the trade, and recently the Japanese steamer brought a large quantity of sulphur and an amount of Japanese dried cod fish to Brazil. Doubtless behind the smoke and din of battle many changes are taking place in the trade intercourse of the nations not actually at war. As for Brazilian finance, the position seems to be tolerably satisfactory, the total revenue of the Republic of Brazil for the current year being officially put at 125,968,357 milreis gold and 448,413,000 milreis paper. The expenditure is given at 84,456,084 milreis gold and 461,958,950 milreis paper, so that a surplus is expected. The Budget law provides for bounties to shipbuilders. They call it "premium," and the scale is on ships with a capacity from 80 to 1,500 tons 100 milreis per ton. Above 1,500 up to 10,000 tons it is 150 milreis per ton. These premiums are to be guaranteed to shipbuilding concerns for a period not exceeding 15 years, provided the builder agrees to construct within that time no less than 20 ships of more than 80 tons each, and agrees not to dispose of them without having obtained the consent of the Government, and paid back the premiums received. A loan up to a total of 60,000,000 milreis for a period of 20 years at 5 per cent. may be made to provide individuals or companies to furnish means for the construction of the first 20 sugar factories of the most modern type known. The loans are subject to annual amortisation, and secured by first mortgage on the factories and accessories. It is also provided that premiums shall be given to encourage the planting of rubber in the Amazon district and the establishment of factories at Para and Manaoas for the manufacture of rubber articles. Out of the loans, too, it is designed to set up machinery for pressing raw cotton at the principal railroad stations in exporting States and at other inland points where considered necessary. Money will also be advanced to assist small planters to obtain machines for the construction of cotton seed and hand-presses for the extraction of the oil. Thus large schemes of expansion are in contemplation by the go-ahead Government of Brazil.

## NOTICE.

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## COMPANY MEETINGS.

LIVERPOOL AND LONDON AND GLOBE  
INSURANCE CO., LIMITED.

## EIGHTY-SECOND ANNUAL MEETING.

The eighty-second annual general meeting of members of the company was held at Liverpool, on Tuesday, Colonel J. P. Reynolds, D.S.O., the chairman, presiding over a numerous attendance.

The Chairman moved the adoption of the report and accounts. Having first referred to the death of Mr. C. S. Hoare and other changes in the directorate, he said the shareholders would view the accounts now submitted with satisfaction, for entirely by natural expansion the income of the company had during last year increased by no less than £592,512, reaching the gratifying amount of £6,660,840. To this every section of the business had contributed in a really remarkable degree, which was the more surprising when the abnormal times in which we were living were considered. Following on with this development in the business, they had realised the very handsome surplus of £819,927, which was increased by interest on the funds (apart from life funds) to £1,107,059—the first time in the company's history the round million had been exceeded.

After providing £223,924 necessary to add to the various funds owing to this increased income, they had been enabled to carry to profit and loss a sum of £883,135, a most satisfactory outcome of the year's working.

It was a great consolation that the foundations of British insurance institutions were laid so deeply and surely in their world-wide transactions that even the shock and strain of the great war now in its fourth year found them unimpaired, and the business done increased in every section by a healthy development, backed by enterprise, and crowned with success. It was doubtful, however, if they could look for quite the same ratio of profit in immediate years to come. With continuous upward tendency in values, and industrial expansion caused by the war, a continued increase in income might be looked for. But on the expenditure side they must be prepared for a heavier incidence of claims due directly or indirectly to the war, and at the same time to bear a constantly increasing burden of taxation in all parts of the world, together with a steady growth in cost of all that was necessary for the successful equipment and organisation of the company.

Before referring to the accounts in detail, he wished to emphasise the wisdom of the great insurance companies in having virtually all become composite companies. If one section of business produced only meagre results, the balance was generally more than restored by the other departments, but when—as in this company's case last year—all departments contributed substantially increased profits, they might be considered fortunate. He was sure the shareholders would appreciate this. (Hear, hear.)

Referring to the fire branch, the Chairman said there had been an increase of £204,301 in premiums, which, with a decrease in their loss and expense ratios, enabled them a surplus of 12.06 per cent., against 10.15 per cent., a most gratifying step forward.

The accident department continued to produce uniformly good results, and after allowing for interest, and adding reserves to the extent of £38,767, the profit and loss account was benefited by a sum of £159,908, as against £85,666 in the previous accounts.

The results of the marine branch might be viewed with particular satisfaction. The underwriting surplus represented 27.79 per cent. of the premiums received. In 1916 they thought they had a very good year in obtaining 16.23 per cent.

The reserves in this account had been strengthened by £67,437, and the directors were able with the addition of interest to transfer £181,674 to the credit of profit and loss account, as against £98,667 in 1916.

The company's business in this section could no doubt have largely been increased, but they had preferred to adhere to a policy of conservatism throughout the war, and to select carefully both war and marine risks, with the good results now shown.

Ordinary marine insurance, the Chairman continued, was passing through very abnormal times, owing to the extraordinary conditions which prevail. On the one hand was the withdrawal from the market of vessels taken over for Admiralty purposes, and the diversion of steamers to other trades and routes wherever the Shipping Controller directed, with lengthened voyages and alterable destinations, for which it was doubtful if the extra premium obtained was sufficient compensation. On the other hand, there were considerably increased dangers of navigation, with greatly enhanced repair bills in case of damage, together with shortage of salvage, personnel and equipment. All these matters produced very difficult and serious underwriting problems, which had to be faced in a practical and cautious spirit.

In the life department the total net new sums assured of £658,405 showed an increase over the previous year, and constituted a record for the company.

They could, no doubt, have added very materially to the volume of new business if they had been willing to quote very low non-bonus rates, but apart from the question whether such under present financial conditions would be likely to yield any profit, they decided to stand by their participating class of

policy, under which they held a most unique record, and not divert the steady flow of business from that class.

The net death claims paid and outstanding for the year amounted to £247,433, including bonuses—an increase of £22,315 on the previous year. Claims due directly to the war accounted for £29,166, and the total claims since the outbreak of hostilities due directly to the war amount to £95,760.

The life funds had increased from £4,200,478 to £4,319,207, and the annuity funds had diminished by £74,930.

Referring next to depreciation in investments, the Chairman said the directors had previously dealt with this adverse factor in the most thorough fashion, and at the last meeting the shareholders expressed warm approval of that action. Unfortunately, the improvement which was then alluded to was not maintained, owing chiefly to the fall in prices of American securities inseparable from the entrance of the United States into the war and owing also to the lamentable collapse of Russia. As to a large extent this company was an American company, they could not but rejoice when a nation, whose goodwill and confidence they had secured in a special degree for over half a century, decided that Britain's cause in the great conflict was theirs, and with characteristic energy and wholeheartedness threw themselves into the struggle regardless of its effect on their national wealth. In this spirit of comradeship he was sure the company would cheerfully assume whatever burden of temporary loss might appear as a reflex result of their intervention. (Hear, hear.) The directors had decided to transfer £300,000 to investment fluctuation fund in order to provide for depreciation in its American securities. They had also written down some of their investments by the sum of £152,756, in these being included their Russian bonds, which had been dealt with in a drastic manner.

For years past this company had been steadily writing down its investments, and to-day its gilt-edged holdings acquired in the 'eighties and 'nineties had been brought from a 3 per cent. to a 5 per cent. level. They were paying for their prosperity in those days, and he thought they might view with some pride the fact that, while they had since 1906 provided for depreciation a sum of nearly two and a-half millions, they had been able to add to their funds out of revenue even a larger amount. Surely this achievement must give us all just confidence in the future of the company when this drain upon its resources would have ceased. Having made such headway with the current against them, he thought he might claim the promise of a rapid advance when they struck the flowing tide. (Applause.)

With regard to dividend, the directors had felt justified in increasing the interim distribution by one shilling per share, less tax. They were of opinion that a similar addition might be made to the final dividend due on 22nd inst., making a total dividend for the year of 26s. per share, less tax, as compared with 24s. per share, less tax, paid in the previous year.

The Chairman next referred to the staff who had joined the forces, of whom 829 were at present so serving; 84 had paid the supreme sacrifice, 10 were missing, eight were prisoners of war, and 125 wounded. He also mentioned the distinctions gained by them since the last meeting, adding that the outlook for man-power in the company was a cause of justifiable anxiety, but they trusted that the fine spirit of the personnel remaining would enable them to survive all threatened difficulties.

With regard to the current year, it was running on the whole just a little better than its predecessor, and if no exceptional experiences were met with they hoped to present next year a report approaching to the present one. The Chairman concluded: But it is not my function to anticipate events. The horrors of war are still upon us. Its demands may still call for untold sacrifices. Whatever those sacrifices may be in money, we shall, I trust, be ready to meet, and in meeting them I know we shall have our shareholders behind us. That the company will still continue to prosper I am sure, but to see our splendid body of men almost week by week depleted by death or serious casualty causes a sense of depression, which renders financial prosperity but a poor consolation. My fervent hope is that if these sacrifices must be made, they shall not have been made in vain. (Applause.)

Mr. R. Q. Wilson (deputy-chairman) seconded the motion. No observations being offered by shareholders, it was put to the vote and carried unanimously.

On the motion of Mr. John Findlay, seconded by Mr. J. R. Broadfoot, the retiring directors—Sir Aubrey Brocklebank, Bart., and Messrs. F. C. Bowring, J. Bruce Ismay, H. H. Nicholson, and R. Q. Wilson—were re-elected.

On the motion of Mr. John Rogers, seconded by Mr. John T. Shutt, Messrs. Stead, Taylor, and Stead were reappointed auditors.

Mr. H. B. Sedgwick, in moving a vote of thanks to the board of direction and to the various local boards at home and abroad, said all would realise the strenuous times through which we were now passing, and the increased responsibilities of the directors. The success of their efforts in the year under review should meet with the appreciation of the shareholders.

Mr. T. J. McGeorge seconded, and the resolution was carried with great cordiality.

Mr. John Temple moved a vote of thanks to the officers of the company at home and abroad for their zeal and interest in its service. All present, he said, would understand that with depleted staffs and under the conditions existing the work of the officers had been carried on with difficulty. They had been

animated by a sense of duty to the shareholders, whose pleasant duty it now was to return their thanks. At the back of the minds of all the shareholders was the war, and as it had been the duty of the officers to steer the company through the difficult year, so the shareholders had a responsibility, which was to find the finances with which to carry on the war, and destroy the damnable and blasphemous power of the Hun. (Hear, hear.) It was no use blinking it. There could be no peace with anybody who never kept their word, who killed our men as they lay on the field, ill-treated our prisoners of war, and gathered our dead into bundles and turned them into glycerine—there could be no peace with such a people as that. (Applause.)

Mr. R. C. Lockett seconded the motion, which was carried with acclamation.

Mr. A. G. Dent (secretary and general manager), in responding, said it was impossible for any individual to personally control such a vast organisation as this company now possessed, and the manager must be dependent on the loyal service of every member of the staff, and more especially the senior officers. In this respect he himself was particularly fortunate, and though it might perhaps be invidious when all had given of their best, he must mention the valuable service rendered to the company by Mr. J. C. Rimmer, sub-manager, and by the assistant secretaries, the London manager, and others. Nor should he omit reference to members of the staff gallantly serving their country, and thus enabling those remaining behind to carry on the work of the company in safety.

A vote of thanks to the chairman for presiding closed the proceedings.

### LONDON BANK OF AUSTRALIA.

The ordinary general meeting of the proprietors of the London Bank of Australia, Ltd., was held on Wednesday at Winchester House, Old Broad Street, E.C., Mr. George Slade (the chairman) presiding.

The London manager and secretary (Mr. W. H. Barber) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: In this the twenty-fifth year since the bank had its troubled time it is pleasing to be able to put before you such a satisfactory balance-sheet. During the last quarter of a century the bank has cleared off the heavy millstone of £5,161,928 fixed deposits, instalments being paid several years before due date; a reserve fund of £385,000 has been built up after making due provision for all contingencies, and I think we may reasonably consider that we have reached the basis of payment of steady dividends. In time I hope they may be increased, but we do not know what the future has in store, and at this grave crisis of our nation your directors feel that resources must be kept strong to meet adversity or the great prospect of expansion for a strong concern when our country emerges victorious. The difficulties of carrying on banking business, apart from the working, have not decreased. Tonnage has greatly diminished, even since the last occasion on which I addressed you. A considerable branch of our business is in abeyance, owing to this cause and to purchases by Government of meat, wool, and most of the Australian export commodities, and there is no great demand for loans on good security. We have taken our share in financing these purchases, but the repayments are made in London; consequently we find ourselves with large sums of money on this side, which for the time being it is difficult to return to Australia. As far as we can foresee, the difficulty will continue for some time to come. The producer in Australia is doing well; good seasons have given him good crops, sheep have increased, and a good purchase value is paid. Unfortunately, there have been bad strikes, and, owing to shortage of labour, less land has been placed under cultivation. The production of wheat is about 30,000,000 bushels less. Notwithstanding these drawbacks, Australia is flourishing. Undoubtedly there will be a great world demand for wool and wheat long after the war, but for many years the shipping shortage in Australia cannot be overcome, and when Government buying ceases, difficulty must arise there in consequence of the accumulations which cannot be got away. It is then that all our resources will be needed, and we must keep ourselves strong for the occasion. The balance-sheet shows an expansion in assets and liabilities of £733,175 in the year, which are very satisfactory figures for an undertaking of this size. Coin at £1,841,232 and money at short call at £415,000 show increases of £345,770 and £250,000 respectively, and investments and bills receivable show a decrease of £133,278, which necessarily follows upon the increase of £250,000 money at short call in London. Bills discounted and advances have increased by £210,719. Turning to the other side of the account, you will note that deposits and current accounts are £621,287, and bills payable £78,274 higher—figures which must be regarded as highly satisfactory. Gross profits this year were £11,500 higher than last year, but salaries and expenses have increased by £6,300. Against this taxes are less by £8,700, owing to allowance in respect of colonial tax. The net increase is consequently £14,000. The sum of £3,000 is granted to officers' provident and guarantee fund, an increase of £1,000 this year. The same dividends as last year are proposed, £30,000 is carried to reserve, and the carry forward at £24,526 is increased by £3,845. We hope next year will enable the bank to show as good a return. The bank's business is well maintained, and our re-

sources will enable us to make good use of opportunities as they arise.

Mr. E. V. Reid seconded the resolution, which was carried unanimously.

### THE EASTERN BANK.

The eighth annual general meeting of shareholders of the Eastern Bank, Limited, was held on Wednesday, at 4, Crosby Square, E.C., Lord Balfour of Burleigh (the chairman) presiding.

The Chairman said: Our meeting is of necessity later in the year than usual owing to the fact that a considerably longer period is occupied in the transmission of the mail. In view of the length of this delay, which we foresaw, and the fact that our dividend is paid once a year in the month of March, we thought it was only due to our shareholders that we should declare an interim dividend. From the figures and cabled advices placed before us the directors considered they were fully justified in making this dividend 7 per cent., less income-tax, as against 6 per cent., less income-tax, paid to you last year. Our Bagdad branch is again open, and with the disturbed conditions existing in that part of the world it is only natural that the returns upon which our figures are based should be somewhat delayed. The net profits for the year, including £9,545 brought forward from last year, amount to £77,918, and, after placing £20,000 to the reserve fund, and paying the dividend already mentioned, we carry forward £15,918 to the next account. The figures of the balance-sheet show a satisfactory increase. Our capital is practically unchanged. Our reserve fund, with the £15,000 added last year, stands at £70,000, and an addition is now being made which will bring the figure to £90,000. Current and deposit account balances show an increase of nearly £2,000,000, which is very satisfactory. Bills payable show a decrease of about £42,000, while acceptances on account of customers are £49,000 higher. Loans payable against bills and securities are £310,000 less, a consequence of our increased resources in the shape of current account balances and fixed deposits. Cash on hand and at bankers, including bullion, stands at £2,196,106, the increase upon last year's figures being desirable in view of our increased liabilities on the other side of the balance-sheet. Securities stand at £236,089, slightly more than last year owing to our larger holdings of Government securities. Bills receivable, £2,154,000, is some £240,000 higher than last year, and loans receivable and advances show an increase of over £500,000, chiefly owing to larger outstandings in the shape of sterling bills on the East, against which advances are made in London. Turning now to the profit and loss account, our gross profits are £33,000 more than last year. Charges are higher, and with an increasing business we can only expect this, but it is our constant endeavour to keep these as low as possible with a due regard to the efficient working of the bank and fairness to the staff. I cannot make any definite promise on the point, but we hope that it may be found practicable from this time forward to declare interim dividends for the period January to June each year, as is done by our neighbours. Of this year's prospects I can only say that they appear to be satisfactory, and we have every reason to hope that you will not be disappointed with the result.

Lieut.-Col. J. Leigh Wood seconded the resolution, which was carried unanimously.

### OILFIELDS PRODUCTION.

Anglo-Egyptian Oilfields.—Last week:—Gemsah, 22 tons (against 18 tons); Hurghada, 4,477 tons (against 4,533 tons).

United British Oilfields of Trinidad.—747 tons for week ended May 8.

In Argentina, we gather, things seem to be settling down, although latest advices by cable indicate that the railways had still trouble with their men, and also with the Government; but any tendency the Government may have shown to take steps that would lead to the confiscation of the property of foreigners will bring their own retribution, and, we hope, in time to prevent any real mischief being done. Otherwise the position is rather good at present. There is excellent pasture for the flocks, and livestock is again finding a market at better prices, because the freezing companies have resumed work. Stacked wheat is said to have been somewhat damaged here and there by rain, for the rainfall has been general and at times heavy during the month preceding the date of the circular, that is to say in January last; but the weather was excellent for the growing maize, and the prospects pointed to "an exportable excess of maize beyond the probable demand." As for the Budget, it showed a deficit of \$34,137,000 paper when it left the Chamber of Deputies, but it has been returned by the Senate for revision, and it is expected that the figures will in the end be made to show more or less equilibrium, if, that is to say, the Senate's revision stands. As showing the apathy of politics, however, a quorum could not be obtained in the Lower Chamber to pass it into law. This does not promise well for thrifty finance, and Argentina has never yet been thrifty.

## GOVERNMENT GOLD MINING AREAS (MODDERFONTEIN) CONSOLIDATED, LIMITED.

(Incorporated in the Transvaal.)

Issued Capital, £1,400,000 in 1,400,000 Shares of £1 each.

### DIRECTORATE.

S. B. JOEL (Chairman).  
J. MUNRO (Deputy-Chairman). G. IMROTH.  
C. MARX. D. CHRISTOPHERSON.

Extracted from the Annual Report for the year ended 31st December, 1917.

Tons Crushed 1,298,000				Per ton, based on Tonnage Crushed	
Total Working Revenue	...	...	£1,930,656 14 0	£1	9 9
Total Working Costs	...	...	1,236,741 3 2	0	19 1
<b>Working Profit</b>	...	...	<b>£693,915 10 10</b>	<b>£0</b>	<b>10 8</b>
<b>Total Profit for year</b>	...	...	<b>£709,452 3 7</b>		
Balance unappropriated at 31st December, 1916	...	...	280,497 18 10		
This amount has been dealt with as follows:—					
Government of the Union of South Africa, share of profits	...	...	£230,033 0 8	£989,950	2 5
Income Tax and Special War Levy, Miners' Phthisis Contributions, Donation to War Charities and Interest	...	...	19,807 11 7		
Development prior to production—Written off	...	...	418,777 3 1		
				668,617	15 2
				£321,332	7 3
<b>Dividend No. 1 of 12½ per cent.</b>	...	...	£175,000 0 0		
Leaving a balance unappropriated of	...	...	£146,332 7 3		

The **Payable Ore Reserves** at the end of the year were estimated at **7,016,000** stopping tons of an assay value of **7.5 dwts.** over an estimated stopping width of 79 inches. As compared with the position at the end of 1916, the reserves show an increase of **2,086,000 tons**, the stopping width an increase of 4 inches, and the value an increase of **.3 dwt.**

The full report and accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Company, Limited, 10 and 11, Austin Friars, E.C. 2.

## VAN RYN DEEP, LIMITED.

(Incorporated in the Transvaal.)

Issued Capital, £1,196,892 in 1,196,892 Shares of £1 each.

### DIRECTORATE.

S. B. JOEL, alternate J. MUNRO (Chairman).  
G. IMROTH. C. MARX. W. DALRYMPLE.  
H. A. ROGERS. J. H. CROSBY. SIR ABE BAILEY, K.C.M.G.

Extracted from the Annual Report for the Year ended 31st December, 1917.

Tons crushed, 517,870.				Per ton, based on Tonnage Crushed.	
Total Working Revenue	...	...	£1,129,892 7 2	£2	3 7
Total Working Costs	...	...	505,901 0 10	0	19 6
<b>Working Profit</b>	...	...	<b>£623,991 6 4</b>	<b>£1</b>	<b>4 1</b>
<b>Total Profit for Year</b>	...	...	<b>£637,964 1 5</b>		
Balance unappropriated at 31st December, 1916	...	...	172,334 13 9		
				£810,298	15 2
This amount has been dealt with as follows:—					
Income Tax and special War Levy, Miners' Phthisis Contributions, Donations to War Charities, and Depreciation...	...	...	81,323 18 9	£728,974	16 5
<b>Dividends</b> declared during the year—No. 8 of 20 per cent. and No. 9 of 22½ per cent....	...	...	508,679 2 0		
Leaving a Balance unappropriated of	...	...	£220,295 14 5		

The **Payable Ore Reserves** at the end of the year were estimated at **2,258,598** stopping tons, having an assay value of **8.9 dwts.** over a stopping width of 67 inches. As compared with the position a year ago, this shows an increase of **89,747 tons**; a decrease of 1 inch in the stopping width, and an improvement in value of **.2 dwt.**

The full report and accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Company, Limited, 10 and 11, Austin Friars, E.C. 2.

## WITWATERSRAND GOLD MINING COMPANY, LTD.

(Incorporated in the Transvaal.)

Issued Capital, £469,625 in 469,625 Shares of £1 each.

### DIRECTORATE.

S. B. JOEL.  
J. DALE LACE.J. MUNRO (Chairman).  
H. NOURSE.  
C. MARX.G. IMROTH.  
W. ROSS.

Extracted from Annual Report for the year ended 31st December, 1917.

Tons crushed, 451,015.				Per ton, based on Tonnage Crushed.	
Total Working Revenue ...	£561,268	14	1	£1	4 10
Total Working Costs ...	390,061	4	1	0	17 3
<b>Working Profit</b> ...	<b>£171,207</b>	<b>10</b>	<b>0</b>	<b>£0</b>	<b>7 7</b>
<b>Total Profit for year</b> ...	<b>£191,392</b>	<b>6</b>	<b>9</b>		
Balance unappropriated at 31st December, 1916 ...	86,661	8	4		
	<b>£278,053</b>	<b>15</b>	<b>1</b>		
This amount has been dealt with as follows:—					
Income Tax and Special War Levy, Miners' Phthisis Contributions, Donations to War Charities and Expenditure repairing damages caused by Dump slide ...					
				32,558	11 8
				<b>£245,495</b>	<b>3 5</b>
<b>Dividends</b> declared during the year:—					
No. 26 of 20 per cent. and No. 27 of 15 per cent. ...				164,368	15 0
Leaving a balance unappropriated of ...				<b>£81,126</b>	<b>8 5</b>

The **Payable Ore Reserves** at the end of the year were estimated at 1,317,900 stopping tons, having an assay value of 6.4 dwts. over a stopping width of 69 inches.

The full report and accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Co., Ltd., 10 and 11 Austin Friars, E.C. 2.

## CONSOLIDATED LANGLAAGTE MINES, LIMITED.

(Incorporated in the Transvaal.)

Issued Capital, £950,000 in 950,000 Shares of £1 each.

5½% Debentures (Balance at 31st December, 1917), £125,000.

### DIRECTORATE.

S. B. JOEL.  
J. H. CROSBY.J. MUNRO (Chairman).  
J. FRIEDLANDER.  
G. IMROTH.C. MARX.  
E. DANCKWERTS.

Extracted from the Annual Report for the year ended 31st December, 1917.

Tons Crushed, 585,650.				Per ton, based on Tonnage Crushed.	
Total Working Revenue ...	£728,945	16	3	£1	4 11
Total Working Costs...	500,929	3	7	0	17 1
<b>Working Profit</b> ...	<b>£228,016</b>	<b>12</b>	<b>8</b>	<b>£0</b>	<b>7 10</b>
<b>Total profit for the year</b> ...	<b>£231,225</b>	<b>14</b>	<b>10</b>		
Balance unappropriated at 31st December, 1916 ...	98,627	3	4		
	<b>£329,852</b>	<b>18</b>	<b>2</b>		
This amount has been dealt with as follows:—					
Income Tax and Special War Levy, Debenture Interest and Expenses, Miners' Phthisis Contributions, Donations to War Charities and Depreciation ...					
				104,520	13 5
				<b>£225,332</b>	<b>4 9</b>
<b>Dividends</b> declared during the year:—					
No. 8 of 10 per cent. and No. 9 of 7½ per cent. ...				166,250	0 0
Leaving a balance unappropriated of ...				<b>£59,082</b>	<b>4 9</b>

The **Payable Ore Reserves** at the end of the year were estimated to amount to 2,132,778 stopping tons, having an assay value of 6.0 dwts. over a stopping width of 53 inches.

The full report and accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Company, Limited, 10 and 11, Austin Friars, E.C.2.

## INDIAN RAILWAYS.

NAME.		GROSS TRAFFIC FOR WEEK.			Wks.	GROSS TRAFFIC TO DATE		
		Week ending	Amount	In. or dec. on last year.		Amount	In. or dec. on last year.	
Assam Bengal	Mar. 2		Rs. 1,64,143	+ 35,332		Rs. 30,97,613	+ 3,16,300	
Barsi	.. 9		10,200	— 6,400		7,78,700	— 2,28,700	
Bengal & N.W.	.. 16		4,96,930	+ 9,158		99,66,892	+ 3,54,501	
Bengal Nagpur	.. 23		12,35,000	+ 55,000		5,46,00,155	+ 48,43,907	
Bombay, Baroda	May 4		18,19,000	+ 1,79,000		87,91,000	+ 10,62,000	
Burma	Mar. 16		5,18,182	— 17,479		2,11,43,79	— 76,305	
Delhi Umballa	May 4		92,400	+ 12,439		4,41,485	+ 62,214	
East Indian	.. 11		26,83,000	+ 2,35,000		1,47,94,000	+ 9,12,000	
Gt. Indian Penin.	.. 4		22,83,900	+ 1,78,100		1,13,26,100	+ 1,43,702	
Lucknow-Bareilly	Mar. 16		70,646	+ 16,924		12,96,717	+ 1,55,246	
Madras and S.								
Mahratta	.. 23		11,15,000	+ 20,932		2,62,61,870	+ 15,38,931	
Nizam's Gd. (Broad)	.. 2		1,66,964	+ 32,564		29,73,522	+ 1,10,871	
(Metre)	.. 2		82,499	+ 1,511		18,87,625	+ 38,591	
Rohilkund and								
Kumaon	.. 16		55,206	+ 14,465		11,11,039	+ 1,94,482	
South Indian	.. 23		6,78,923	+ 14,995		1,61,10,988	+ 9,44,995	

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

Dublin United	Apr. 5	£ 7,817	+ 1,914	†	£ 99,454	+ 19,435
Hastings and Dist.	May 6	£ 1,160	+ 58	†	£ 18,904	+ 2,274
Isle of Thanet	.. 4	£ 199	— 108	*	£ 5,659	— 2,147
Lancashire United	.. 8	£ 2,882	+ 683	†	£ 48,874	+ 14,389
Provincial	Apr. 27	£ 2,804	+ 493	*	£ 73,127	+ 13,337
Yorks. (Wst. Rdng.)	May 12	£ 2,565	+ 436	†	£ 44,856	+ 10,254

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

Alabama Power	Mar. 8	£ 126,829	+ 20,143	†	£ 126,829	+ 20,143
Anglo-Argentine	May 13	£ 56,634	+ 3,586	†	£ 1,053,366	+ 76,595
Auckland Electric	Apr. 12	£ 23,209	+ 2,031	a	£ 224,466	+ 9,880
Brazilian Traction	Mar. 8	£ 3,925,000	+ M226,000	3	£ 11,186,000	+ M852,000
Brisbane Elec. Inv.	Apr. 8	£ 35,530	+ 3,910	4	£ 137,569	+ 9,789
British Columbia	Mar. 8	£ 129,658	+ 29,210	9	£ 1,032,557	+ 160,244
B.A. Lacroze	Apr. 8	£ 41,043	+ 2,532	10	£ 388,064	+ 8,601
Burmah Electric	Mar. 8	£ 27,906	+ Rs. 774	—	£ 185,428	+ Rs. 991
Calcutta	May 11	£ 74,568	+ Rs. 7,324	†	£ 1,227,908	+ Rs. 83,027
Carthage and						
Herreries	Apr. 8	£ 4,200	— 166	*	£ 17,558	+ 3,032
Cordoba Light						
P. & T.	Feb. 12	£ 12,972	+ 1,076	II	£ 147,938	+ 435
Hongkong	Mar. 16	£ 12,349	+ 228	*	£ 153,745	+ 2,605
La Plata	Apr. 8	£ 5,169	+ 940	4	£ 19,972	+ 2,807
Lima	Mar. 8	£ 42,106	+ 4,520	3	£ 127,555	+ 18,900
Madras Electric	Apr. 30c	£ 42,911	+ Rs. 8,966	†	£ 3,320,724	+ Rs. 44,631
Manila Electric	Feb. 16	£ 168,000	+ 25,870	2	£ 335,000	+ 46,570
Mexico	Nov. 8	£ 215,256	+ 108,669	†	£ 3,193,106	+ 197,227
Rangoon	Apr. 8	£ 5,885	+ 849	*	£ 22,863	+ 2,363
Singapore Electric	Feb. 23	£ 13,670	+ 707	*	£ 104,652	+ 1,821
Toronto	Mar. 8	£ 531,725	+ 56,119	3	£ 1,442,834	+ 55,211
United of Monte V.	Apr. 8	£ 33,704	+ 4,474	6	£ 206,037	+ 19,415
Vera Cruz	Feb. 8	£ 42,200	+ 6,300	2	£ 84,200	+ 19,300
Winnipeg	Mar. 8	£ 66,661	+ 16,980	3	£ 216,856	+ 33,817

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

Alcoyand Gandia	May 4	Ps. 9,500	— 500	†	Ps. 167,400	— Ps. 27,470
Antofagasta (Chili)	.. 12	£ 52,590	+ 9,495	†	£ 813,260	+ 102,465
Arauco	Mar. 12	£ 12,500	+ 1,500	†	£ 39,000	+ 6,000
Argentine N.E.	May 11	£ 10,200	+ 1,200	†	£ 384,600	+ 68,398
Bilbao R. and Canta	Apr. 8	£ 5,453	+ 2,011	4	£ 15,083	+ 2,919
Bolivar	.. 8	£ 13,000	+ 962	10	£ 113,775	+ 14,630
Brazil	Feb. 8	£ 4,426,000	+ M713,064	†	£ 9,628,000	+ M1,783,563
Brazil Gt. Southern	Dec. 8	£ 4,66,912	+ M22,712	†	£ 5,38,439	+ M74,769
B. Ayres & Pacific	May 11	£ 100,000	+ 10,000	†	£ 4,191,000	+ 309,000
Do. Central	Mar. 8	£ 38,675	+ 14,034	9	£ 292,258	+ 35,451
Do. Gt. South'n	May 12	£ 133,000	+ 30,000	†	£ 4,908,705	+ 162,549
Do. Western	.. 12	£ 86,000	+ 42,000	†	£ 2,359,000	+ 150,000
Central Argentine	.. 11	£ 160,000	+ 70,100	†	£ 5,140,200	+ 490,300
C. Ur'g'ay of Mte V.	.. 11	£ 18,962	+ 5,642	†	£ 811,099	+ 235,341
Do. East'n Ex.	.. 11	£ 6,636	— 494	†	£ 231,203	+ 7,391
Do. North'n Ex.	.. 11	£ 4,057	+ 1,020	†	£ 148,133	+ 36,441
Do. West'n Ex.	.. 11	£ 2,040	+ 527	†	£ 100,583	+ 18,339
Cordoba Central	.. 11	£ 41,000	+ 4,330	†	£ 1,393,350	+ 64,110
Costa Rica	Mar. 23	£ 3,322	+ 2,984	†	£ 107,942	+ 92,955
Cuban Central	May 11	£ 34,889	+ 4,149	†	£ 945,078	+ 107,565
Dorada Extension	Mar. 8	£ 8,200	— 400	3	£ 26,350	+ 2,700
Egyptian Delta	Feb. 28	£ 6,519	+ 1,253	†	£ 264,360	+ 62,069
Entre Rios	May 11	£ 23,800	+ 10,700	†	£ 719,200	+ 176,600
French Sante Fé	Feb. 8	£ 147,180	+ 53,260	2	£ 294,668	+ 108,973
Gt. South. of Spain	Apr. 27	Ps. 29,535	— Ps55,411	†	Ps. 512,905	— Ps112,023
Gt. West. of Brazil	May 11	£ 14,500	+ 1,000	†	£ 337,800	+ 90,850
Havana Central	.. 11	£ 11,210	+ 3,177	†	£ 403,805	+ 85,946
Inter. of C. Amer.	Mar. 8	£ 30,205	+ 9,999	†	£ 27,876	+ 27,584
La Gualra and Car.	Apr. 8	£ 5,000	+ 2,500	†	£ 24,250	+ 10,750
Leopoldina	May 11	£ 30,663	+ 7,024	†	£ 599,006	+ 168,747
Midland Uruguay	Apr. 8	£ 12,872	+ 1,800	10	£ 133,054	+ 2,844
Mogiana	Feb. 8	£ 1,793,000	+ M415,924	†	£ 3,948,000	+ M96,999
N.W. of Uruguay	Apr. 8	£ 22,000	+ 677	10	£ 260,607	+ 17,004
Nitrate	.. 30	£ 35,247	— 601	†	£ 241,090	+ 13,700
Paraguay Central	May 11	£ 3,730	+ 700	†	£ 130,100	+ 15,790
Paulista	Feb. 8	£ 2,740,000	+ M994,516	2	£ 5,700,000	+ M180,792
Peruvian Corp'n	Apr. 8	£ 1,079,880	+ S12,380	10	£ 10,402,440	+ S14,258
Salvador	May 4	£ 3,257	— 25	1	£ 237,000	+ 53,000
State of Bahia S.W.	May 12	£ 21,637	+ 1,170	3	£ 582,065	+ 158,580
Sorocabana	Feb. 8	£ 1,784,000	+ M272,301	2	£ 3,736,000	+ M472,195
Taltal	Mar. 8	£ 20,392	+ 119	9	£ 224,678	+ 57,023
United of Havana	May 11	£ 78,916	+ 14,292	†	£ 2,605,924	+ 631,797
West'n of Havana	.. 11	£ 12,746	+ 1,427	†	£ 410,720	+ 111,617
Zafra and Huelva	Mar. 8	£ 13,419	+ 3,201	2	£ 35,912	+ 5,593

\* Months. † From Jan. 1. † From July 1. c Net. d 15 days. a 10 days.

## COLONIAL RAILWAYS.

Beira	Dec. 8	£ 49,448	— 1,842	3	£ 173,777	+ 6,532
Canadian Northern	May 7	£ 827,500	+ 93,000	†	£ 35,485,000	+ 1,339,100
Canadian Pacific	.. 7	£ 3,033,000	+ 32,000	†	£ 48,832,000	+ 2,222,000
Gr. Trk. Main Line	.. 7	£ 230,307	+ 56,412	†	£ 3,377,356	+ 195,982
Gr. Trk. Western	.. 7	£ 45,226	+ 5,778	†	£ 621,514	+ 5,614
Detroit G. H. & M.	.. 7	£ 13,274	— 621	†	£ 200,653	+ 19,799
Gr. Trk. Prairie Sc.	.. 7	£ 21,021	— 324	†	£ 433,822	+ 107,482
Mashonaland	Jan. 8	£ 52,822	+ 3,360	4	£ 226,599	+ 3,322
Mid. of Westn. Aus.	Mar. 8	£ 9,594	+ 1,616	9	£ 70,728	+ 2,301
New Cape Central	.. 30	£ 2,713	+ 530	†	£ 30,840	+ 5,349
Rhodesia	Jan. 8	£ 76,395	+ 4,188	4	£ 345,800	+ 7,757

\* Months. † From Jan. 1. † From July 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME	NETT EARNINGS FOR MONTH.			No. of Mths.	NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year		Amount.	In. or Dec. on last year	
		Dols.	Dols.		Dols.	Dols.	
Atchafalaya T. & S. Fe	Jan.	1,912,000	— 1,689,900	12	47,829,000	— 1,248,000	
Atlantic Coast Line	..	1,075,000	— 212,000	12	12,014,000	+ 607,000	
Baltimore & Ohio ..	..	1,852,000	— 1,105,000	12	30,589,000	+ 3,425,000	
Canadian Northern	Mar.	210,400	— 407,700	9	2,490,100	+ 5,014,400	
Canadian Pacific ..	..	2,993,000	— 944,000	3	4,752,000	+ 3,603,000	
Chesapeake & Ohio	Feb.	627,000	— 160,000	2	5,400,000	+ 1,394,000	
Chicago & N.W. ..	Jan.	785,000	— 2,797,000	12	27,015,000	+ 3,641,000	
Chicago Burl. & Q.	Dec.	1,535,000	— 2,276,000	12	32,867,000	+ 6,232,000	
Chicago G.W. ..	Feb.	151,000	— 36,000	2	1,420,000	+ 357,000	
Chicago Mil. & S.P.	Jan.	628,000	— 2,291,000	12	21,967,000	+ 9,360,000	
Chicago, Rock I. & P.	Feb.	271,000	— 348,000	2	3,511,000	+ 1,636,000	
Colorado & Southern	Dec.	—	— 11,000	11	5,200,000	+ 370,000	
Cuba .. ..	Feb.	451,796	+ 418,465	8	2,422,241	+ 817,795	
Delaware & Hud. ..	Jan.	3,600	— 720,000	12	5,606,000	+ 2,124,000	
Denver & Rio Gran.	Feb.	341,000	— 12,000	2	756,000	+ 201,000	
Erie .. ..	Dec.	507,000	+ 1,848,000	12	10,538,000	+ 5,277,000	
Gr. Tr. Main Line ..	Feb.	b 241,700	— 1,291,400	2	b 4,409,700	+ 1,601,550	
Grand Trunk Westn	..	b 640,150	— 1,271,000	2	b 6,790,300	+ 1,645,500	
Detroit G.H. & Mil.	..	b 613,100	— 1,390,000	2	b 2,880,000	+ 1,675,000	
Gt. Northern ..	Dec.	1,165,000	— 1,401,000	12	22,957,000	+ 6,179,000	
Illinois Central ..	Feb.	1,008,000	— 238,000	2	531,000	+ 2,272,000	
Kansas City Southn	..	455,000	+ 59,000	2	824,000	+ 10,000	
Lehigh Valley ..	Jan.	b 995,000	— 1,346,000	12	9,403,000	+ 2,876,000	
Louisville & Nashv.	Feb.	1,462,000	— 25,000	2	2,684,000	+ 1,289,000	
Minn. S.P. (Soo) S.	Dec.	612,000	— 883,000	12	9,331,000	+ 3,048,000	
Miss. K. & Texas ..	Feb.	70,000	— 112,000	2	2,100,000	+ 392,000	
Missouri Pacific ..	Nov.	1,690,000	+ 321,000	5	9,425,000	+ 1,920,000	
New York Cent. & H.	Feb.	705,000	— 243,000	2	b 4,433,000	+ 5,019,000	
N.Y. N. Haven & H.	Dec.	207,000	— 1,795,000	12	23,815,000	+ 2,245,000	
New York Cent. & W.	Feb.	21,000	— 60,000	2	14,000	+ 185,000	
Norfolk & Western.	..	542,000	— 333,000	2	765,000	+ 2,300,000	
Northern Pacific ..	..	862,000	— 694,000	2	1,644,000	+ 2,139,000	
Pennsylvania East							
and West Lines ..		5,702,000	— 66,114,000	2	12,371	— 167,181	
Phil. and Reading ..	Nov.	b 416,000	— 1,939,000	11	14,877,000	+ 6,626,000	
Reading .. ..	Feb.	131,541	+ 40,038	2	249,000	+ 8,230	
St. Louis & San F.	Dec.	1,225,000	— 244,000	6	9,576,000	+ 632,000	
Seaboard Air Line.	..	673,000	— 206,000	12	8,628,000	+ 24,000	
Southern .. ..	Feb.	1,772,000	+ 412,000	8	17,716,000	+ 1,067,000	
Southern Pacific ..	Jan.	—	— 535,000	12	59,785,000	+ 7,953,000	
Union Pacific ..	..	—	+ 72,000	12	12,942,000	+ 2,115,000	
Wabash .. ..	Feb.	b 166,000	— 8,000	2	b 482,000	+ 1,784,000	

# The Investors' Review

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## THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

**HEAD OFFICE - - - TAIPEH, FORMOSA.**

Amoy, Batavia, Bombay, Canton, Foochow, Hankow, Hongkong, Kuikiang, Kobe, New York, Osaka, Shanghai, Singapore, Swatow, Soerabaya, Tokyo, and every important city in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

**LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.**

## THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	...	...	£1,500,000
Capital Issued	...	...	1,125,000
Capital Paid Up	...	...	562,500
Reserve Fund (Undivided Profits)	...	...	708,432

Branches:

**INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS, CHINA, AND PORT LOUIS, MAURITIUS.**

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

**DEPOSITS** received for one year at 5 per cent. per annum. Rates for other periods on application.

On **current accounts** interest is allowed at 2 per cent. per annum on daily balances.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	...	...	Yen 48,000,000
Capital Paid Up	...	...	Yen 42,000,000
Reserve Fund	...	...	Yen 22,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Bombay.	Honolulu.	Newchwang.	Shimonoseki.
Buenos Ayres.	Hong Kong.	New York.	Singapore.
Calcutta.	Kobe.	Osaka.	Sourabaya.
Changchun.	Los Angeles.	Peking.	Sydney.
Dairen (Dalny).	Lyons.	Rangoon.	Tientsin.
Fengtien (Mukden).	Manila.	San Francisco.	Tokyo.
Hankow.	Nagasaki.	Seattle.	Tsinanfu.
Harbin.		Shanghai.	Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 4.

K. TATSUMI, Manager.

## THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital	£4,000,000
Paid-up Capital	1,800,000
Reserve Fund	2,000,000

BRANCHES—

**ARGENTINE.**—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). **URUGUAY.**—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). **BRAZIL.**—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). **CHILI.**—Valparaíso, Santiago. **FRANCE.**—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

## THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £2,000,000; together £4,000,000

Reserve Liability of Proprietors ..... 4,000,000

Total Capital and Reserves..... £8,000,000

**HEAD OFFICE - - - 71, CORNHILL, LONDON, E.C. 3.**

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

## UNION BANK OF CANADA.

INCORPORATED 1865.

HEAD OFFICE: WINNIPEG.

PAID-UP CAPITAL	...	...	...	\$5,000,000
REST AND UNDIVIDED PROFITS	...	...	...	\$3,600,000
TOTAL ASSETS EXCEED	...	...	...	\$143,000,000

The Bank has over 300 Branches in Canada, and Agents in the principal cities in America. GENERAL BANKING BUSINESS CONDUCTED.

Deposits Received for fixed periods at favourable rates, which may be ascertained on application to

London Offices: 6, PRINCES STREET, E.C. 2, and 28, HAYMARKET, S.W.

New York Agency: 49, Wall Street.

## BANKS.

# CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA, 38, Bishopsgate, London, E.C. 2.

INCORPORATED BY ROYAL CHARTER.

Capital, £1,200,000. Reserve Fund, £2,000,000.

## Court of Directors.

SIR MONTAGU CORNISH  
TURNER, Chairman.  
SIR DUNCAN CARMICHAEL.  
THOMAS CUTHBERTSON, Esq.  
SIR ALFRED DENT, K.C.M.G.  
Managers: T. H. WHITEHEAD and W. E. PRESTON. [Esq.]  
Sub-Manager: J. S. BRUCE.

## Bankers:

THE BANK OF ENGLAND.  
THE LONDON CITY AND MIDLAND BANK, Limited.  
THE LONDON COUNTY, WESTMINSTER & PARR'S BANK, Limited.  
THE NATIONAL PROVINCIAL & UNION BANK OF ENGLAND, Limited.  
THE NATIONAL BANK OF SCOTLAND, Limited.

The Corporation buy and receive for collection Bills of Exchange, grant Drafts and transact general banking business connected with the East.

DEPOSITS OF MONEY are received for fixed periods on terms which may be ascertained on application. Interest payable half-yearly, 30th June and 31st December.

## CANADA.

# THE BANK OF BRITISH NORTH AMERICA.

Established 1836.

INCORPORATED by ROYAL CHARTER 1840.

PAID-UP CAPITAL .. £1,000,000. RESERVE FUND .. £620,000.  
Head Office:—5, GRACECHURCH STREET, LONDON, E.C.

## Court of Directors.

Lt.-Col. F. R. S. BALFOUR. Lieut. E. GEOFFREY Hon. A. R. MILLS, M.P.  
J. H. BRODIE. HOARE, R. N. V. R. Major C. W. TOMKINSON.  
J. H. MAYNE CAMPBELL. F. LUBBOCK. G. D. WHATMAN.  
E. A. HOARE.

Deposits received at rates which may be obtained on application.

Current Accounts opened.  
Coupons purchased.

ALL KINDS OF BANKING BUSINESS TRANSACTED.

# THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office:—71, Old Broad Street, E.C.

Subscribed Capital .. .. .	£1,276,747	10	0
Paid up Capital .. .. .	669,685	0	0
Reserve Fund and Undivided Profits ..	409,526	1	1
Reserve Liability of Proprietors .. ..	806,962	10	0

REMITTANCES made by CABLE.  
DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.  
BILLS on Australasia NEGOTIATED or sent for collection.  
DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

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# ALLIANCE ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C. 2.

ASSETS EXCEED £24,000,000.

## Chairman:

The Hon. N. CHARLES ROTHSCHILD.

The operations of the Company embrace all branches of Insurance.

Full information respecting

# ESTATE DUTY AND CHILDREN'S EDUCATIONAL POLICIES

issued by the Company may  
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or to any of the Offices or  
Agencies of the Company.

O. MORGAN OWEN, General Manager.

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## NOTICE.

# 3% DIPLOMATIC DEBT OF VENEZUELA, 1905. 3% CONSOLIDATED EXTERNAL DEBT OF COLOMBIA.

The Council of Foreign Bondholders are prepared, until the 15th June, to purchase for redemption Bonds of the above Loans up to the following prices, so far as the funds in hand will permit:—

**Venezuelan Bonds at 63.  
Colombian Bonds at 53.**

Bonds offered for Sale should be lodged with the Council through a Broker.

JAMES P. COOPER,  
17, Moorgate Street, London, E.C. 2. Secretary.  
22nd May, 1918.

# The Investors' Review.

Vol. XLI.—No. 1,064  
New Series.

SATURDAY, MAY 25, 1918.

(Registered as a Newspaper) Price 6d.

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The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of *Company Meetings*, and he cannot accept responsibility for statements made therein.

## ANSWERS TO QUERIES.

**One Reply to One Question — One Shilling.** Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

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## "Money, Money, Give Us Money."

Mr. George Sutton, advertising agent for the Government, otherwise "Director of Publicity," National War Savings Committee, was well inspired in writing to the *Times* to urge every creditor of the Government to reinvest in War Bonds his portion of the £50,000,000 odd of dividends falling to be paid at the beginning of next month. "It is a matter of the utmost moment to the country," he says, "that as large a part as possible of that sum should be immediately re-lent for the purpose of winning the war." That is perfectly true, and we hope everybody who can will take note of the appeal and act upon it. Unfortunately, however, the weight of taxation is now so heavy upon the majority of people that it will be impossible for so many as should to spare all their dividend money. Some of them still have interest to pay on part of the money they borrowed to take up the stock they subscribed for when the loan came out, others have the bigger half of their last year's income-tax to provide for on July 1, and so on. Still, all who have the means should take Mr. Sutton's advice, for the war has to be won, and cannot be won without money as well as human lives.

Moreover, the sale of National War Bonds, Bank of England issue, continues to dwindle, and the total produced for last week, ended May 18, was only £9,439,000, compared with the £25,000,000 minimum weekly sum asked for. There were 968 fewer applications at 7.99, but the money applied for was £225,000 larger, and the total raised to date is £697,909,000. This represents the amount applied for by 588,000 people—and how many beyond that 588,000 out of the total population are earning flush wages and have money to spare? Does the Government ever ask itself questions of that kind and try to realise how it is allowing the spare, or easily sparable, means in the hands of the great bulk of the people entirely to escape its net?

Of the Post Office issue of National War Bonds the number of purchasers for the week preceding, that is, for the week ended 11th inst., was down 795, but still numbered 19,905, making the total to date 1,147,654. The money was also down £39,480 to £409,000, but that addition makes the total receipts to date £28,545,000. Thus the two series of War Bonds have produced to the dates named £726,454,000.

Then the War Savings Certificates did rather well in the same week ended the 11th inst., for 3,122,000 were sold, raising the aggregate number of 15s. 6d. certificates thus far disposed of to 194,921,000, which means that more than £151,000,000 has been in this way obtained by the Treasury for war purposes. The aggregate of the money borrowed since last year's "spectacular" loan thus appears to be about £877,500,000. How much is it, really? The Government might try frankness with the nation just once in a way.

For, all helps notwithstanding, the Treasury continues to flounder in a quagmire of floating debts. Current outgoings last week were £54,600,000 on supply services alone, and the total payments, including £2,253,000 of interest on war debt and £426,000 of miscellaneous payments, were £57,279,000. That is to say, supply services alone consumed £7,700,000 a day, and the total actual payments of the week averaged about £8,140,000 a day. Again, moreover, the aggregate overturn was heavy, amounting to £122,955,000, or £1,711,000 more than in the previous week. The Government had to sell £66,151,000 of Treasury bills, and was able to pay off only £52,038,000, therefore the Treasury bill debt was increased by £14,043,000, and now stands at £986,893,000. Besides this, the Government had to increase by £8,000,000 its debt to the banks on floating loans or temporary advances, £10,000,000 of which were paid off, but £18,000,000 had to be raised, so the total of this inconvenient form of debt is now almost £95,500,000. Where does it lie? Who is carrying it?

Besides the additional moneys obtained in these two ways, the Government also procured £20,579,000 from other war debt sources, and it got £8,885,000 also from National War Bonds, besides £1,800,000 from War Savings Certificates. The nett addition to the debt last week was thus about £40,000,000. Among the items of expenditure, the "depreciation fund" is down for £1,000,000, and besides the Treasury bills paid off there was £2,383,000 of other war debt cancelled as well as £103,000 of War Loan and Exchequer Bonds. From actual taxation the income was only £8,003,000, the lowest seen for many a week, but then it was Whitsuntide. Altogether, the Treasury managed to scrape up £603,000 more than it had to pay out, and therefore by that sum Exchequer balances have been increased, and are now £14,908,000,

compared with £22,365,000 twelve months back. It is not a cheerful recital this, but since better cannot be, we must go on in hope, trusting that the war may be ended sooner than looks probable on the surface of things. Even so the Government may before long have to fix the spending limits for the wealthy of all classes, and appropriate all above that for the State, if everything else fails it. The war has got to be won.

### The Report of the Committee on Bank Amalgamations.

The Treasury Committee on Bank Amalgamations has completed its inquiries and issued its report with commendable promptitude. As we supposed at the time of this appointment, no attempt has been made to upset the arrangements for the amalgamations recently entered upon, but the report has a good deal to say about restricting these amalgamations in the future, and it is pertinently said. There is, for example, the question of duplication of branches, and, as the following table illustrates, it can hardly be possible that this duplication never implies redundancy. It is this rather than extension of area which results from the recent fusion of big banks, but that is a sort of evil which tends to cure itself. Duplicate branches can be closed, and doubtless will gradually be so.

	London Branches	Provincial Branches	Foreign Agencies
1 National Provincial .....	26	251	31
1 Union of London and Smiths	31	78	150
2 Lon. County & Westminster	110	180	400
2 Parr's .....	35	160	35
3 London City and Midland..	107	419	850
3 London Joint Stock .....	41	109	70

Another matter of much more importance is the opportunity taken by amalgamations to reduce the liability of the shareholders. We pointed these changes out at the time, and the Committee emphasises them. The reduction takes place, as a rule, either without any or with but an insignificant increase in the paid-up capital, and we have always contended that the capitalisation of our banks has never been generous. The actual cash paid up is without any exception small—often much too small—for the liabilities assumed. The Committee points out, for instance, that the amalgamation of the National Provincial Bank of England with the Union of London and Smiths Bank resulted in a reduction of over £1,000,000, or 16 per cent., in the total paid-up capital, and of over £9,000,000, or over 48 per cent., in the uncalled liability of the Union Bank shareholders.

That was the most conspicuous illustration of the way the thing shaped, but the amalgamation of Parr's with the London County and Westminster, while it added £243,000 to the total paid-up capital, brought about a reduction of nearly £1,770,000, or 17 per cent., in the uncalled liability of Parr's shareholders. More striking still was the change affected by the amalgamation of the London City and Midland with the London Joint Stock, by which a reduction of nearly £1,000,000 was effected in the total paid-up capital, and of more than £9,000,000, or over 50 per cent., in the uncalled liability of Joint Stock Bank shareholders.

There is no doubt that here is the weak spot in all amalgamations. We have no dread of a "Money Trust" that some speak about, especially if we retain anything of our freedom in commerce, as we shall, but we do fear the effects of our banking system upon the stability of the nation's credit should at any time one of these large banks fall into difficulties or become in any sense an object of suspicion. Shareholders go on serenely, as if the liability, callable or ultimate, was not worth consideration. Parsons, spinsters, widows, doctors, and lawyers—the poor and the unwise of all descriptions—are to be found upon the share lists of banks, and often holding shares the liability which they would be totally unable to meet. We should have been far more cordially favourable to the bank amalgamations which have taken place had the opportunity been seized to change this position at least to some ex-

tent. Fresh capital should have been called up at the same time that the remote-looking liabilities were written off, and the banks would have been all the stronger for the change. We recognise fully the expediency of these fusions at a time like this. The change was as prudent as it was inevitable. But at the same time, nothing possible should be neglected that is calculated to strengthen the power of our credit-generating banks to stand firm as lighthouses in all weathers, and we regret that they have not even increased their reserves. It was a pity they did not, but the omission is remediable, if dividends are kept moderate and all surpluses piled away.

### Aspects of Company Finance.

Prominent present-day features of company operations and finance are amalgamations and absorptions on the one hand, the bonus distributions from reserve on the other. Very often these transactions involve large and even huge amounts. With these things in themselves it is not our present purpose to deal. Rather we desire to attract attention to two consequences or aspects which are of serious importance; are sometimes, we have reason to know, not fully regarded in advance, and are apt to give rise, not only to doubt and trouble, but to what appears to us to be little if at all short of injustice. We refer to the right of life tenants to obtain in certain circumstances the bonus distribution even though it may take the form of shares, and the matter of income-tax and super tax.

It is very common for a strong and successful company, with large undivided profits or reserves, or both, to resolve to distribute part of these in the form of a bonus dividend or in the form of bonus shares, or it may be in extinguishing uncalled liability on the existing shares. At the present moment several very important companies are carrying through such schemes. We may distinguish the following operations or ways of going about the operation.

1. A bonus dividend payable in cash, with no option of any kind about it, and nothing ulterior in view. The shareholders are entitled to the dividend, and must take it. This reduces the company's funds by the full amount of the dividend, and it is intended so to do. The dividend may be paid either less tax or free of tax.

2. When there is uncalled liability on the shares, a call thereof, and at the same time a bonus dividend of equal amount per share, free of tax. Again the shareholders have no option. They must submit to both parts of the transaction or to both transactions. The company's funds are not reduced, but remain exactly as they were.

3. An offer of new shares to the members in proportion to their existing holdings at a certain price, usually par, and the simultaneous declaration of a bonus dividend of equal amount, free of tax. Here the shareholders have an option. No shareholder can be compelled to extend his holding, not even though, as is usual, the new shares are issued as fully paid. In the case of some trustees there may even be doubt whether they are legally entitled to do so. At the same time the circumstances may be such that no sane man, as it has been phrased, would dream of taking the cash dividend instead of the new shares. The shares may be issued at par, but may in the market be worth 200 or 300 per cent. more. Also it may have been contemplated from the outset that the shares would be taken all round. It may even be that, if all were to demand cash, the company could not meet the demand except by borrowing; for no matter how sound and prosperous the company, or how large the reserves, these may be in the business. Here again, therefore, it is contemplated that the funds shall not actually be reduced when the operation is completed.

4. Then, finally, there is a fourth way in which, as in No. 1, there is no option given, but for the opposite reason, namely, that the only offer is of new shares. The way this is gone about is by taking power in the company's articles to capitalise profits, then to exercise

that power by capitalising, say, £100,000 of accumulated reserve profits, and issuing new shares, fully paid up, to represent that sum, the issue being at par, and in proportion to existing holdings. There is no option, no liability, and no reduction of finances.

Now we pass to a different kind of case, but one also which we require to state, as it also raises the questions to which we have referred. It is convenient to state it in the form of a concrete instance at present being carried through. We see that a large American mortgage company is buying up a smaller similar company. The acquisition is to be carried through by the purchase of the shares. The purchasing company pays each holder of shares in the other company par value, but the holders receive from their own old company, as the final payments from its till, not only a year's dividend, but also a bonus dividend, free of tax, equal to 75 per cent. of the par value of the shares. This means that each shareholder in the selling company gets (in addition to his dividend for the closing year) £1 15s., or, allowing for tax at 5s., £2 per £1 of his holding, half being drawn from each of the two companies.

Now we come to our questions.

*First*, as to life tenants. It is possible that opinions may differ on the question whether it is fair or reasonable that, in the case of settled shares, a life tenant should be allowed to receive these bonus distributions whatever form they may take. Probably on the legal aspect of the matter we are about right in saying that, without prejudice to the charming uncertainty of the law, the strong probability, approaching indeed to certainty, is that a life tenant will get the whole benefit if cash must be taken without option, and will get nothing but the future dividends of the new shares if shares must be taken without option; and that when there is an option, real or so-called, the chances are against the life tenant, but one can never be sure. In one such case it has just been held that the life tenant shall get the shares up to the amount of what the cash dividend would have been. Of course, the circumstances may vary enormously. The life tenancy may have been in force for a long time, and all the accumulated profits may have been made during that time. On the other hand, they may all have been made in the lifetime of the testator. Take the transfer case last mentioned. A life tenancy may have come into being last year and may terminate immediately, yet, as we understand it, the life tenant shall take what is really one-half of the total value of the investment. It is difficult to see that any method which may lead to such a result has anything to recommend it. If the purchasing company had taken all the assets, and had paid the £1 15s. as price for the shares, it could not have happened.

*Second*, as to taxation. We assume that all the profits out of which the distribution is made have paid income-tax, and so there can be no suggestion of liability on the part of the shareholders for income-tax on the distribution. But that is, of course, not an end of it. Two things may arise, namely, the effects of the distribution (1) as affecting income-tax on the receivers' other income; and (2) as attracting super tax on the whole income, including the distribution. If a bonus dividend only is declared, or if, when there is an option, the dividend is accepted, the case is probably past praying for. Up goes the total income, and the consequences may be (1) the loss of exemption; (2) the loss or curtailment of abatements; (3) increase of rates of tax on earned and unearned income; and (4) super tax incurred. If, on the other hand, there is no option, but shares only, it is equally clear the other way. The shares are not income, and the tax position of each shareholder is unaltered. The really interesting case is when there is an "option" and shares are taken. Then there is at least a pretty question. But when a life tenant gets anything as part of his or her limited estate or interest, it is difficult to see how it (whether cash or shares) can be other than income for all purposes, including taxation.

We conclude with three observations or questions. On the tax question is there, for tax liability, any relevancy in the consideration whether the new shares

would have been capital or income under a settlement? If shares are to be reckoned as income, then at what price or figure? Is it to be market value? or par? or the amount of the dividend which might have been taken? These last two are not necessarily the same, for in stating the last it may be proper to add in the tax, the dividend having been declared free of tax. Finally, we quite see that there may be cases in which shareholders may benefit by the shares being reckoned as income, namely, when, even if that be done, their tax position is not altered, having regard to the steps in the existing scale of tax. Thus a holder who was, and continues, under the £130 exemption figure, would apply for repayment of tax on the "tax-free" dividend.

But, broadly, we do not doubt that the proper way is to offer shares only, thus preventing life tenants scoring unfair advantages, and avoiding (not evading) uncalled-for taxation claims.

### Passing Events.

There is plenty of food for thought in the third report (of Session 1918) from the Select Committee on National Expenditure, which has just been issued, and we hope it will not be pigeon-holed until some of the more important points raised in it have been thoroughly discussed in Parliament. So far as we are able to judge, the Committee and the sectional sub-committees have attacked the Augean stables with conspicuous energy and ability, but unless the departments concerned are arraigned in the House of Commons we have not much hope that any substantial reforms will be effected. Such reports as this may give some of the more hardened offenders a bad quarter of an hour, but they soon get over it, and things drift along just as they were before. Take the case of the War Office, for instance. In their second report of 1917 the Committee pointed out that the number of military officers serving in the War Office in August, 1914, was 218. During the two following years of rapid expansion of the Army it was increased to 588. But by August, 1917, it had risen to 1,344; and last month it was 1,516, although in the meantime 277 officers have been transferred to the Air Ministry. The total number employed was therefore 1,793, in spite of the fact that all the work connected with recruiting has been transferred to the Ministry of National Service, and the Committee recommended that "a systematic inquiry should be made from time to time with a view to eliminating officers whose employment, owing to change of circumstances or other reasons, is found to be superfluous." This recommendation was accepted by the Government, but nothing whatever has been effected, and the Committee express their "regret that the matter has been dealt with by the War Office in so unsatisfactory a manner." We have little doubt that the position will be the same 12 months hence unless Parliament gives a pretty clear indication that it meant business when it appointed this Select Committee.

A good deal of controversy has arisen with regard to the Committee's remarks on the question of the 9d. loaf—technical points on which we are not competent to express an opinion. The Committee state that the subsidy to millers and bakers is now estimated to cost £40,000,000 a year, and they say "it is to be regretted that the effect (of fixing the loaf at 9d.) was not fully explored beforehand, as a complete examination of the system of bread supply in the country might have led to a very large reduction of the subsidy." Roughly speaking, four-fifths of the bread is made by one-tenth of the bakers, and while these large, efficient bakeries are reaping excessive profits owing to the price fixed for flour, the small establishments are continually pressing for leave to sell bread at a price above 9d. If the price of flour could be raised 5s. per sack, which the Committee think is quite practicable, without generally increasing the cost of the loaf to the consumer, the subsidy would be reduced by

£10,000,000. At the same time, in certain of the smaller and more remote centres of population the cost of the loaf is  $\frac{1}{2}$ d. to  $1\frac{1}{2}$ d. above the average, but this might be neutralised by a system of carriage paid delivery of flour. Another point demanding attention is the wide disparity between the price of grain for milling purposes and the higher price which feeding stuffs command in the market. This disparity offers great temptation to the farmer to feed his stock on good grain, and is another illustration of the fact that when the natural laws of supply and demand are interfered with, control must be exercised in ever-widening circles.

In dealing with the Government's control of the railways, the Committee mention the interesting fact that last year the Exchequer paid the companies a total of £25,152,000, but there is reason to believe that if Government traffic had to be separately charged, the sums payable by the State would probably be greater rather than less than those now paid. Had prices not risen, and had wages remained stationary, the State would have made an excellent bargain with the railways in securing the free carriage of all its traffic in return for a guarantee of pre-war nett receipts. But the additional war wage now amounts to 25s. per week, and the total increase in the wages bill is now about £47,000,000, of which the companies have to find only  $2\frac{1}{2}$  per cent. Consequently the sums payable by the Exchequer will be considerably larger in future, in addition to which there will be arrears of maintenance and other liabilities to be made good. Since the companies are secured against loss, and their management remains in the hands of their former officials, there is an obvious danger of a relaxation of control and a consequent increase of cost. A sub-committee made careful inquiry into this aspect of the matter, and it is satisfactory to learn that no reasons were found to conclude that such results have occurred. The danger, indeed, comes from the other side. Government Departments having the right of transit for men and goods without a separate charge in each case, may make an excessive use of the railways, with a corresponding increase in working costs and of the lump sum payable by the State, but the Committee significantly remark that this "is a matter on which it is difficult to obtain any trustworthy evidence."

So much publicity has been given to the fiasco of the projected school of aerial gunnery at Loch Doon, Ayrshire, that we need do little more than mention that the story is set out fully in the Committee's report, and every word of it deserves to be read. Over half a million, "so far as at present ascertained," was spent on the project, which was estimated in August, 1916, to cost £150,000, and the whole scheme was summarily abandoned at the beginning of this year. Loch Doon "will be remembered as the scene of one of the most striking instances of wasted expenditure that our records can show." Poor "Banks and Braes of Bonnie Doon"! Let us pass to something more amusing. The National War Aims Committee was formed in June last on a private basis, but the War Cabinet decided in October to take it over, and the money found by voluntary subscribers, amounting to about £9,000, was refunded to them by the Government. "We question the propriety of this repayment," say the Committee, and most people will agree with them, but Government by "stunts" has necessarily curious methods. It was to be on a lordly scale, and the expenditure for the six months to March 31 was estimated at £118,860. Alas! only £28,060 could be spent in the time, but that is exclusive of rent, lighting, heating, &c., while several of the salaried posts had not been filled at the end of the financial year. However, the editor-in-chief receives £1,500 a year, and there are eight other officials drawing from £1,000 down to £300 a year. But when away from home they get £1 a day subsistence allowance, railway fares, and a fee for each meeting. The campaign in each constituency usually lasts about four weeks, so

the next bill will no doubt be nearer the projected mark. Yes; there is quite a lot of "fine confused feeding" in this third report of the Committee on National Expenditure.

Sir Robert Kindersley has written to all the papers to show how splendid has been the money-gathering results of the campaign led by him through the War Savings Committees established everywhere in the country. He says that, measured by the sales of War Savings certificates and Post Office bonds, and the increase in the deposits over the withdrawals in the Post Office and Trustee Savings Banks, the average monthly contribution of the public to the war was in the last quarter of 1917 £12,055,000, and certainly, as far as it goes, that is satisfactory—only it does not amount to two days' war expenditure. His further elaboration of the facts, which he puts in tabular form, does not console us very much, although the display is just encouraging enough to lead to the inference that much more might be done if the people were treated not with the sanctimoniousness of a sectary, but with human nature and common sense. Here is Sir Robert's table showing the cash receipts of each of the four months ended with April this year. The March figures are the biggest because they included the receipts of the "Business Men's Week," as it was called, and, therefore, though big are lamentably poor. Sir Robert adds that when the war began there were only 345,100 holders of British Government securities in this country, and to-day there are in round numbers 16,750,000 holders of the various types, viz., through the Bank of England £2,228,300, through the Post Office issue of National War Bonds £4,000,000, and through the holders of War Savings certificates £10,500,000. There are also 11,000,000 accounts in the Post Office Savings Bank and 2,047,000 in the Trustee Savings Banks. Is that all; can nothing more be done? We want infinitely more than this. Sir Robert Kindersley and his committees will have to wake up to the truth.

	War Savings Certifi- cates.	Post Office Bonds.	Post Office & Trustee Savings Banks.	Total.
January .....	£10,158,478	£5,076,000	£1,572,509	£16,806,987
February .....	8,382,288	2,858,000	2,434,526	13,674,814
March .....	14,423,676	5,393,000	929,264	20,745,940
April .....	9,232,563	2,745,000	2,000,000	13,977,563

Last week committed this journal to an approval of the action of the Government in raising the price of season tickets from 10 to 20 per cent. In the general sense that approval stands now, but we saw in last Tuesday's *Daily Chronicle* a letter from a correspondent, who pointed out that the whole story was not made public. Had a mere clean advance of 10 to 15 per cent. been decreed there would have been grumbling, and in many cases where the railroads had laid themselves out with special zeal to tempt people to go and live in the country, the grumblers would have had genuine cause for their discontent, but still a sense of patriotism would have induced them to accept the inevitable. It is not a clean advance, however, which has taken place, for under the old arrangements two of a family living in the same house and using season tickets got a return of 10 per cent. on the regular price, and to three of a family the reduction was 15 per cent. Season tickets were also issued at low rates to the wives of householders to be used under certain limits and restrictions. Now, so this correspondent says, the whole of these allowances have been swept aside, and the full price put upon every ticket taken out plus the 10 or 15 per cent. added by the latest decision of the Government. This means that the prices of many tickets are raised by 20 to 25 per cent., and some probably by more than that. That is not fair dealing on the part of the Government. It is not on the square, and excites disgust almost more than resentment.

The Hamburg Corporation is said to have passed by a great majority, the Socialists alone resisting, a series

of resolutions which are worth calling to mind as proof that even the commercial mind of Germany has not yet emerged from its hallucinations. These resolutions are framed in view of "the empire's financial situation and the position of the Federal States composing the empire, which are sorely tried by war." So the Corporation of Hamburg demands that peace shall not be concluded except satisfactory guarantees are given that "sufficient war indemnity shall be wrung from our enemies," for which indemnity "the guaranteed delivery of raw materials may eventually be substituted." Also the formation of great colonial possessions entirely corresponding to Germany's needs is demanded, and "an effective guarantee of the just German claims on foreign countries, together with the restoration of all rights stipulated by contracts relating to landed property, concessions, &c., appropriated during the war in enemy foreign countries." The restoration of German trade by the defeat of all possible efforts of the enemy to boycott Germany, and an adequate guarantee for the free and unrestricted traffic of German ships on all seas, and particularly the granting of full equality to these ships in all enemy ports, are also modestly stipulated for. It will be seen that these worthy traffickers in Hamburg have not erred on the side of the modesty of their pretensions, but they will come off their perch before long. To be wilfully ignorant of its crimes has its penalties, and probably the Hamburg municipals do not yet know that in America there is German property estimated to be worth £400,000,000, which the Official Controller thereof has announced his intention to keep for America. "No restitution will be made when the war ends," he declares, and that is only one example of what Germany's deliberate provocation of the war and degraded pursuit of robbery and crime have brought upon the German people. Nor will Hamburg merchants find it easy to return to the ocean after the war, just as if no attempt had been made by the Prussian brute to destroy the shipping, no matter at what cruelty to human beings, of all the nations on earth, also in further pursuit of its infamous designs. A people so base, so crime-stained, will not find the sailors who understand the chivalry and comradeship of the ocean ready to welcome them back again to the "freedom of the seas."

Last year was not so prosperous as 1916 for the Oceanic Steam Navigation Co., Ltd. (White Star Line), no doubt partly owing to the increased excess profits duty, and to the Government's requisitioning scheme. After allowing for excess duty the profits amounted to £1,192,000, or £930,000 less than in the previous year, but £63,000 more at £342,400 was received for interest, &c., and £144,000 more at £300,600 was brought in. On the other hand, income-tax was almost exactly doubled at £301,000, but £120,000 less was allowed for depreciation, and only £200,000 is placed to general purposes fund, against £800,000 allocated to that fund

and general reserve a year ago. Consequently, the available balance is only £146,000 lower at £904,250, and the carry forward is reduced by that amount to £154,250 after repeating the dividend of 20 per cent., which is equivalent to 100 per cent. on the old capital. During the year debentures for £134,000 were redeemed, reducing the amount outstanding to £2,109,000, but sundry creditors have increased nearly two millions to £3,493,000. Book value of steamers, properties, &c., has been reduced £400,000 to £4,376,000, but general investments have increased £1,530,000 to £3,352,000, and sundry debtors are £720,000 higher at £3,620,000, while cash balances are a little higher at £350,000. Therefore, the company has done very well indeed, even if the tide has receded somewhat from last year's high-water mark. Reference is made to the loss of the *Delphic*, which was torpedoed last August, but the fleet has been increased by the delivery of two new steamers jointly owned with the Shaw, Savill and Albion Co., Ltd. The total tonnage is now 400,320, an increase of 6,000 tons, but the tonnage building is 22,000 smaller at 68,950 tons. As the whole of the share capital belongs to the International Mercantile Marine Co. of New Jersey, the control is really in the hands of the Morgan group, but we notice a report that the entire business is to be resold to British interests, and although the price will necessarily be high the addition to shipping on the British register will be welcome.

Splendid results were again obtained by the Metropolitan Carriage, Wagon and Finance Co., Ltd., in the year to March 31. Nett profits were practically £200,000 higher at £590,000, and with a rather larger amount brought in, the available balance of £751,000 shows an increase of £206,000. The dividend and bonus, making 15 per cent. for the year, is repeated, but it has to be paid on rather more than double the nominal capital, owing to the distribution of bonus shares a year ago, and it now absorbs £450,000, against £213,700. However, by reducing the appropriation to reserve from £150,000 to £100,000, the carry forward is increased by £20,000 to £181,350. Cash balances have increased £254,000 to £1,055,000, investments £1,035,000 to £2,035,000, stocks nearly £400,000 to £602,000, and debtors £180,000 to £554,000. The directors have further developed the financial department of the company by acquiring controlling interests in Allied undertakings, and in order to allow the board to continue this policy as opportunity occurs it is proposed to raise the ordinary share capital from £3,000,000 to £10,000,000. It has been a highly successful undertaking for many years past, and it will have a wide field for its activities after the war.

The half-yearly statement of the Bank of Taiwan, Limited, to December 31 shows wonderful progress as compared with the corresponding period. Deposit and

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**Reserve Fund ... £2,000,000**  
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**EXECUTOR AND TRUSTEE** Business undertaken.

FRANCIS SHIPTON, London Manager.

current accounts have increased by 155 millions to 270,903,000 yen, bills are up 73 millions at 149,523,000 yen, and the note circulation has expanded 8 millions to 33,513,000 yen. On the other hand, cash in hand and at bankers, including bullion and foreign money, amounted to 40,300,000 yen, an increase of 21 millions, and loans, advances, &c., are almost doubled at 400,145,000 yen. The result of these increases is that the balance-sheet now totals at 481 millions, or very nearly twice the figure of a year ago, and it is stated that the turnover in foreign exchange amounted to 707,500,000 yen, which also is very nearly doubled. Consequently it has been decided to increase the capital by 10 millions to 30 million yen, and sanction has been obtained to raise the fiduciary note issue to 20 million yen. Gross profits amounted to 25,732,000 yen, and the nett is 1,352,000, an increase of 345,000 yen. After again paying a dividend of 10 per cent. per annum, and placing 300,000 against 200,000 yen to reserve, the balance forward is 120,000 higher at 393,000 yen. Of course, conditions have been very favourable in several directions, but the bank is prudently strengthening its position in case there may be lean times in store.

We have frequently emphasised the seriousness of the outlook of the East Rand Proprietary Mines, owing to the low grade of ore developed and the increased cost of operation due to war conditions. The report for the March quarter foreshadows the beginning of the end. The working profit was £17,713 below the quarterly sum of £33,000 required to meet standing charges, including debenture interest, and thus the hope previously expressed to the effect that the profit would be sufficient to meet fixed charges has not been realised. In view of the consistent low-grade ore exposed by development in the lower levels of the mine, with no indication of improvement, and having regard to the financial requirements involved in the Southern development scheme and to the financial position of the company, the directors have decided to abandon this scheme as from the end of this month. Meanwhile, milling operations will be continued as long as is reasonably possible. The balance of the mine development suspense account shows a credit of £310,819. The whole position will be fully dealt with by the chairman at the annual meeting to be held on the 29th inst.

An important amalgamation of Rand colliery properties has been arranged. A new company, the Tweefontein United Collieries, Ltd., was recently formed in the Transvaal to acquire the coal assets of the Rand Selection Corporation, which includes an allotment in the Transvaal Coal Owners' Association. A provisional agreement has now been made for the acquisition by this new company of the assets of the Tweefontein Colliery, Ltd. The purchase price payable to the Tweefontein Colliery is 75,000 cumulative preference and participating shares of £1 each, and 150,000 ordinary shares of the new company. The preference shares will be entitled to a fixed 6 per cent. dividend, and a further 4 per cent. after the ordinary shares have had 6 per cent. The United Company will also acquire from the Henderson Consolidated Corporation two properties, comprising 10,000 acres, for 120,000 ordinary shares. Options to subscribe at par for additional shares will be given to shareholders of the Tweefontein Colliery for six months after the withdrawal of the Treasury embargo on capital issues, or two years from the date of the approval of the scheme by the shareholders. The Tweefontein Colliery, Ltd., will by this scheme become a holding company, and its assets will comprise holdings in the United Company. The object of the scheme is to obtain more economical results by working on a large scale.

Some of our Radical papers, we notice, are beginning to make a noise about French claims in regard to Alsace-Lorraine. Not only, it seems, do the French statesmen now ask for the liberation of the provinces torn away from France in 1871, but they also demand possession of sundry valuable mineral regions which

were improvidently handed over to the Prussians by the European Powers in 1814. This territory is not Alsace, the alarmists hasten to tell us, and go on to demand that our Government should not carry its support to France as far as these demands go. This is an excess of zeal quite uncalled for. It is no business of ours even were France to claim much more than her rulers are said to do. There is ample evidence that the greedy Prussian knew what he was doing when he tricked the European Powers of the Coalition against Napoleon into handing him over these No Man's Lands in 1814. In any case, they were never Prussian, and not in any reasonable sense German at all before that day. The whole of the region lying between the Rhine from, one may say, Coblenz to the sea, will have to be re-allotted, not as the Prussians re-allot, but according to the aspirations of the people and their interests, as this journal has insisted from the first. It is in the interests of future European peace that what M. Pierre Notomb calls the "Belgian barrier" should be restored to the fullest extent.

In this connection the *Ligue Patriotique des Alsaciens-Lorrains* has opportunely circulated a reprint of an admirable article by M. Paul Albert Helmer on "Alsace-Lorraine and the Principle of Nationality," which was published first in the *Nineteenth Century—And After* of February last. M. Helmer is a distinguished Alsatian who has long stood forward as a champion of the rights of his people, and in this essay he gives a calm and luminous summary of the facts. Alsace-Lorraine, it cannot be too often repeated, was never German, although at one time under the suzerainty of the House of Habsburg and within the ill-defined borders of the Teutonic Roman Empire, which the Habsburgs held as family fief; but even if in that limited sense within the range of Germanic influence and subject to the Germano-Roman domination, they were never in any sense Prussian, and because they were torn away savagely from France we are now fighting this war to the death. People in doubt might refresh their minds by reading that essay, and meanwhile they should be careful to abstain from assuming any attitude likely to wound either Alsatian or French sentiments of patriotism and loyalty.

### Our Foreign Trade in April.

It will be seen from the accompanying table that imports last month reached the enormous total of nearly 120 millions, an increase of 42 per cent. over the corresponding period and 10 millions more than the previous highest record. But it is almost entirely due to the rise in prices, and, so far as details are available, only two important items—hemp and wood—show increased quantities. All the others are down, and Sir A. Stanley warned us last week that the volume of imports this year would probably be only about half that of 1913. He seemed to regard that as a notable achievement, and was rather proud of it; but the curtailment of quantities naturally tends to force up prices, and we move in a vicious circle, which becomes more and more dangerous, as is shown by the excess of imports over exports. For the past four months this amounts to the huge sum of 257 millions, against 130 millions last year and 122 millions in 1916. It is a terrible gap to be bridged, and we see no hope of improvement in the near future. But the ravages of war are cumulative in their effect, and we must try to make the best of things until the end comes nearer into view; perhaps it is not so far off as we are sometimes inclined to fear, and for the present we must cut down everything except essential foodstuffs and raw materials. Here is our usual summary of the figures:—

	April, 1918.	Compared with 1917.	Compared with 1916.
	£	£	£
Imports .....	119,833,433	+ 35,300,367	+ 44,117,229
Exports .....	40,071,466	+ 4,272,000	+ 3,253,627
Re-exports .....	2,140,847	- 6,348,442	- 5,952,602

#### FOUR MONTHS.

Imports .....	424,912,540	+ 97,890,893	+ 121,015,977
Exports .....	156,839,197	- 7,219,428	+ 9,330,290
Re-exports .....	11,263,176	- 22,218,689	- 23,001,738
Excess of imports .....	256,810,167	+ 127,329,010	+ 134,687,425

With regard to imports, it must be remembered that the figures now include certain Government stores which were omitted a year ago, and it is impossible to estimate how much difference this makes in the total; but it may be noted that

miscellaneous imports (unclassified) show an increase of nearly 4 millions, and it is fair to assume that the bulk of this represents Government purchases. Grain and flour imports advanced 28½ per cent., meat nearly 100 per cent., and dutiable articles 34 per cent., the total increase in this group being £16,203,000; but no details are given as to quantities. Raw materials increased £6,603,000, to which wood contributed £1,758,000, an increase of 50 per cent. in quantity and of 160 per cent. in value. Cotton advanced £3,329,000, or 45 per cent., but the amount received was 15 per cent. less. Oil seeds, nuts, oil, &c., increased £2,475,000, or nearly 50 per cent., and paper-making materials advanced £371,000, or 85 per cent.; but wool fell both in quality and value, and hides also showed a decrease. There was a reduction of £1,628,000 in miscellaneous articles, chiefly due to smaller imports of rubber. Among manufactured articles, the only prominent increases (apart from the miscellaneous item already alluded to) are £1,753,000 in metals other than iron and steel, £935,000 in chemicals, &c., and £335,000 in paper. The total increase in this section is £12,600,000, or fully 100 per cent., but the basis of comparison is not the same.

Except for an increase of £6,315,000, or 66 per cent., in cotton exports, most of the items show declines, but as a rule they are not of great consequence, although they reduce the nett increase to £4,272,000. Foodstuffs fell £364,000, and among raw materials, while coal increased £320,000, oils, &c., fell off £556,000. Iron and steel manufactures dropped £340,000, woollens £875,000, other textiles £453,000, and apparel £375,000. The loss of our re-export or entrepot trade becomes more and more serious, and the worst of it is that when a business of this kind is almost wiped out it may never be recovered, or only by long and painstaking efforts. But for the time being it cannot be helped, and we must hope for the best. We shall not go into details with regard to the aggregate of our trade for the past four months, but may mention that imports of foodstuffs increased £21,700,000, of raw materials £37,200,000, and of manufactured articles (including miscellaneous Government stores) £38,150,000. On the other hand, exports of foodstuffs (biscuits, confectionery, tinned fish, and the like) fell nearly three millions, raw materials £1,765,000, and manufactured articles £1,767,000, in spite of a gain of £13,740,000 in cotton fabrics. Iron and steel manufactures have dropped £4,161,000, machinery £1,914,000, woollens £2,006,000, other textiles £1,660,000, apparel £1,360,000, and leather goods £867,000. It is a dismal tale, but when we consider that the external trade of the enemy has been entirely eliminated, and that in all human probability he will not recover more than a fraction of it for generations to come, we may be of good heart with regard to the future.

Figures of imports from and exports to the principal countries are included in the past month's returns, and we give a few of the more important items to show the trend of trade:—

#### QUARTER TO MARCH 31.

	Imports from.		Exports to.	
	1917.	1918.	1917.	1918.
Russia .....	1,082,000	1,136,000	7,763,000	73,000
Sweden .....	2,634,000	5,995,000	879,000	421,000
Norway .....	2,757,000	7,194,000	2,077,000	752,000
Denmark .....	2,747,000	1,005,000	1,956,000	461,000
Netherlands .....	6,263,000	4,583,000	5,738,000	3,745,000
Java .....	5,832,000	3,677,000	1,539,000	887,000
France .....	6,293,000	7,160,000	26,257,000	30,067,000
Switzerland .....	3,667,000	4,732,000	1,258,000	780,000
Spain .....	5,588,000	7,154,000	1,612,000	982,000
Italy .....	2,692,000	3,220,000	6,094,000	7,284,000
Japan .....	4,157,000	5,693,000	1,474,000	1,346,000
U.S.A. ....	73,685,000	106,526,000	9,658,000	6,525,000
Argentina .....	13,313,000	8,740,000	3,350,000	3,424,000
India .....	19,824,000	25,813,000	14,447,000	11,045,000
Australia .....	19,423,000	17,745,000	5,575,000	4,130,000
New Zealand .....	7,653,000	9,284,000	1,987,000	1,738,000
Canada .....	11,852,000	23,250,000	4,875,000	3,350,000
Egypt.....	12,335,000	18,172,000	3,494,000	6,940,000

It is not exactly a cheerful record, but it has its satisfactory features, and the way in which Canada and other Colonies have increased their exports and cut down their imports is encouraging from their own economic point of view. Of course, it is lamentable to see Russia left with a beggarly £73,000, but in the circumstances it is difficult to see how the situation can be helped. Pouring water into a sieve is a rather thankless job.

### By-the-Way War Notes.

Ever since we recorded the first big credit arranged by President Wilson's Government for the development of the American Air Service we have indulged in dreams. It was, indeed, not difficult to imagine such a growth of mastery in the air on the part of the Allies of the *Entente* as would, in the end, render all offensive on a large scale by the enemy impossible. The mustering of hosts, consisting of all the males of the nations tyrannised over by the Habsburg and Hohenzollern families, would then merely end in their destruction and all their vanity-blown displays of force—the only god they worship—would be brought to naught.

This dream has not yet been realised, but is it so very far from realisation? What is the meaning of the present delay in the German onslaught? It has been advertised enough, and de-

scriptive writers for the Press have inured us to the prospect of another battle of millions. It might break out any day—and a month has now elapsed since the smashing defeat administered to the Prussian hosts around Ypres. Nothing has filled this interval beyond continual raids, attacks, growing sometimes into formidable battles, here and there all along the line, made, when initiated by the foe, probably as attempts to find out the weak spot in the Allied lines, and almost invariably these attacks have ended in his defeat. The Germans are being cowed and demoralised more and more, yet the assault which is to end all in a Prussian triumph comes not.

No doubt time was required to recover from the effects of the latest Ypres defeat, just as it was after the equally smashing "checks" before Arras and Amiens. The weather, too, for part of the time has been against the Germans; but, making allowance for all hindrances, is it not the fact that we owe it to the increasing efficiency and the skill and ever-growing boldness of our Air Services that the German hosts have been paralysed, and remain paralysed to this hour, so far as any repetition of the March "drive" on the Somme is concerned? It is fascinating in the extreme to watch day by day how the Air Service of all the Allies is growing, and how surely it has obtained and holds the mastery over the enemy. From the first the French have led the way in this new mode of warfare, and they continue to display an energy and resource in it that excite the admiration of the world. But we also have been apt learners, and the Americans equally so. Consequently, at the present time there are on all the Western front centres of aeroplane offensives, whence French, American, and British squadrons proceed to pour destructive explosives on the enemy's massings of troops, on his lines of communication, on his provision and ammunition dumps, on his railways, and latterly on German towns on the Rhine where munition factories are situated or where are railway centres. This week, for example, Mannheim has been bombarded from the air for the seventh time, Cologne for at least the third time, and Coblenz for the second or third time. Also Saarbrücken, Landau, Metz, Thionville, and other places have been visited and punished as centres of military activities. So effective is this continual hail of destruction from the sky that it is producing demoralisation in Germany itself, the effect of which becomes visible in the lower efficiency of the enemy's resistance, whether in the air or on the ground. Our airmen destroy the enemy's aircraft with an ease and a thoroughness which is significant, and encourages the hope that we are beholding symptoms of the approaching end of his capacity to offer effective resistance, let alone to win a victory. From some of our raids our aeroplanes return damaged, and we lose a proportion, but always their losses are much greater than ours. The drain upon their steadily diminishing producing capacity must be approaching the unendurable.

A notable testimony to the marvellous growth of the capacity of our air fleets is given in the increased weight-carrying capabilities of our machines. They drop bombs by the ton weight every day they can fly, and although we may have no machines of the speed and carrying capacity of the latest German Gothas, that is probably because our chiefs are wise enough to know that their small but perfect and most efficient aeroplanes are far more useful and effective as weapons of offence than the monsters the German megalomaniac labours to produce.

What did his malignant raid last Sunday night on London cost him? It was the largest attack of them all, and contained some of the newest and biggest Gothas, reports say, and we commend it to those gentle-hearted lovers of Germany still amongst us, people who cannot clear their minds of the old conception of the German as a slobbery other-worldling, a sentimental creature full of vague benevolences in the abstract, especially of affection for cats and dogs, all which they have mistaken for the true spirit of humanity. These still tell us that there are good Germans alive—which we do not doubt, only they are mostly moral wilters—and that they are coming to the front in Germany itself, "ay, and even in the Army." "They are not dropping explosive shells upon us now nearly so much as they did at first, many of their shells don't now explode," one of these guileless beings opined to us the other day. Well, they killed 44 people, and injured 179 in the raid of last Sunday, so the majority of the shells dropped by the newest and largest Gothas, promiscuously and totally regardless of the mischief done, must have been sufficiently explosive. We have from the first put away all such sentimentality and trustfulness, and can only give credit to the Germans for an ingenuity in infamy and crime unexampled in the history of the world. And there is but one thing to be done—thrash them and destroy them until they submit and make atonement for their crimes.

And because this is our plain duty we are disposed to be grateful to the Germans for some things. They have taught us a few lessons which we probably could not have succeeded in winning the war without learning. They led the way in the manufacture of monster pieces of artillery, and perhaps in the devastating capacities of explosives. The Allies have overtaken them and are beating them in all that field, and we thank the brigands for putting us on our mettle. They were the first to employ poisonous gases with a light-hearted cruelty which shocked mankind, but this very brutality forced us to follow their example. And now it is by no means a wildly extravagant conception to ruminate on the day when our airships will rain liquid poison upon the enemy's hordes, and destroy them in masses, even as the hosts of Sennacherib were destroyed, in a night. After all, would not that be a more "civilised," or at

least a cleaner, method of putting the enemy out of pain than the clumsy one of tearing him to pieces or maiming him with shot and shell? The whole host would quietly slip into its last sleep, and there would be no hospitals required.

We know not whether we are now using liquefied poison gas upon the enemy's armies gathering up behind us, but it will surely be remiss on the part of our leaders if they neglect to do that to the full when opportunity arises. For surely the most imperative necessity lies upon the generals who now command our armies to conserve their manhood to the uttermost, while yet using them to repel the foe. And one way to conserve our men is to prevent the enemy from delivering those murderous onslaughts upon a gigantic scale by which he has twice this year tried to force his way into the heart of France—to the coast at Dunkirk, Calais, and Boulogne, or to Paris. At all hazards, and by every available means, we should strive, and are striving, to prevent a repetition of these onslaughts, and, if they cannot be finally stopped, so to deal with them when they are launched upon us as to render them futile.

Probably we shall have the great effort soon now if it is to come at all, because Germany cannot afford again to sit down and dig in as she did after the defeat of the Marne. That policy is going to prove Germany's ruin, and is the source of our never-failing confidence in Germany's defeat. It has already cost Germany the flower of her manhood, and before all is over will probably deprive her of quite half her population. Strive as the Prussian brigand foragers may to bring corn and butcher meat from the overrun territories in Poland and Russia, enough cannot be procured to half satisfy the hunger of the populations within the two doomed empires between now and next September. Austria is famished now, and Germany hardly in the least better fed. Therefore, behind the German hosts in France and Belgium, and behind the Austrians massed amongst the mountains of northern Italy, hunger stands prodding their leaders on as with spears of steel white hot. On they must come or perish. But if the Allied armies continue their present policy of increasing harassment along the front, and equally persistent destruction from the skies, it is still possible that the assaults may be delayed long enough for hunger within to bring down the two loathsome military tyrannies with a crash to the ground. It is a dream; we must not be deceived.

In any case, and at the worst, Germany is now being impelled to play her last stroke, for her time is at hand. We once more repeat that her defeat in the West and Austria's defeat by Italy will liberate Poland and Russia, Bohemia and Bosnia, Croatia and Dalmatia from the grip of the two tyrannies, restore Rumania also to freedom with enlarged borders, and accomplish the final expulsion of the Turk from Europe. These and many things hang upon the outcome of the Western conflict now raging day and night, and in all probability about to culminate in the final upheaval of the Tuetonic hordes for their destruction. This by no means implies that we should slacken our efforts on any of the battle fronts. It rather warns us to be up and doing, to give ourselves no rest until the duty laid upon us has been accomplished.

In some respects the monthly exhibit of the British, Allied and neutral loss of merchant tonnage issued by the Admiralty is decidedly encouraging. Taking quarter by quarter, in the June quarter ended June 13, 1917, 2,237,000 tons were sunk, of which 1,362,000 tons were British. In the September quarter 1,494,500 tons were sunk, of which 953,000 were British, and in the December quarter the total sinkings was 1,273,000 tons, of which 783,000 tons were British. These totals show a progressive diminution, and the first quarter of the present year is better still, for in that time only 1,143,000 tons were sunk, of which 695,380 tons were British. But the April figure is not so pleasant as the January one, so far as British shipping goes. In January of this year our own losses were 218,528 tons, and in April 220,709 tons. The total, however, for all countries was the best of any monthly exhibit shown, because only 84,393 tons of Allied and neutral shipping having been lost, so that the entire losses of the month of April were only 305,000 tons, and the lowest previous figure was 333,000 tons for November last. We are thus making progress in a manner that may be considered satisfactory, but the other side of the story, the making good side, is not quite so cheering, for our production of shipping is insufficient to meet, or half meet, the losses. However, we need not dwell upon that at present, because the workmen of the country are waking up to the danger, and America is also alive and stirring with excellent effect. Moreover, there must be a much more perfect organisation devoted to the handling of our shipping than there was, because in spite of the loss of tonnage there is a considerable increase in the capacity of vessels of 500 gross tons and over entering the United Kingdom ports from overseas. In January this capacity aggregated 6,337,000 tons, and was slightly less in February, it being a shorter month, but in March the total rose to 7,296,000 tons, and in April it was 7,040,000 tons. So we are not only overcoming the submarine piracy by fighting it, but learning to use more effectively the shipping still available.

We heard early in the week from the base behind our lines that the Germans had deliberately bombarded hospitals there, and murdered or maimed about 400 of the patients and their attendants. "It was done on purpose," we were assured, and we refused to believe it, held the tale to be at least much exaggerated. This attitude illustrates the hold superstition still has on the average mind, the superstition that Germans are human like the rest of mankind, and now on this Friday morning the horrible news is officially confirmed, and a German aircraft squadron leader explains that the blame was ours.

"What can you expect," says he, "if you place your hospitals on the lines of railways?" What, indeed? That callous mental attitude of impregnable indifference towards every humane consideration serves vividly to reveal the bestial degradation into which the Germans have sunk. Their inhumanity is reared on a foundation of abject servility, for the population of Germany is essentially a slave population, and out of an abject worship of privilege and power has been evolved an inhuman monster, devoid of all power of distinguishing between truth and falsehood, cruelty and brotherliness, and so suffused with the conceit of their own perfectness as to imagine that the more cruel they are the more will outside mankind admire and obey them.

**ARGENTINE LABOUR AND WEALTH.**—Our newspapers still describe the railway situation in Argentina as "chaotic," and the Government appears to have assumed an attitude of increased hostility towards the foreign companies which have provided it with railways. If persisted in, that attitude must interfere with the country's progress by drying up the supply of new capital. The Government, it seems, has insisted that all strikers shall be taken back, and all those who were taken on in their place dismissed. That is an extremely high-handed proceeding, and ought not to have been adopted without consultation with the directors of the companies. At the same time, we must not make too much of this action, nor forget that the railway companies have not been uniformly inspired by the desire to further the interests of the community. There are faults on the side of the railways, not usually alluded to in Europe, and provided the Government stops short of confiscation, and merely insists upon fair play, shareholders here might be disposed to acquiesce, grumbling, in official interference, especially as the country appears to be on the eve of a fresh outburst of speculation. It only requires the sea to be open and enough shipping available to carry its products away to be eager and ready to enter upon a fresh period of excessive and, it may be, dangerous prosperity. The latest circular of the British Bank of South America tells us that during March there was a rapid increase in the note circulation, stayed for the moment, however, by the limit fixed for deposits at the Argentine Legation in Washington. Only the labour troubles damp the sanguine spirit which appears to have been laying hold of the people. The banks are gorged with money which commerce is unable to absorb, and it is suggested that present conditions would be favourable for the issue of an internal loan to consolidate the national short-dated floating debt, or to collect spare capital to be devoted to the expansion of national industries. Argentina, in other words, is fundamentally prosperous at present, but the labour ferment on the railways continues, and the Government ought to join hands with employers to try and evolve some means of satisfying labour's fair requirements without confiscating property, instead of plunging in haphazard to scatter its orders about regardless of consequences.

**BRAZILIAN DEVELOPMENTS.**—The latest circular from the British Bank of South America, Ltd., has several interesting items of news from Brazil, not the least among which is some description of the efforts being made to develop new industries or sources of wealth inside the Republic. An attempt, for instance, has been made to find a substitute for jute, but that failed, and on its failure the authorities proceeded to experiment in the cultivation of jute itself. Jute and hemp to the value of nearly £1,000,000 sterling were imported last year to the port of Santos alone, so there is temptation to produce the fibres at home. Experiments are also being made in the direction of a substitution of pataua oil for olive. The pataua plant grows in the Amazon district, and its oil is said to be an excellent substitute. Arrangements are also being made to produce caustic soda in Brazil, and the Government has recently decreed that money shall be provided to enable the first three projected factories to be built and started. The money is to be advanced at 5 per cent. up to an extent of 75 per cent. of the estimated outlay, but the loans have to be liquidated within a maximum period of ten years by annual reductions. Great Britain and Germany in pre-war days supplied most of the caustic soda, and since then the United States, but Brazil means to try and produce it for itself. Coal has, it is reported, been found near Campinas, in the State of Sao Paulo. The vein is near the surface, and the coal is declared to be satisfactory. Should it prove to be a real deposit, the Paulista Railway Co. will possibly run a branch line to the mine. These changes are all in embryo or in the trial stage, but they show how thoroughly the war is stirring countries up to fall back on and make the most of their own resources. In the matter of paper-making, even, Brazil means to provide for its own wants, and a Norwegian company has recently received permission to make paper in Brazil, chiefly for newspapers, of which it is hoped that the total requirements may be provided for by the projected Pernambuco Paper Mills, Ltd.

The Standard Bank of South Africa, Ltd., announce that they have extended their premises to 27, Nicholas Lane, Lombard Street, E.C. 4, where the business of their stock, share, and coupon departments is now being conducted.

Sir Charles Mandelberg has sent us a pamphlet containing the names of about 250 firms representing various industries in all parts of the United Kingdom who have agreed to be associated with his proposals for increasing the British export trade. It is an interesting list, and we hope the scheme will evolve the good expected from it.

## Insurance News.

In common with several other first-class offices, the experience of the Alliance Assurance Co. in 1917 was unfavourable, so far as the fire business was concerned, for whereas the increase in the fire premium income was £146,946, at £1,516,105, the increase in claims was £157,388, at £640,735, the loss ratio being 42½ per cent., as compared with 35½ per cent. in 1916. Expenses were £32,836 heavier at £552,300, but the ratio was lower, namely, £36 8s. 7d. per cent., against £37 18s. 10d. per cent. The result was that the surplus was £43,278 less at £323,070. The fire fund has been increased by £58,779 to £2,185,797. In the life department, 1,193 policies were issued for £905,160 gross, a reduction of £128,305, the nett amount retained being £819,910, a decrease of £105,855. At £1,104,989, the nett total premium income was £26,247 lower, and at the close of the year the total funds were £17,946,532, or £353,151 less than a year ago. A surplus of only £52,619 was disclosed in the valuation of the Provident Life Fund for the five years to December 31 last. This poor result was due entirely to the depreciation, which exceeded £528,000, in the value of investments. The directors carry forward the whole of the surplus, but they propose to modify the method of allotting interim bonuses, so as to take account of the premiums paid during the five years.

Heavy losses were sustained by the Sun Insurance Office in the conflagration at Salonica, the claims in this connection, including adjustment expenses and exchange, absorbing £290,000, so that for 1917 the total fire losses came to £1,125,974, or £386,090 more than in 1916, the loss ratio being at the rate of 66.38 per cent. on the premiums received, which at £1,696,246 were £163,897 larger than in the previous year. There was a loss on the fire account of £61,992, as contrasted with a profit of £253,526 in 1916, and, after paying the usual dividend, the unappropriated balance was reduced by £241,560 to £185,415.

The fire experience of the Commercial Union Assurance Co. in 1917 was quite satisfactory, as nett fire premiums were £520,024 higher at £4,545,966, whereas claims were only £117,274 more at £2,198,745, the loss ratio working out at 48.36 per cent., as compared with 51.7 per cent. in 1916. After transferring £300,000, or £100,000 more, to profit and loss, the fire fund was increased by £480,789 to £4,711,852, while the marine premium income was less by £53,777 at £892,771 nett, claims were £27,388 higher at £595,590, and, after transferring £200,000, against £50,000, to profit and loss, the marine fund was left practically unchanged at £1,391,277. Nett accident premiums at £3,886,693 showed an expansion of £699,360, against which there was an increase of £388,965 to £1,998,478 in the claims paid and outstanding. In all, £800,000 was carried to profit and loss account from the fire, marine, and accident accounts. The new life business consisted of 2,720 policies for £1,661,822, as compared with 2,684 policies for £1,955,327. Claims by death were heavier, namely, £415,582, against £308,528. A total surplus (including interim bonuses of £34,635

already paid) of £252,211 was disclosed in the valuation for the five years. This sum was arrived at after writing off £419,594 for depreciation, while the war claims paid came to £268,173. No general distribution of profits is to be made, the balance carried forward being £217,576. Provision has been made for the payment of interim bonuses on policies which become claims before the next valuation.

Only 233 policies were issued by the old Equitable last year, assuring a nett amount of £220,624, this total being £109,074 less than in 1916. Claims by death were £71,519 less at £300,739. After writing off £52,500 for depreciation, the funds at the close of the year stood at £4,853,612—a decrease of £12,342. The gross rate of interest earned on the funds was 3s. higher at £4 19s. 6d. per cent.

In all departments the Royal Insurance Co. last year did remarkably well, and the dividend for the year was raised from 28s. per share to 30s., while the total funds were increased by £876,074 to £22,281,718. Nett fire premiums were £446,841 higher at £4,882,476, and as claims were only £194,007 more at £2,470,338, the resulting surplus was £150,414 higher at £717,362. In the marine section an increase of £389,372 to £2,154,057 in the nett premiums was accompanied by a reduction of £153,188 at £483,575 in the claims. The total nett premiums in the life department came to £14,060 more at £872,469, and the life funds were raised by £318,602 to £12,175,481. A year ago £500,000 was written off investments, whereas this year no such provision is necessary, but £550,000, against £300,000, is placed to general contingencies fund, and £577,994 is carried forward, against £771,877 a year ago.

Improved results are disclosed in the report of the Norwich Union Fire Insurance Society, the 1917 accounts showing an increase of £72,466 in the nett fire premium to £1,365,244. Nett claims at £671,841 represent 49.21 per cent. of the premiums, as against a loss ratio of 49.78 per cent. in 1916, and after adding £28,986 to the premium reserve, the fire fund at the end of the year was £1,546,097. In the accident account the premiums increased by £47,508 to £537,343, while claims amounted to £214,203, against £200,967, the surplus being £87,374, against £106,131. Marine premiums, including the balance brought forward, amounted to £562,796, as compared with £434,952, while claims and expenses were £251,316, against £194,978. The underwriting account for 1916 has been closed and the ascertained profit of £22,851 (against £37,989 for the previous year) is added to the additional reserve. A final dividend of 27s. a share, less tax, is now recommended, making the total distribution for 1917 42s. a share, an increase of 5s. per share as compared with 1916. After providing the usual reserves, the total underwriting profit with interest was £434,481, being the largest amount credited to profit and loss in any one year. Depreciation of investments for the year written off amounted to £52,919, and £272,118, or more than double the amount brought in, is carried forward.

## VILLAGE DEEP, LIMITED.

(Incorporated in the Transvaal.)

Issued Capital £1,060,671 in 1,060,671 Shares of £1 each.

## DIRECTORATE.

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Major R. W. FFENNELL. A. F. MULLINS.  
RICHARD R. HOLLINS. C. MARX.  
E. A. WALLERS, C.B.E. F. G. C. E. ROBELLAZ.  
Sir A. BAILEY, K.C.M.G., M.L.A. S. M. NELSON.

Extracted from the Annual Report for the year ended 31st December, 1917.

Tonnage milled—612,800.				Per ton milled	
Total Working Revenue	£914,017	2	6	£1	9
Total Working Costs	696,971	2	8	1	2
<b>Working Profit</b>	<b>£217,045</b>	<b>19</b>	<b>10</b>	<b>£0</b>	<b>7</b>
<b>Total Profit for the year</b>	<b>£225,773</b>	<b>17</b>	<b>3</b>		
Balance unappropriated at 31st December, 1916	124,069	12	11		
Unclaimed Dividends forfeited	16	12	3		
Profits previously appropriated, being net credit on Equipment for the year £11,049 3 9, less					
Expenditure on Equipment, £4,310 0 1	6,739	3	8		
Amount received under Bewaarplaats Moneys Application Act, 1917	5,618	11	0		
	<b>£366,217</b>	<b>17</b>	<b>1</b>		
This amount has been dealt with as follows:—					
Annuity in respect of Undermining Rights leased from Government..	10,093	0	0		
Government Taxes	23,704	4	8		
	<b>£33,797</b>	<b>4</b>	<b>8</b>		
<b>Dividends declared during the year—No. 18 of 7½ per cent. and No. 19 of 8½ per cent.</b>	<b>£382,420</b>	<b>12</b>	<b>5</b>		
	<b>172,359</b>	<b>0</b>	<b>9</b>		
Leaving a Balance unappropriated of	<b>£160,061</b>	<b>11</b>	<b>8</b>		
The Ore Reserve as at 31st December, 1917, is estimated as follows:—					
Main Reef Leader	1,837,800	6	6	53	
South Reef	36,200	8	0	55	
Total	<b>1,874,000</b>	<b>6</b>	<b>6</b>		

The full Report and Accounts (with Plan of Workings) may be obtained from the London Secretaries, A. MOIR and Co., No. 1, London Wall Buildings, London, E.C. 2.

<b>NATIONAL BENEFIT</b>		ASSURANCE CO., LTD.
<b>ASSETS EXCEED</b>		<b>£1,000,000.</b>
<b>Attractive LIFE, FIRE, ACCIDENT &amp; MARINE Policies.</b>		
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Managing Director: J. FRANCIS, J.P., F.S.S.		

## The Investors' Review.

### Money and Credit Notes.

**BANK RATE 5 PER CENT.** (Reduced from 5½ per cent. on Thursday, April 5, 1917.)

#### Norfolk House, Friday Evening.

There are no incidents in the Money market this week to dwell upon. Some Italian bills were sold in the end of last week at 3½ per cent., and arrangements were made in the middle of this week for placing a few more at the same rate. It is also announced that £1,000,000 of yearling Liverpool bills will be put up for tender next Tuesday. The buyers will pay for them on June 5. Throughout the week loans have been easy and abundant, with rates the same as before, except for call money, which was sometimes abundant enough at 2½ per cent., and never more than 3 per cent. Balances became more usable towards the end of the week, but without bringing any change in rates.

The Bank return shows that public deposits were depleted £3,023,000, and other deposits £6,220,000, by the repayment of £1,776,000 of loans on Government securities and of £8,218,000 on other securities credits. The reserve has increased £655,000 to £30,837,000, thanks entirely to an influx of bullion to the amount of £925,000. The note circulation expanded £270,000. Owing principally to the reduction in liabilities, the proportion of reserve has risen by 1½ to 18½ per cent.

A conference was held at the Treasury on Wednesday between the leading bankers and the Chancellor of the Exchequer to discuss the question of what steps might be taken by the banks to encourage the sale of National War Bonds. There is not much support for the suggestion, frequently canvassed of late, of making a further reduction in rates on deposits, in order to stimulate their withdrawal and investment in Government securities. It is felt that the margin of 2½ per cent. at present existing in favour of War Bonds over the rate allowed on deposits is sufficiently wide as to make it clear that a further widening of the margin would not induce those who prefer to keep large balances on deposit to change their policy. To these people it is obvious that some consideration other than that of the rate of interest influences them in keeping money on deposit at a substantial loss of interest. But a considerable amount of bank deposits are for fixed periods, and carry interest at from 4 to 5 per cent., and even more. These long deposits stand on a different footing, and the question of rendering these sums available for investment in Government securities has been discussed in banking circles. If an agreement could be come to among the banks to discontinue the practice of allowing rates of interest higher than that published, at present 3 per cent., there is no doubt that a considerable proportion of those funds would seek reinvestment in War Bonds or Treasury bills, especially if the banks would undertake to provide funds on special terms to the depositors to meet contingencies, for it is often to be prepared for these that firms and companies keep their money on deposit.

In several quarters in the City, however, it is felt that one reason for the falling off in War Bonds sales is that they have been on tap long enough, and have grown stale. A new form of War Bond is desired by those who have bought as many of the existing bonds as they care to have. Many people are advocating the issue of a low interest-bearing fixed-term bond on a 5½ per cent. basis. With the present high rate of tax, the capital appreciation on redemption would be a strong attraction.

Australia is about to raise another War Loan. Already, Mr. Watt, the Commonwealth Treasurer, informed the House of Representatives, £168,000,000 has been authorised, of which £149,000,000 has been subscribed, and power is now asked for to raise another £80,000,000 in 5 per cent. bonds, subject to taxation. This is indeed proof of the Commonwealth's solidarity with the Imperial Government in the war. For the current year the estimated expenditure is £84,000,000, and next year's outlay, i.e., the year July 1, 1918, to June 30, 1919, is put at a like figure. So the necessary borrowing is prudently arranged for now. Hitherto, added the Treasurer, only about 10 per cent. of Australia's wealth has been absorbed in the loans.

Quebec City has taken a new step in the art of borrowing, and we think it might be worth our own Government's while to inquire how it was done. Instead of going to the Money market to raise a loan the city authorities simply asked the citizens to

raise \$479,000, or £96,000, for civic purposes, and the response was in a few days \$408,000, or £82,000. The success of the loan, it is added, was chiefly due to working men and women. How were these people induced to subscribe? We should like to perform a similar feat here, but the Government evidently does not know how.

The *Vossische Zeitung* states that the eighth Austrian War Loan is to be issued forthwith at 93, bearing 5½ per cent. interest. How much is asked for? The newspaper does not say, and perhaps the Government itself does not know. And who is to subscribe? The poor, oppressed Jew bankers who manipulate the peoples kept in bondage by the Habsburg tyranny, or who?

A syndicate of German banks, headed by the Berliner Handelsgesellschaft and Messrs. Mendelssohn and Co., have contracted to negotiate a loan of £1,000,000 for the City of Frankfurt, with interest at 5 per cent., and Hamburg has decided to imitate to a like amount. The bonds, £2,000,000 in all, are to be offered in neutral countries, and no doubt the effort to sell them will enable the Israelitish and other banks within the Prussian dominions to form some conception of how the world looks upon German finance to-day.

In a recent issue of the *New York Evening Post* a Zurich correspondent of that paper gives some account of the state of Austrian currency which may be useful as a sort of index to the degradation of the Habsburg Empire, and all that relates to its power to keep on its legs. At the end of 1913 the note circulation was about £100,000,000. A year later it was more than twice that figure, or £208,000,000. By the end of last year this mass of paper had been heaped up to £728,000,000, or 18,440,000,000 kronen. What it may be now, who shall say? But we doubt if the entire visible balance of hard cash within the two greater States composing the empire could muster 1 per cent. cover for this mountain of paper. And there is no means whatever by which this insolvency can be mitigated except by bankruptcy or the destruction of the paper money wholesale. The exchange value of the krone, to be sure, may fall to a penny, and so wipe out most of the debt to the ruin of the State. Therefore the misery which Habsburg ambitions and subservience of the Austrian to the designs of the Prussian criminal lunatic is bringing upon the populations of the Austro-Hungarian Empire is something greater than the human mind can conceive. Were the Habsburgs to assert their independence of Berlin and to throw down their arms to-morrow, retreat into their own territories, and surrender all that the Jugo-Slavs, Italians, Bohemians, and other oppressed nationalities within their dominions demand, they could not avert the fate that is overhanging them. Austro-Hungary is a composite State not only bankrupt beyond hope, but famishing as well, and such a famine it is going to be as the world will be fascinated with horror to look upon. Already cannibalism is said to have made its appearance, but we need not believe that story yet. The victim populations will perish soon enough without that.

A prominent feature of the foreign exchange market this week has been a sharp recovery of 27½c. to 9.75½ in the Dutch rate. The Swiss exchange has also moved 12½c. in our favour to 19.37½, in connection with the arrangement of the British credit. An official Treasury minute dealing with the terms states that Barclay's, Lloyds, London City and Midland, and the London County, Westminster and Parr's will provide for the drawing and acceptance of three months' bills up to 100 million Swiss francs, renewable up to a total period of three years. The Italian lira has depreciated further, the pound sterling purchasing 43.20 lire, as against 43.05 lire last week. Stockholm has fallen to 13.87½ kr., but other Scandinavian rates have moved slightly in our favour. Montreal has fallen to \$4.81½, following the export of gold to the United States. Valparaiso has relapsed to 16½d., Buenos Aires 1d. to 51½d., and Montevideo ½d. to 64½d. The Uruguayan credit to Great Britain provides that, in addition to the loan of 15,000,000 gold pesos at 5 per cent. interest, the Banco de la Republica shall be authorised under the Act granting the credit to make further loans to private persons or corporations up to 8,000,000 pesos. Spanish exchange has declined to 16.89½ pesetas to the pound. The Finance Minister has just introduced proposals for replacing the silver currency as far as possible with gold currency. The minting of gold is to be resumed as from July, 1919, on an extensive scale, and the 25 pesetas notes are to be withdrawn from circulation. Superfluous silver coins will be demonetised and sold abroad, partly for the purpose of redeeming debt held abroad. It seems a rather curious use to make of Spain's plethora of gold. It would be more profitable to make use of the gold as a basis of making loans abroad at a high rate of interest than to indulge in the luxury of a gold coinage when it is so much more economical to use notes and token coins for home exchanges, and just as effective. Still, the Spanish bankers, who are unused to making foreign credits, will learn the business in time, and make considerable profits from it.

The Palatine Bank, a small Lancashire bank, whose office is in Manchester, has intimated that a call of 10s. per share will be made on its capital. This call amounts to £12,500, and brings up the capital account to £125,000 paid, or £5 a share with £15 per share of further liability, £10 of which can only be demanded in the event of liquidation.

#### SILVER.

Silver remains unchanged at 48¾d. per oz., but the Government has issued a notice extending to the United Kingdom the prohibition of hoarding of silver, which had already been proclaimed in Ireland. There it seems that the hoarding had

become conspicuous, absorbing an excessive portion of the metallic currency. Here we do not know that there has been any particular disposition to hoard, but all the same, the prohibition will do no harm. There is nothing new about the situation of silver in the East, but the stock in Shanghai has gone down 550,000 ozs. to 32,150,000 ozs. in sycee, and also \$400,000 to \$15,800,000. News comes through the Toronto correspondent of the *Times* that a group of financial houses in that city and Montreal have arranged to lend the Government of Ontario £600,000 (\$3,000,000). The new loan is redeemable in 10 years, and will bear 6 per cent. interest. It was tendered for at 99.49 per cent., and the money is to be used chiefly on constructing new hydro-electric plant at Chippawa.

## BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, May 22, 1918.

## ISSUE DEPARTMENT.

Notes Issued	£	Government Debt	£
.. .. .	80,492,620	.. .. .	11,015,100
		Other Securities .. .. .	7,434,000
		Gold Coin and Bullion .. .. .	62,042,620
		Silver Bullion .. .. .	—
	£80,492,620		£80,492,620

## BANKING DEPARTMENT.

Proprietors' Capital	£	Government Securities	£
.. .. .	14,553,000	.. .. .	55,580,732
Reserve .. .. .	3,125,106	Other Securities .. .. .	97,304,223
Public Deposits (including		Notes .. .. .	30,246,290
Exchequer, Savings		Gold and Silver Coin .. .. .	590,426
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	38,433,960		
Other Deposits .. .. .	127,600,432		
Seven Day and other Bills	19,173		
	£183,721,671		£183,721,671

Dated May 23, 1918.

E. M. HARVEY, Chief Cashier.

## BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year.	May 15,	May 22,	Increase.	Decrease.
May 23.	1918.	1918.		
£	£	£	£	£
3,174,592	Rest .. .. .	3,180,036	—	54,930
47,119,602	Pub. Deposits ..	41,457,354	—	3,023,394
431,604,304	Other do. .. ..	133,820,292	—	6,219,860
33,960	7 Day Bills ..	10,118	—	945
	Assets.		Decrease.	Increase.
45,044,406	Gov. Securities ..	57,316,732	1,736,000	—
216,610,607	Other do. .. ..	105,522,431	8,218,218	—
33,960,000	Total Reserve ..	30,181,637	—	655,079
			9,954,208	9,954,208
			Increase.	Decrease.
38,695,975	Note Circulation	49,976,550	269,780	—
55,076,420	Coin and Bullion	61,708,187	924,859	—
19 1/2 p.c.	Proportion ..	17 1/2 p.c.	1 1/4 p.c.	—
5	Bank Rate ..	5	—	—

PUBLIC INCOME AND EXPENDITURE.  
(For 7 days ended May 18.)

REVENUE.	EXPENDITURE.
£	£
Customs .. .. .	National Debt Service .. .. .
Excise .. .. .	Interest, &c., on War Debt .. .. .
Estate, &c., Duties .. .. .	Development & Road Impvt
Stamps .. .. .	Payments to Local Taxation .. .. .
Land Tax and House Duty	Other Consolidated Fund
Property and Income Tax	Charges .. .. .
Excess Profits Tax .. .. .	Supply Services .. .. .
Land Values .. .. .	Bullion Advances .. .. .
Post Office .. .. .	For Advance for Interest
Crown Lands .. .. .	on Exchequer Bonds under
Sundry Loans .. .. .	Capital Expenditure
Miscellaneous .. .. .	(Money) Act, 1904 .. .. .
Bullion advances repaid ..	For Treasury Bills .. .. .
For Treasury Bills for Supply	Other Debt under War Loan
3% Exchequer Bonds, 1930	Acts, 1914-16 .. .. .
5% Exchequer Bonds, 1922..	For War Loan and Ex-
6% Exchequer Bonds, 1920..	chequer Bonds under
National War Bonds .. .. .	Section 61 of Finance Act,
War Savings Certificates ..	1916, and Section 34, 1917
4% War Loan, 1929-1942 ..	Under Telegraph (Money)
5% War Loan, 1929-1947 ..	Act, 1913 .. .. .
Other Debts created under	Under Post Office (Lon-
War Loan Act, 1915, and	don) Railway Act, 1913 ..
Finance Act, 1916 .. .. .	Under Military Works Acts
Telegraph Money Act, 1913	Under Housing Act, 1914..
Under Post Office Rly. Act,	Public Buildings Expendi-
1913 .. .. .	ture Act, 1903 .. .. .
Under Military Works Act,	Old Sinking Fund, 1907-8..
1897-1903 .. .. .	Sinking Fund, 1910-11 ..
Under Public Buildings ..	China Indemnity .. .. .
Under Housing Act .. .. .	East African Loan .. .. .
Repayment of Advance for	Cunard Agreement Act ..
Interest on Exchequer	Expenditure Certificates ..
Bonds .. .. .	Depreciation Fund .. .. .
China Indemnity .. .. .	Suez Canal Drawn Shares..
East Africa Loan repay-	Temp. Advances Repaid 10,000,000
ments .. .. .	Increase in Exchequer
Suez Canal Drawn Shares..	balances .. .. .
Ways and Means Advances	
Decrease in Exchequer	
balances .. .. .	
£123,558,283	£123,558,283

\*Excluding sales through banks which have not yet been brought to account.

## LONDON BANKERS' CLEARING.

Date.	1918.	1917.	Increase.	Decrease.
January	2,073,224,000	1,865,125,000	208,099,000	£
February	1,605,654,000	1,779,524,000	—	173,870,000
March	1,784,836,000	1,492,825,000	292,011,000	—
April	1,446,306,000	1,403,902,000	42,404,000	—
May	378,749,000	364,965,000	13,784,000	—
" 8	384,904,000	406,840,000	—	21,936,000
" 15	392,971,000	338,984,000	53,987,000	—
" 22	293,509,000	332,276,000	—	36,767,000
Total ..	8,360,193,000	7,984,441,000	610,285,000	234,483,000

## CURRENCY NOTES.

Return of Currency Notes for the week ended May 22, 1918.

	Issued.	Cancelled.	Outstanding.
£1 notes .. .. .	£4,244,854	£1,812,428	£178,385,564
10s. notes .. .. .	1,271,639	841,890	39,799,517
Note certificates .. ..	270,000	—	29,010,000
Previous total .. .. .	913,590,200	669,527,336	—
	919,376,735	672,181,654	247,195,081

Ratio of gold held against notes, this week, 13.40 p.c.; last week, 13.23 p.c.

## FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	Apr. 19, 1918.	Apr. 12, 1918.	Apr. 20, 1917.
Gold coin and certificates ..	£97,765,800	£97,752,400	£66,030,400
Gold Settlement Fund ..	82,763,800	81,594,200	41,366,000
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks	191,029,600	189,846,600	107,396,400
Gold with Federal Res. Agent	170,964,400	171,409,800	83,707,600
Gold Redemption Fund ..	4,615,800	4,709,200	530,200
Total gold reserves ..	366,609,800	366,054,200	191,634,200
Legal tender notes, silver, &c.	13,011,600	12,944,800	4,892,400
Total reserves .. .. .	379,661,400	378,999,000	196,526,600
Bills discounted—Members' ..	161,609,000	142,561,400	5,947,400
Bills bought in open market	61,655,400	63,771,400	14,585,000
Total bills on hand .. .. .	223,264,400	206,332,800	20,534,400
U.S. Gov. long-term sec. ..	9,335,000	10,847,400	7,243,000
U.S. Gov. short term sec. ..	9,259,000	28,428,600	14,672,000
All other earning assets ..	658,600	754,200	3,067,800
Total earning assets .. .. .	242,517,000	246,363,000	45,515,200
Due from other Fed. Res. bks—n.	95,800	363,000	494,600
Uncollected items .. .. .	77,435,200	76,601,800	33,393,200
Total deducts. fm gross dep.	77,531,000	76,964,800	33,887,800
5% Red. Fund ag Fed. Res. bks	81,800	107,400	80,000
All other resources .. .. .	52,200	64,800	918,800
Total resources .. .. .	699,843,400	702,499,000	276,928,400
Capital paid in .. .. .	14,965,800	14,949,600	11,282,200
Surplus .. .. .	226,800	226,800	—
Government deposits .. ..	25,099,800	20,104,600	8,397,600
Due to members—Res. account	293,972,000	298,907,400	148,516,800
Collection items .. .. .	51,244,000	47,654,000	25,771,200
Other depts inc. For Govt. crds	17,664,400	17,054,200	—
Total gross deposits .. .. .	377,980,200	383,730,200	183,685,600
F.R. notes in actual circulat'n	302,857,400	299,875,400	82,871,400
F.R. bk nts in circn—nett liab.	1,579,000	1,600,000	—
All other liab. in for Govt. crds	2,234,200	2,117,000	89,200
Total liabilities .. .. .	699,843,400	702,499,000	276,928,400
Gold res. ag nett deposit liab.	63.6%	61.9%	72.2%
Gold res ag F.R. nts in act circ	58.0%	58.8%	101.6%
Ratio of gold res to nett dep.			
and F.R. nts liabilities combi-			
ned .. .. .	60.8%	60.3%	82.7%
Ratio of total res. to nett			
deposit and F.R. note li-			
abilities comb. ned .. .. .	62.9%	62.5%	84.8%

NEW YORK ASSOCIATED BANKS AND TRUST COMPANIES  
(dollar at 4s.).

	May 18, 1918	May 11, 1918	May 4, 1918	May 19, 1917
Loans, Discounts, etc. ..	£918,980,000	£906,310,000	£907,902,000	£724,280,000
Cash in Vaults of Members	—	21,906,000	21,138,000	—
Fed. Res. Bk. .. .. .	—	107,430,000	111,892,000	—
Aggregate Reserves .. ..	106,360,000	8,582,000	11,848,000	12,050,000
Excess Reserve .. .. .	9,908,000	743,134,000	752,010,000	715,612,000
Net Demand Deposits ..	—	35,912,000	36,812,000	39,648,000
Net Time Deposits .. .. .	—	70,766,000	66,626,000	—
U.S. Deposits Deducted ..	—	7,307,200	7,232,000	5,738,000
Circulation .. .. .	—	—	—	—

## BANK OF FRANCE (25 francs to the £).

	May 23, 1918.	May 16, 1918.	May 10, 1918.	May 24, 1917.
Gold in hand .. .. .	£133,785,120	£133,754,840	£133,731,960	£129,416,600
Silver in hand .. .. .	10,219,480	10,249,800	10,233,000	10,299,720
Bills discounted .. .. .	43,152,680	43,655,760	47,095,960	18,495,800
Advances .. .. .	37,507,000	39,717,160	39,960,240	45,138,120
Note circulation .. .. .	1,083,925,520	1,082,561,120	1,080,473,440	775,780,360
Public deposits .. .. .	2,619,880	3,582,400	1,873,760	3,248,200
Private deposits .. .. .	126,485,720	120,718,320	122,081,200	95,152,560
Foreign Bills .. .. .	334,520	287,360	284,760	47,800

Proportion between bullion and circulation 20.32 per cent., against 20.87 per cent. last week. Advances to the State £658,000,000, increase £48,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £19,165,640, decrease £38,800, and at the branches £24,318,800, decrease £50,080.

## BANK OF SPAIN (25 pesetas to the £).

	May 11, 1918	May 4, 1918	April 27, 1918	May 12, 1917
Gold .. .. .	£82,081,411	£81,684,725	£81,589,031	£56,597,053
Silver .. .. .	28,152,710	28,200,850	28,415,957	29,978,609
Foreign Bills .. .. .	3,880,170	3,840,631	3,838,743	3,705,575
Discount and Short Bills ..	30,359,143	30,522,723	29,895,505	32,200,983
Treasury Account, &c. ..	25,121,638	24,982,402	25,085,924	25,252,718
Notes in Circulation .. ..	118,043,430	117,755,436	116,431,718	97,558,182
Current Accounts, Deposits	36,261,232	35,300,191	35,406,764	30,473,441
Dividends, Interests, &c. ..	1,376,714	1,657,095	1,911,139	1,102,502
Government Securities ..	2,465,340	3,081,971	3,169,189	8,475,466

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	May 15, 1918.	May 7, 1918.	April 30, 1918.	May 15, 1917.
	£	£	£	£
Total Coin & Bullion	123,290,950	123,247,750	123,239,800	127,742,150
Treasury Notes	77,792,300	77,577,250	76,759,750	22,998,100
Bills discounted	727,310,450	678,879,400	694,389,400	463,889,650
Advances	302,800	303,500	435,500	502,930
Note circulation	590,193,500	590,116,600	591,039,650	410,314,950
Deposits	387,668,500	342,852,200	352,750,250	229,634,100

Clearing House return during March £459,875,355, against £420,879,905 in February.

## NETHERLANDS BANK (12 Florins to the £).

	May 18, 1918.	May 11, 1918.	May 4, 1918.	May 19, 1917.
	£	£	£	£
Gold and Silver	60,583,083	60,772,000	60,763,666	50,275,750
Bills and Advances	16,527,415	18,080,500	20,062,750	14,709,666
Note circulation	78,131,916	79,564,583	81,297,250	63,349,833
Deposits	4,938,333	4,858,750	5,072,333	4,719,250

## SWISS NATIONAL BANK (25 francs to the £).

	May 15, 1918.	May 7, 1918.	April 30, 1918.	May 15, 1917.
	£	£	£	£
Gold and silver	17,307,276	17,289,952	17,293,936	15,753,836
Bills	11,041,732	12,022,916	11,559,972	6,110,324
Note circulation	27,248,168	27,904,152	28,008,604	20,272,944
Current and deposit accounts	4,058,496	4,181,088	3,315,280	3,587,072

## BANK OF SWEDEN (18 kroner to the £).

	Apr. 13, 1918.	Apr. 6, 1918.	Mar. 30, 1918.	Apr. 14, 1917.
	£	£	£	£
Gold	14,327,000	14,331,000	14,337,000	10,727,000
Balance abroad and Foreign Bills	7,538,000	7,307,000	7,306,000	7,358,000
Swedish and Foreign Govt. Securities	3,901,000	3,974,000	3,920,000	3,250,000
Discounts and Loans	15,675,000	15,769,000	15,844,000	9,160,000
Notes in circulation	33,855,000	34,662,000	35,037,000	23,337,000
Deposits at notice	7,168,000	6,552,000	7,062,000	7,315,000

## BANK OF ITALY (25 lire to the £).

	Feb. 23, 1918.	Feb. 20, 1918.	Feb. 10, 1918.	Mar. 1, 1917.
	£	£	£	£
Total cash	43,772,240	38,300,440	43,004,880	43,538,560
Inland Bills	29,816,360	29,404,200	29,467,480	21,217,640
Foreign Bills	807,360	887,840	4,426,000	838,920
Advances	24,284,480	20,564,920	22,346,440	19,412,400
Government securities	8,795,840	8,513,240	8,806,160	8,697,520
Circulation	267,249,200	264,926,160	263,291,560	154,630,760
Deposits at notice	33,884,520	38,043,120	35,555,840	19,255,960
Current accounts	20,190,520	21,712,640	19,574,560	11,422,640

## BANK OF NORWAY (18 kroner to the £).

	April 30, 1918.	April 22, 1918.	April 15, 1918.	April 30, 1917.
	£	£	£	£
Gold	6,733,000	6,734,000	6,735,000	7,165,000
Balance abroad and Foreign Bills	3,645,000	3,590,000	3,648,000	4,117,000
Gov't Securities	712,000	713,000	713,000	706,000
Discounts & Loans	18,416,000	18,450,000	18,572,000	12,438,000
Notes in Circulation	19,741,000	19,726,000	19,675,000	15,685,000
Deposits at notice	6,445,000	6,457,000	6,736,000	6,703,000

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	May 16, 1918.		May 23, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam	Cable transfers	9.32	9.37	9.45	9.50
Paris	Cable transfers	27.13	27.18	27.13	27.18
	Three months' bills	27.53	27.58	27.53	27.58
Switzerland	Cable transfers	18.90	19.05	19.18	19.28
	Three months' bills	19.15	19.40	19.53	19.63
Genoa, &c.	Cable transfers	41.05	43.15	43.20	43.30
Spain	Cable transfers	16.95	17.05	16.85	16.95
	Three months' bills	65 1/2	66 1/2	66 1/2	66 1/2
Lisbon and Oporto	Cable transfers	29 1/2	30 1/2	30 1/2	31 1/2
Copenhagen	Cable transfers	15.07	15.17	15.10	15.20
Christiania	Cable transfers	15.03	15.13	15.00	15.10
Stockholm	Cable transfers	13.75	13.85	13.72	13.82

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of £	Last Week.	This Week.
Paris, cheques	Francs to £1	25.22 1/2	27.14 1/2	27.16 1/2
Amsterdam, cheques	Florins to £1	12.107	9.30	9.60 1/2
Italy, sight	Lire to £1	25.22 1/2	43.08	43.21 1/2
Madrid, sight	Pesetas to £1	25.22 1/2	16.95	16.80
Lisbon, sight	Pence to milreis	53 1/2 d.	30 1/2 d.	31 d.
Switzerland, sight	Francs to £1	25.22 1/2	18.35	19.27 1/2
Christiania, sight	Kroner to £1	18.159	15.01 1/2	15.03 1/2
Stockholm, sight	Kroner to £1	18.159	13.64 1/2	13.82 1/2
Copenhagen, sight	Kroner to £1	18.159	15.11 1/2	15.16 1/2
Petrograd, sight	Roubles to £10	94.57	nom.	nom.
Alexandria, sight	Piastres to £1	97 1/2	97 1/2	97 1/2
Bombay, T.T.	Sterling to rupee	1/4	1/5 1/2	1/5 1/2
Calcutta, T.T.	Sterling to rupee	1/4	1/5 1/2	1/5 1/2
Hong Kong, T.T.	Sterling to dollar	—	3/16	3/16
Shanghai, T.T.	Sterling to tael	—	4/6	4/6
Singapore, T.T.	Sterling to dollar	—	2/3 1/2	2/3 1/2
Yokohama, T.T.	Sterling to yen	21.58 d.	2/23	2/23
New York, cable	Dollars to £1	4.86 1/2	4.76 1/2	4.76 1/2
Buenos Aires, T.T.	Pence to dollar	—	52 1/2 d.	51 1/2 d.
Valparaiso, 90 days	Pence to peso	—	16 1/2 d.	16 1/2 d.
Montevideo, T.T.	Pence to dollar	—	65 1/2 d.	65 1/2 d.
Rio de Janeiro, 90 days	Pence to milreis	16 d.	13 1/2 d.	13 1/2 d.

## OPEN MARKET DISCOUNT.

	Last week.	This week
	Per cent.	Per cent.
Thirty and sixty day remitted	3 1/2-3 3/4	3 1/2-3 3/4
Three months	3 1/2	3 1/2
Four months	3 1/2	3 1/2
Six months	3 1/2	3 1/2
Three months fine inland bills	4 1/2	4 1/2
Four months	4 1/2	4 1/2
Six months	4 1/2	4 1/2

## BANK AND DEPOSIT RATES.

	Last week.	This week
	Per cent.	Per cent.
Bank of England minimum discount rate	5	5
" short loan rates	—	—
Bankers' rate on deposits	3	3
Bill brokers' deposit rate (call)	3	3
" 7 and 14 days' notice	3 1/2	3 1/2
Current rates for 7 day loans	3 1/2	3 1/2
" for call loans	2 1/2-3	2 1/2-3

## The Week's Stock Markets.

There are times when even the enthusiasts on the Stock Exchange like to take a rest, although their natural inclination—given the smallest encouragement—is always to go at full pressure until the safety valve blows out. It is an amiable weakness, judged from the broadest standpoint, and if the public occasionally suffer from cold feet after standing on the edge of Shorters Court it is at least arguable that the advantages of organised guidance to speculation, such as the Stock Exchange affords, far outweigh the individual losses that necessarily occur from time to time. At present neither professional operators nor outsiders seem keen to plunge deeply; the barometer is not at set fair, and although there have been glorious days a cold biting snap follows. On the whole, the tone has been wonderfully cheerful. London did not show the smallest sign of panic after the latest air-raid, and the unspeakable infamy of bombing our hospitals in France merely harden our determination to abolish this evil thing off the face of the earth whatever the cost may be. The wild-cat cubs of the Kaiser in Coblenz, Cologne, Mannheim, &c., are already squealing for mercy, and that is a hopeful sign, coupled with the total failure of the Hun offensive on the Western front to develop. So we may be of good cheer, although the cost is terribly heavy. Home Railway and Foreign Government stocks have been particularly well supported, and perhaps there is no better indication as to the real views of the best-informed community in the world, notwithstanding the disabilities under which it has to work at present. Let us leave it at that; the darkest hour is generally nearest the dawn.

There was no accumulation of business over the holiday to encourage much enthusiasm on the Stock Exchange, and, as a matter of fact, the record of transactions on the first business day of the week was lower than for some considerable time past. Nevertheless, the tone was generally cheerful, owing to the delay in the long-advertised German offensive, and the minor incidents of savagery which have taken place do not affect the military position. War Loans were well supported in a modest fashion, and Indian issues improved a good fraction. Colonial Loans, however, were scarcely mentioned, and the movements have been quite insignificant in this particular section. South American issues have come into strong demand, and such things as Colombians, Uruguays, and Venezuelans have advanced 2 to 3 points. Brazilians also were good, and in other directions French War Loans, Greek 4 per cents., Spanish Fours, Japanese, and Chinese issues all advanced substantially, and almost the only weak spot was a further slight reaction in Russians.

Home Railways have been particularly well supported. Of course the dividend period is approaching, but that by itself would not help matters at the moment if it were not for the fact that the figures disclosed in various official reports seem to indicate that the companies will be able to command better treatment from the Government after the war than seemed at one time probable. Americans have not been conspicuous, and while Erie preference lost a point International Mercantile Marine rose smartly on the report that the fleet is to be resold to British interests. Canadian Pacifics scarcely moved, but Grand Trunks have been exceptionally strong, with advances ranging up to as much as 5 points on the guaranteed in the expectation that the negotiations for the expropriation of the company will be more favourable to the shareholders than the first Railway Commission suggested. Canadian Northern income debentures advanced a couple of points, and Mexican Rails also were very good. Argentine Rails have been irregular with a dull tendency, owing to fresh outbreaks of labour troubles, but nobody pays very much attention to the daily fluctuations in this market. Antofagasta had a very sharp spurt, which carried the price up 5 points or more, and San Paulo also improved.

Bank shares were not much in evidence except as regards the Eastern group, which were in strong demand owing to the excellent reports that have recently been issued by Indian, Chinese, and Japanese companies. Bank of Australasia also advanced, but Home Banks had nothing much to boast about. Breweries opened quietly, but later developed strength in the direction of such speculative stocks as Watney Combe, Allsopp and City of London, but there was a fair demand for some of the lower priced debentures. Nothing occurred in the Land section, and Egyptian securities were only just steady. Iron

and Steel shares, as a rule, showed considerable strength, and Metropolitan Carriage advanced a good fraction on the excellent report. Nitrates were dull and irregular, but in the Shipping

except for a slight decline in Coats the changes are quite insignificant. Miscellaneous Industrials were firm as a rule, but no change of any importance or significance occurred.

Oil shares generally showed a firmer tendency, as might have been expected, and Anglo-Egyptians, Mexican Eagles, and "Shells" were in demand, but Ural Caspians and a few of the other more speculative classes were inclined to give way. The tone in the Rubber market has been decidedly dull, and the people who bought some time ago for an immediate advance are now rather anxious to jettison their bargains. Prices have consequently been on the down grade, and with the price of the commodity steadily giving ground it is almost surprising that the selling pressure has not been much more pronounced.

## LONDON PRODUCE MARKETS.

The markets displayed no fresh feature during the period under review, and, with holiday influences apparent, business moved quietly in all directions.

SUGAR remained unaltered, with fair allocations of British refined goods.

COFFEE.—There is a good inquiry for all mild liquoring sorts on

## CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING MAY 24, 1918.

	Last Week.	This Week.		Last Week.	This Week.
Consols.....	56 1/2	56 1/2	N.S.W. 5%, 1921-3 .....	99 1/2	99 1/2
War Loan 3 1/2% .....	87 1/2	87 1/2	" 5 1/2%, 1920-2 .....	99	99
" 4 1/2% .....	90 1/2	90 1/2	" 5 1/2% Debs. ....	102 1/2	102 1/2
" 5% 1920-17 .....	93 1/2	93 1/2	New Zealand 4%, 1920 ..	86 1/2	86 1/2
" 4%, 1920-42 .....	101 1/2	101 1/2	Queensland 4%, 1920-5 ..	93	93
India 3% .....	55 1/2	55 1/2	S. Australian 5%, 1922-7 ..	99 1/2	99 1/2
" 3 1/2% .....	63	63	Union of S. Africa 4 1/2% ..	94	94
Australian 5 1/2%, 1920-22 ..	99 1/2	99 1/2	1920-5 .....	94	94
Canada 4%, 1940-60 .....	80	80	Victoria 4 1/2%, 1920-5 .....	93 1/2	93 1/2
" 4 1/2%, 1920-5 .....	94	94	Westn. Aus. 4% .....	79	79
Argentine 5% 1886 .....	98 1/2	98 1/2	French War Loan, 5% .....	77 1/2	77 1/2
Belgian 3% .....	63	63	Japan 4 1/2% (1st), 1905 .....	95	95 1/2
Brazil, 1913 .....	69 1/2	70	" 5%, 1907 .....	89	89
" 5%, 1914 .....	84 1/2	85	Mexican 5%, 1899 .....	52 1/2	52 1/2
Chinese 1896 .....	92	93	Russia 4% .....	32 1/2	32 1/2
" 1912 .....	79	81	" 4 1/2%, 1909 .....	37	37 1/2
Egypt Unified 4% .....	87	87	" 5%, 1906 .....	44	44
Caledonian defd. ....	9 1/2	9 1/2	London and N.-W. ....	89	89 1/2
Gt. Central pr. ....	12 1/2	13	London and S.-W. defd. ....	22	22 1/2
" defd. ....	6 1/2	6 1/2	Metropolitan .....	20 1/2	20 1/2
Gt. Eastern .....	35	35 1/2	Met. District .....	14	14 1/2
Gt. Northern defd. ....	35 1/2	35 1/2	Midland defd. ....	55 1/2	56
Gt. Western .....	84	85	Nth. British defd. ....	13 1/2	13 1/2
Lancs. and Yorks. ....	65	65	Nth.-Eastern .....	94 1/2	95
London Brighton defd. ....	56	56	Sth.-Eastern defd. ....	27 1/2	27 1/2
London Chatham ord. ....	8 1/2	8 1/2			
Canadian Pacific .....	158 1/2	158	Chesapeake .....	62	62
E. Indian Guar. 4 1/2% debs. ....	84	84	Erie .....	18 1/2	18 1/2
Grand Trunk ord. ....	9	9 1/2	Southern .....	26 1/2	26
Do. 1st pf. ....	50	55 1/2			
Do. 3rd pf. ....	19	21 1/2			
Antofagasta defd. ....	148	154	Leopoldina .....	36	38 1/2
B. A. & Pacific .....	42 1/2	42 1/2	Mexican ord. ....	17 1/2	18
B. A. Gt. Southern .....	67 1/2	67 1/2	San Paulo (Brazilian) .....	184	186
B. A. Western .....	67 1/2	66 1/2	United of Havana .....	72 1/2	72 1/2
Cent. Argentine ord. ....	59	58 1/2			
Anglo-South American ..	8	8	London & Brazilian .....	24 1/2	24 1/2
Bank of Australasia .....	119	120	London City & Midland ..	7 1/2	7 1/2
Bank of N.S. Wales .....	35 1/2	35 1/2	London County & Westk. ....	15 1/2	15 1/2
Barclay & Co. "A" .....	78	78	London Joint Stock .....	29	29
Do. "B" .....	122	122 1/2	Nat. Prov. (£10 pd) .....	25 1/2	25 1/2
Capital & Counties .....	27 1/2	27 1/2	Do. (£12 pd) .....	30	30
Chartered of India .....	75 1/2	76 1/2	Standard of S.A. ....	11 1/2	11 1/2
Hongkong & Shanghai ..	85	86	Union Discount .....	10 1/2	10 1/2
Lloyds .....	25	25			
Armstrong, Whitworth ..	41 1/2	41 1/2	Kynochs .....	41 1/2	40 1/2
Birmingham Small Arms ..	63 1/2	64 1/2	Mond Nickel ord. ....	38	38
Camell-Laird .....	6 1/2	6 1/2	Nobel, £1 .....	72 1/2	72 1/2
Cargo Fleet .....	26 1/2	25 1/2	South Durham Steel .....	43 1/2	45 1/2
Davis, D., & S. ....	11 1/3	11 1/3	Thornycroft .....	38 1/2	38 1/2
Dorman, Long .....	36 1/2	36 1/2	Vickers .....	41 1/2	41 1/2
Associated Cement .....	3 1/2	3 1/2	Forestral Land .....	47 1/2	47 1/2
Borax defd. ....	37 1/2	38 1/2	Hudson's Bay .....	7 1/2	7 1/2
Bovril .....	21 1/2	21 1/2	Imperial Tobacco 'C' pf. ....	32 1/2	32 1/2
British Amer. Tobacco pf. ....	18 1/2	18 1/2	Lever Bros. "C" pf. ....	32 1/2	20 1/2
British Aluminium .....	31 1/2	32 1/2	Lyons, J. ....	3 1/2	4
British Oil & Cake .....	32 1/2	32 1/2	Marconi .....	38	38
Brunner, Mond .....	1 1/2	1 1/2	Maypole Dairy defd. ....	16 1/2	16 1/2
Caster-Kellner .....	38	38	Pears, A. & F. ....	1 1/2	1 1/2
Eastern Telegraph .....	154 1/2	154 1/2	Underground Inc. Bds. ....	77	77
Kastmans .....	10 1/2	11 1/2			
Cunard .....	42	4 1/2	Coats .....	5 1/2	5 1/2
Furness, Withy .....	63 1/2	66 1/2	Courtaulds .....	78 1/2	78 1/2
P. & O. defd. ....	334 1/2	336 1/2	English Sewing Cotton ..	52 1/2	54 1/2
Royal Mail .....	122	126	Fine Cotton Spinners ..	33 1/2	34 1/2
			Harrods Stores .....	2 1/2	2 1/2
Anglo Argentine 1st Pf. ....	23	23	Demais Bros. ....	36 1/2	36 1/2
Brazil Traction .....	42	43	National Steam Car. ....	18 1/2	18 1/2
Darracq .....	33 1/2	33 1/2	Rolls-Royce .....	2	2
Anglo-Egyptian "B" .....	35 1/2	36 1/2	Shell .....	6 1/2	6 1/2
Burmah .....	78	78	Spies (10/-) .....	71	71
Lobitos .....	12 1/2	12 1/2	Trinidad Leaseholds ..	34 1/2	34 1/2
Mexican Eagle pf. ....	3 1/2	3 1/2	Ural Caspian .....	1 1/2	1 1/2
North Caucasian .....	8 1/2	8 1/2	Venezuelan .....	1 1/2	1 1/2
Roumanian Cons. ....	9 1/2	9 1/2			
Allagar 2/- .....	3 1/2	3 1/2	Perak 2/- .....	7 1/2	6 10 1/2
Anglo-Dutch, £1 .....	28 1/2	28 1/2	Port Dickson 2/- .....	3 1/2	3 1/2
Anglo-Java Rub. 2/- .....	5 10 1/2	5 10 1/2	Rub. Estates Krian 2/- ..	3 1/2	3 1/2
Anglo-Malay 2/- .....	13 1/2	13 1/2	Rubber Trust £1 .....	24 1/2	23 1/2
Ayer Kuning £1 .....	45 1/2	45 1/2	Sampang (Java) 2/- .....	2 1/2	2 1/2
Brit. N. Borneo Trust £1 ..	16 1/2	16 1/2	Seaport £1 .....	25 1/2	25 1/2
Bukit Cloh 2/- .....	4 1/2	4 1/2	Sengat 2/- .....	2 1/2	2 1/2
Bukit Mertajam 2/- .....	4 1/2	4 1/2	Seremban £1 .....	32 1/2	34 1/2
Bukit Sembawang 2/- .....	3 1/2	3 1/2	Sialang £1 .....	61 1/2	57 1/2
Carey United £1 .....	40 1/2	39 1/2	Singapore Para 2/- .....	4 1/2	4 1/2
Chersonese .....	3 1/2	3 1/2	Singapore United 2/- ..	2 10	2 10
Chevi 2/- .....	5 1/2	5 1/2			
Dalkeith 2/- .....	2 1/2	2 1/2	Patating 2/- .....	40 1/2	39 1/2
Grand Central £1 .....	24 1/2	26 1/2	Straits Bertam 2/- .....	5 10 1/2	5 10 1/2
Highlands £1 .....	56 1/2	55 1/2	Sumatra Para 2/- .....	7 10 1/2	7 10 1/2
Java Investment £1 .....	24 1/2	23 1/2	Sungei Bahr £1 .....	36 1/2	35 1/2
Johore Rubber Lands £1 ..	26 1/2	28 1/2	Taipang 2/- .....	3 10 1/2	3 10 1/2
Kamunin 2/- .....	3 1/2	3 1/2	Tanjong £1 .....	80 1/2	77 1/2
Kinta Kellas 2/- .....	3 1/2	3 1/2	Tanjong Malim £1 .....	30 1/2	30 1/2
Labu 2/- .....	8 1/2	8 1/2	Tebrau £1 .....	60 1/2	58 1/2
Langen Java £1 .....	37 1/2	36 1/2	Telorejo £1 .....	39 1/2	39 1/2
Linggi 2/- .....	24 1/2	23 1/2	Tempeh 2/- .....	2 1/2	2 1/2
London Asiatic 2/- .....	8 1/2	7 10 1/2	United Serdang 2/- .....	9 10 1/2	9 10 1/2
Malayalam £1 .....	36 1/2	36 1/2	Val d'Or 2/- .....	3 1/2	3 1/2
Merlimau 2/- .....	5 1/2	5 1/2	Vallambrosa 2/- .....	19 1/2	19 1/2
Bechuanaland Exp. ....	7 1/2	7 1/2	Kyshitim .....	8 1/2	8 1/2
Brakpan .....	4 1/2	4 1/2	Mashonaland Agency ..	6 1/2	6 1/2
Broken Hill Prop. (8/-) ..	67 1/2	67 1/2	Meyer & Charlton .....	4 1/2	4 1/2
Cam & Motor .....	10 1/2	11 1/2	Modder "B" .....	7 1/2	7 1/2
Central Mining (£12) .....	6 1/2	6	Do. Deep .....	7 1/2	7 1/2
Chartered .....	15 1/2	15 10 1/2	Mysore .....	2 1/2	2 1/2
City Deep .....	3 1/2	3 1/2	Nigerian Tin .....	1 1/2	1 1/2
Cons. Gold Fields .....	33 1/2	33 1/2	Pahang (3/-) .....	12 1/2	12 1/2
Cons. Langlaagte .....	16 1/2	17 1/2	Rand Mines (5/-) .....	2 1/2	2 1/2
Crown Mines (10/-) .....	1 1/2	1 1/2	Renong .....	2 1/2	2 1/2
De Beers d.d. (£2 10/-) ..	12 1/2	13	Rio Tinto (£5) .....	66 1/2	66 1/2
East Pool (5/-) .....	30 1/2	29 1/2	Russo-Asiatic .....	2 1/2	2 1/2
East Rand .....	4 1/2	4 1/2	South Crofty (5/-) .....	54 1/2	54 1/2
Geduld .....	2 1/2	2	Spring Mines .....	3 1/2	3 1/2
Geevor (10/-) .....	25 1/2	25 1/2	Tanganyika .....	3 1/2	3 1/2
Gov. Areas Mod .....	3 1/2	3 1/2	Tanayik .....	3 1/2	3 1/2
Gt. Boulder (2/-) .....	11 1/2	11 1/2	Van Ryn Deep .....	3 1/2	3 1/2

group Royal Mails, P. and O. deferred, and Furness, Withy all improved materially. Textiles were almost neglected, and

the spot, but inferior descriptions proved slow of sale. Auctions were of moderate extent. Futures remain in the same lifeless state, and quotations nominally unaltered.

Cocoa in steady request at graded prices, but offers are very sparingly made.

—	Last Week.	This Week.	—	Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 25/8, 98% polarisation	£ s. d.	£ s. d.	<b>Wool</b> —per lb. A u s t r a l i a n	£ s. d.	£ s. d.
Tate's Cubes ..	3 4 9	3 4 9	Scoured Merino	nom.	nom.
Crushed. . . .	3 4 9	3 4 9	Scoured Cr'ssbr'd	nom.	nom.
Granulated ..	2 17 9	2 17 9	Greasy Merino ..	nom.	nom.
Lyle's granulated	2 17 9	2 17 9	Greasy Crossbred	nom.	nom.
Foreign granu- lated, first marks			New Zealand	nom.	nom.
f.o.b., spot	nom.	nom.	(scoured) Merino	nom.	nom.
German Cubef.o.b.	nom.	nom.	Greasy Crossbred	nom.	nom.
French Cube			Cape snow white	nom.	nom.
prompt	nom.	nom.	<b>Indiarubber</b> p. lb		
Crystallised, West			Plantation, Spot		
India .. . .	2 17 9	2 17 9	Crepe .. . .	0 2 3	0 2 2½
Beet, 88% f.o.b.	nom.	nom.			
<b>Tea</b> —per lb., duty	s. d. s. d.	s. d.	<b>Coal</b> —per ton		
1/- lb.			Durham, best ..	nom.	nom.
Indian Pekoe ..	1 4	1 4	Seconds ..	nom.	nom.
Broken ..	1 4	1 4	East Hartlepool ..	nom.	nom.
Orange ..	1 4	1 4	Seconds ..	nom.	nom.
Broken ..	1 4	1 4	Steam, best ..	32 6	32 6
Pekoe Souchong	1 4	1 4	Seconds ..	29 6	29 6
Ceylon Pekoe ..	1 4	1 4			
Broken ..	1 4	1 4	<b>Lead</b> —per ton.	£ s. d.	£ s. d.
Orange ..	1 4	1 4	English Pig ..	nom.	nom.
Broken ..	1 4	1 4	Foreign soft, net	£29½-£28½	£29½-£28½
Pekoe Souchong	1 4	1 4	<b>Quicksilver</b> —per bottle firsthand	nom.	nom.
<b>Cocoa</b> —per cwt.	s. d. s. d.	s. d. s. d.	<b>Tin</b> —per ton		
duty 6d. per lb.			English Ingots ..	nom.	nom.
Trinidad—per cwt.	86 0 90 0	86 0 90 0	Do. bars ..	nom.	nom.
Grenada ..	79 0 85 0	79 0 85 0	Standard cash ..	£364	£355
West Africa ..	55 0 65 0	55 0 65 0	Tin Plates, per box	nom.	nom.
Ceylon Plantation	85 0 100 0	85 0 100 0			
Guayaquil ..	up to 90 0	up to 90 0	<b>Copper</b> —per ton.		
<b>Coffee</b> —per cwt.			English, Tough,		
duty 42/- per cwt.			per ton ..	nom.	nom.
East India ..	110 0 135 0	110 0 135 0	Best Selected ..	£119-£123	£119-£123
Jamaica ..	77 0 151 0	77 0 151 0	Sheets ..	£149	£149
Costa Rica ..	110 0 137 0	110 0 137 0	Standard ..	£110-110½	£110-110½
<b>Provisions</b> —			<b>Jute</b> —per ton.		
Butter, per cwt.			Native firsts for		
Australian finest	252/	252/	shipment	nom.	nom.
Argentine ..	252/	252/			
Irish Creameries	nom.	nom.	<b>Oils</b> —		
Dutch ditto ..	nom.	nom.	Linseed, per ton ..	£58	£58
Russian finest ..	nom.	nom.	Rape, crude ..	£66	£66
Paris baskets ..	nom.	nom.	Cott'n Seed, crude	£60	£60
Danish finest ..	nom.	nom.	Petroleum Oil, per		
Brittany rolls ..			8 lbs.	1/10½	1/10½
doz. lb. ..	nom.	nom.	Water White ..	1/11½	1/11½
<b>Bacon</b> —per cwt.			Oil Seeds, Linseed		
Irish ..	188/	188/	Calcutta—per ton		
Continental ..	172/	172/	Spot ..	By agree-	By agree-
Canadian ..	17 1/2-172/	169 1/2-171/		ment.	ment.
American ..	170 1/2-180 1/2	169 1/2-180 1/2	Rape ..	£29-10 £30	£29-10 £30
<b>Hams</b> —per cwt.			<b>Iron</b> —per ton		
Irish ..	nom.	nom.	Cleveland Cash ..	nom.	nom.
Canadian ..	162 1/2-165/	162 1/2-165/			
American ..	125 1/2-165/	125 1/2-165/	<b>Tobacco</b> —duty,		
<b>Cheese</b> —per cwt.			unmanufactured		
Dutch ..	nom.	nom.	8 1/2-10 1/4 per lb.	1 6-2	1 6-2
Canadian ..	nom.	nom.	Virginia leaf ..	1 0-1 6	1 0-1 6
English Cheddar	102/8-149/	102/8-149/4	Kentucky leaf ..	nom.	nom.
Wilt's loaf ..	nom.	nom.	Latakia ..	1 6-6	1 6-6
New Zealand ..	nom.	nom.	Havana ..	1 6-6	1 6-6
<b>Rice</b> —per cwt.	s. d.	s. d.	Cigars, duty 15/7		
Japan ..	41 3	41 3	per lb. ..	2/ upds.	2/ upds.
Rangoon stars ..	26 3	26 3	<b>Timber</b> —Wood.		
<b>Eggs</b> —per 120.			Pitch Pine ..	300/-400/	300/-400-
English ..	36 0-37 0	37 0-38 0	Indian Teak ..	380/-700/	380/-700-
Irish ..	34 6-35 0	35 0-36 0	<b>Turpentine</b> —		
Danish ..	36 0 37 0	nom.	American Spot ..	120/	118/
<b>Spalter</b> —			<b>Copra</b> —per ton		
G.O.B. as to position			Malabar ..	46 0 0	46 0 0
.. ..	£54 £50	£54 £50	Ceylon ..	46 0 0	46 0 0
<b>Flour</b> —per sack.			F.M.S. Singapore	45 10 0	45 10 0
Country Straight			F.M. Straits	45 10 0	45 10 0
Runs ex Mill ..	44/3	44/3			

**SPICE.**—Cloves steady. Zanzibar, spot, quoted 2s. 5d. Pepper very firmly held. Fair black Singapore, spot, sold, 1s. 5d.; Tellicherry, 1s. 5½d.; white Singapore, spot, 2s. 5½d.; and Muntok, 2s. 6d. Pimento, spot, 5½d. Tapioca quietly steady. Fair flake, spot, quoted 7½d. per lb. Cassia Ligna firm. Whole selected, spot, quoted 92s. 6d.

**SHELLAC.**—Only limited spot sales were effected on the basis of 335s. for fair T.N., while May-June shipment was named at 305s. A.C. garnet, on passage, done at 315s., c.f. and i.

**RUBBER.**—Business moved quietly, and prices were barely maintained. Plantation crepe, spot and May, sold at 2s. 3½d. to 2s. 3d.; June, 2s. 3½d.; July-September, 2s. 4½d.; and October-December, 2s. 5d. Smoked ribbed sheet, spot and May, done, 2s. 2½d. to 2s. 2d. Fine hard Para, spot, sellers, 3s.; soft fine, spot, 3s.; and Caucho ball, 1s. 8d. per lb.

**GAMBIER** firmly held at 75s. for spot parcels of block.

**CORN (Mark Lane).**—Steadiness remains the prevailing characteristic throughout, though the amount of business in progress since last week has been wanting, due mainly to restricted offers. Some No. 1 Northern Manitoba changed hands at 83s. 3d.; Australian, quoted, 85s. 6d.; No. 2, Calcutta, 87s., all landed terms. Flour—English, 44s. 3d. per sack, ex mill; Canadian export patents, 51s. 3d., ex warehouse. Oats—Both American white clipped and Canadian Western No. 2 realised 61s. 6d. and 63s. 6d. respectively. English, quoted, at 47s. 3d. Barley remains nominal. Maize continues difficult to obtain. American mixed, ex ship, 79s. 9d. to 80s.

**COTTON** (from our Manchester correspondent).—This has been a holiday week in the market, and business has been practically suspended. More firms than usual have closed down for the whole of the week. Numerous employers have taken the opportunity of giving their staffs a holiday, as it is probable that no further vacation will be possible during the remainder of the year. The feature of interest has been the decision of the Control Board to still further restrict production. It has been decided that American spinning mills and all weaving sheds from June 10 shall only work 40 hours per week, instead of 55½ hours, and only in exceptional cases will firms be allowed to run more than 50 per cent. of the machinery. In Egyptian spinning mills the percentage of machinery now allowed to be run will be 80 per cent. for the full 55½ hours per week. Levies will have to be paid to the Control Board on all machinery working. A fresh system of granting unemployment payments to the operatives is about to be put into force. In piece goods for export business has been practically at a standstill. Very little inquiry has come through from abroad, and local merchants have not been at all disposed to anticipate the requirements of their customers. The increased cost of production as a result of the action of the Control Board has had the effect of causing a distinct advance in yarn and cloth prices. American spinners have put up their quotations about ¾d. to 1d. per lb. In Egyptian yarns the rise has been 2d. to 3d. per lb. The higher prices have been resisted, but all spinners are in a very strong position, and can afford to be very independent in their attitude towards buyers. The wages question has been settled by an agreement providing for an increase of 25 per cent. from June 10. All operatives, numbering nearly 500,000, will benefit by the advance, and list rates will now be 60 per cent. above the pre-war level.

## COMPANY RESULTS IN BRIEF.

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re-serves.	Divi-dend.	Carried For-ward.
Borough of Portsmouth	£	£	£	%	£
Waterworks Co. (½ Mar.)	44,560	24,360	—	10	6,500
Do. ....Prev.	44,020	23,260	—	10	7,470
Inglis and Co. ....(April)	—	18,740	36,000	15	13,280
Do. ....Prev.	—	19,910	33,000	10	16,460
Taylor's Eagle Brewery (Feb.)	44,890	23,420	31,030	—	—
Do. ....Prev.	27,680	4,730	22,730	—	—
Wickens, Pease, and Co. (Mar.)	—	9,390	—	5	4,860
Do. ....Prev.	—	2,610	—	2	3,400

## OILFIELDS PRODUCTION.

Anglo-Egyptian Oilfields.—Week ended May 12: Gemsah, 21 tons (against 22 tons); Hurghada, 4,632 tons (against 4,477 tons).

Baku Russian Petroleum.—Week ended April 27, 53,200 poods.

Bibi Eibat Oil.—March 17, 565 tons; March 24, 504 tons; March 31, 503 tons; April 7, nil; April 14, 298 tons; April 21, 266 tons. Crude oil, nothing doing. Nominally 72 kopecks per pood.

European Oilfields Corp.—Week ended March 17, 56,100 poods; March 24, 56,250 poods; March 31, 57,350 poods; April 7, no work; April 14, 43,800 poods; April 21, 41,200 poods.

United British Oilfields of Trinidad.—Week ended May 15, 465 tons.

## APRIL RUBBER OUTPUTS.

Company.	Current Estimate.	Last All-in Cost.	Apr. lbs.	(+) or (-) lbs.	Months.	Aggregate lbs.	(+) or (-) lbs.
Aboyne Clyde	444,374d	1/0.50	33,193	- 14,331	10	416,490	+ 32,923
Allagar ..	338,100d	1/1.62	17,000	- 13,000	4	77,360	+ 41,000
Alliance ..	208,394d	—	15,259	- 1,216	4	35,604	+ 2,041
Alor Pongsu	276,412d	1/0.75	13,400	- 6,056	4	71,797	- 8,806
Ampat ..	230,000	1/3.53	12,450	- 2,550	7	119,370	+ 370
Anglo-Java ..	2,525,395d	—	252,170	- 8,830	4	958,123	+ 103,420
Anglo-Johore	302,123d	1/3.20	15,181	- 8,650	1	15,181	- 8,650
Anglo-Malay	1,410,000	1/0.85	74,582	- 48,130	4	387,421	+ 132,533
Anglo-Sum ..	940,000	1/10	51,707	- 18,932	12	733,853	+ 132,905
Asahan ..	550,000	1/3.26	41,868	- 10,220	9	356,779	+ 31,400
As. T. Ceylon	255,000	—	20,838	- 1,225	10	234,244	+ 19,414
Aver Kuning	660,066	1/0.38	34,900	- 20,600	4	217,510	- 48,771
Bagan Serai ..	413,182d	1/11.82	19,000	- 13,198	4	91,500	+ 36,604
Bah Lias ....	—	1/9.46	32,105	- 8,670	6	294,441	+ 183,137
Bajoe Kidool ..	470,000d	1/6.81	64,000	+ 33,232	1	61,000	+ 31,232
Bakap ..	285,000	—	18,100	- 2,100	10	172,600	- 65,500
Bambrakelly ..	239,023d	1/4.96	16,045	- 5,626	1	16,045	- 5,626
Bandar Sum ..	440,000	—	28,400	+ 399	9	330,180	+ 49,667
Bandjarsarie ..	243,019d	1/2.48	20,705	- 5,959	4	85,830	- 12,847
Bandarapola ..	285,600d	—	22,500	+ 5,000	4	60,800	- 11,700
Bantardawa ..	340,000	—	14,480	- 15,020	9	228,364	+ 13,166
Bantam ..	915,000	1/1.65	99,281	+ 20,750	9	701,207	+ 96,004
Banteng ..	434,000	1/1.37	22,690	- 9,000	11	379,000	+ 19,610
Batak Rabil ..	440,000	1/1.64	16,000	- 16,850	10	291,248	- 16,284
Batang Mal ..	318,122d	1/3	16,043	- 4,457	4	85,106	- 9,543
Batu Gaves ..	777,995d	1/9.13	44,623	- 1,826	4	167,988	- 69,542
Matang ..	185,000	—	9,312	- 2,288	10	151,458	+ 11,246
Rata ..	495,030d	1/1.50	25,000	- 13,470	10	413,130	- 4,700
Tiga ..	—	1/0.25	33,000	- 24,000	4	201,000	- 55,500
Be'uf'rt'rt'no	235,000d	1/5.75	19,000	+ 4,000	12	205,000	- 28,000
Bekoh ..	540,000	—	35,031	- 4,460	10	377,154	- 19,444
Beranang ..	325,000	1/2.65	14,728	- 1,680	10	247,267	+ 12,132
Bernam-Perk ..	300,000	—	15,207	- 5,143	10	214,839	- 19,441
Bidor ..	454,000d	1/1.83	18,030	- 18,970	1	18,030	- 18,970
Bikam ..	372,032	1/3.62	24,500	- 3,500	4	112,800	- 41,000
Bode ..	264,930d	1/5.22	25,391	+ 4,391	4	74,750	- 8,550
Bradwall ..	442,142d	1/2.58	20,233	- 12,816	4	148,690	+ 11,728
Braunston ..	500,000	1/1.80	19,644	- 9,356	7	273,700	+ 13,100
Brit BornPara	210,500	1/1	16,000	+ 1,650	12	208,330	+ 44,465
British Malay	718,388d	—	51,500	+ 3,049	4	271,896	+ 102,007
Brooklands ..	620,000	1/2.5	40,653	+ 1,552	10	541,649	+ 49,241
Broome ..	450,000	1/4.42	32,993	+ 5,798	10	333,983	+ 17,190
Bruas-Perak ..	114,073d	1/6.47	7,607	- 550	2	13,836	- 1,247
Bukit Clob ..	229,000d	1/0.38	—	- 14,500	4	85,000	- 9,000
Ilok ..	304,500d	1/1.57	21,500	+ 500	4	111,000	- 18,500
Kajang ..	940,000	—	41,318	- 30,934	10	745,810	- 42,577
Lintang ..	280,000	1/2.73	21,000	+ 460	10	212,520	- 17,670
Mert'jin ..	836,746d	1/0.74	43,127	- 21,572	1	43,127	- 21,572
Panj'ng ..	550,000	1/1.60	26,800	- 10,700	4	161,200	- 6,800
Rajah ..	950,233d	1/11.20	25,812	- 23,556	1	25,812	- 23,556
Semba ..	751,860d	1/3.17	39,600	- 19,495	4	202,715	- 50,285
Carey United	450,000	1/0.07	25,221	+ 10,367	7	247,801	+ 70,250
Castlefield ..	680,000	—	28,800	- 15,738	10	440,282	- 30,417
Cent. Trav ...	230,275d	1/2.34	12,528	- 1,982	4	30,603	- 5,525
Ceylon Para ..	1,055,584d	—	44,674	+ 825	2	140,023	+ 11,011
Ceylon T. & R.	235,031d	1/4.31	22,203	+ 9,469	4	83,903	+ 22,745
Changkat-Sal ..	1,013,000d	1/0.47	40,000	- 30,000	4	225,000	- 64,000
Chemb Malay ..	457,102d	1/1.37	16,515	- 11,249	4	99,111	- 28,132
Cheras ..	284,300d	1/5.39	16,500	- 303	4	86,500	+ 11,081
Chersonese ..	689,659d	1/0.58	44,113	- 12,242	4	186,125	+ 31,492
Chiviot ..	700,000	1/3.33	32,000	- 5,900	4	149,050	- 20,790
Chimpul ..	250,000	1/6.9	15,483	- 5,638	10	227,406	+ 25,089
Chota ..	228,512d	—	10,224	- 5,416	4	51,760	- 17,979
Cleely ..	406,889d	1/11.44	39,214	- 1,399	1	39,214	- 1,399
Cluny ..	244,892d	1/2.54	14,227	- 1,626	4	64,527	- 6,466
Cons. Malay ..	917,590d	—	59,800	+ 16,445	4	230,662	- 28,253
Dalkeith ..	475,000	1/4.78	36,000	+ 2,500	4	144,000	+ 29,500
Damansara ..	847,205d	1/11.05	45,177	- 22,865	4	216,835	- 61,478
Dangan ..	225,000	—	9,861	- 9,145	10	217,724	+ 40,270
Dennistown ..	580,671d	—	35,372	- 9,428	4	151,310	- 34,054
Deviturai ..	276,536	—	13,640	- 9,610	3	101,870	- 19,380
Dimbula ..	273,000	—	17,500	- 694	4	56,800	- 7,669
Djasinga ..	625,500	1/6.57	75,000	+ 33,295	10	521,045	+ 188,108
Djember ..	266,700d	—	31,000	- 9,000	4	130,000	+ 47,100
Doranakande ..	255,974d	1/4.47	14,600	- 1,000	4	48,500	- 1,400
Duff Develop ..	804,470d	1/7.40	55,461	+ 811	4	268,358	+ 37,748
Dusun Durian	790,371d	1/0.71	18,559	- 38,185	4	213,508	- 43,343
E. Ind. & Cey.	210,000	1/1.15	21,457	+ 6,112	4	69,817	+ 18,207
Edinburgh ..	360,000	1/9.14	15,000	- 8,500	4	102,000	- 38,500
Elphinst ..	252,000	1/5.88	15,280	- 770	4	65,684	- 4,962
Emerald ..	565,700d	1/2	41,500	+ 4,050	3	110,700	+ 5,350
Eow Seng ..	172,450d	—	4,800	- 6,300	3	31,550	- 8,815
Escot ..	244,520d	1/2.32	10,600	+ 8,000	7	108,400	- 25,420
Fed. Malay S.	1,845,000d	1/19.50	68,000	- 66,000	11	1,676,000	- 35,000
Fed. Selangor	402,706d	1/11.68	18,830	- 10,805	1	18,830	- 10,805
Galah ..	125,583d	—	12,750	+ 3,077	4	24,791	+ 4,255
Galang Besar	450,000	—	21,810	- 17,190	10	370,590	- 5,800
Gan Kee ..	200,000	—	9,760	- 2,447	10	138,025	- 6,882
Garing ..	—	1/5.38	15,500	+ 500	7	147,526	+ 42,526
Gedong ..	232,000	1/0.64	15,516	- 8,947	6	131,768	- 9,827
Gen. Ceylon ..	868,000	1/1.27	52,600	- 35,897	4	215,990	- 57,424
Glen Bervie ..	300,000	—	11,085	- 9,421	7	154,334	+ 9,610
Glendon ..	275,000	—	10,629	- 13,495	7	123,911	- 19,932
Glenshiel ..	488,940d	1/2.18	25,700	- 8,145	4	127,670	- 19,575
Golconda ..	—	1/0.63	25,079	- 20,838	4	157,705	- 59,943
Golden Hope	287,000	1/4.80	15,078	- 3,268	4	106,672	+ 13,739
Grand Cent ..	4,759,405d	1/0.72	371,977	- 63,722	4	1,348,317	+ 6,912
Gula Kal'p'g ..	1,066,000	1/11	68,800	- 40,391	4	318,200	- 85,561
Harpender ..	511,107d	1/11.49	14,650	- 6,511	4	83,150	- 69,141
Hayoep ..	512,405d	—	41,759	+ 2,270	4	171,255	+ 17,125
Heawood ..	275,000	1/1.5	13,173	- 3,559	4	72,800	- 3,038
Hewagum ..	646,200d	1/2.80	36,600	- 5,900	4	132,500	- 4,200
Hid. Streams ..	242,739d	—	12,000	- 7,000	4	65,506	- 18,588
Highlands ..	1,426,518d	1/0.01	63,045	- 33,377	4	331,749	- 100,747
Inch-Kenneth	440,000	1/3.71	23,982	- 4,990	11	406,350	+ 5,120
Insulind ..	330,000	1/0.39	19,300	- 2,850	9	224,100	+ 13,907
Java Amal ..	315,000d	—	97,000	+ 7,300	3	203,000	+ 19,300
Java R & Prod	620,000	—	38,000	+ 6,000	4	143,102	+ 22,602
Java Para ..	265,692d	1/1.20	53,786	+ 11,856	3	151,007	+ 31,016
Jeram ..	261,509d	—	6,888	- 7,778	1	6,888	- 7,778
Johore Para ..	190,362d	1/2.14	15,500	- 20	10	172,800	+ 16,068
Rub. Lds ..	1,147,348d	1/3	64,278	- 18,876	4	412,930	+ 102,139
Jong Landor	680,000	—	37,674	- 10,826	10	510,236	- 43,522
Jugra Estate	416,536d	1/0.60	23,954	- 3,745	1	23,954	- 3,745
Jugra Land ..	1,398,000	1/0.02	41,205	- 18,833	12	1,169,345	+ 34,516
Jura Estates ..	165,200d	1/1.88	6,700	- 7,800	1	6,700	- 7,800
Kajang ..	391,000d	1/1.95	24,800	- 700	4	115,460	- 5,340
Kali Glagah ..	224,617d	—	10,100	+ 2,600	1	19,100	+ 2,600
Kamp Kua't'n	362,500d	1/2.07	18,500	- 10,000	3	105,500	- 14,000
Kamuning ..	810,000	1/1.49	9,310	+ 310	10	639,770	+ 134,810
Kapar Para ..	1,075,138d	1/0.91	42,500	- 19,209	4	336,405	+ 1,130
Karak ..	241,019d	—	14,003	- 5,461	1	71,531	- 2,106
Kasintoe ..	582,675d	1/8.56	10,000	- 9,954	4	188,275	- 1,066



tons, and the gold produced was £113,213 less at £242,309, or 19s. 1d. per ton, against 19s. 5d. per ton. Working costs were increased by 1s. 10d. to 15s. 5d. per ton, and consequently the rate of profit was only 3s. 8d. per ton instead of 5s. 10d. The working profit was £46,564, against £107,115. Including sundry revenue the gross profit was £50,106, a decrease of £62,757. This has involved a reduction in the dividend from 10 per cent. to 7½ per cent., and in the carry forward from £75,965 to £73,486. Fully developed payable ore reserves have declined from 404,185 tons, valued at 5.32 dwts. per ton, to 214,877 tons, valued at 5.27 dwts. The ore reserves necessarily reflect a reduction in view of the approaching exhaustion of the ore contents of the mine, which is also responsible for the smaller scale of milling operations. Only a small amount of development work has been done on the 20 City Deep claims leased to the company.

**MEYER AND CHARLTON.**—This mine established a fresh profit record last year. It crushed 164,586 tons for a yield of £469,415, or 57s. per ton. These figures compare with 176,879 tons for £438,882, or 49s. 7d. per ton. Costs were 1s. 3d. per ton higher at 20s. 5d., and the working profit was £301,372, or 36s. 7d. per ton, against £269,689, or 30s. 5d. per ton. The total revenue from all sources was £483,296, and the gross profit £31,287 larger at £315,253. The distribution to the shareholders has been increased from 100 to 110 per cent. by the payment of a bonus of 10 per cent., and £150,780, against £122,231, is carried forward. Ore reserves fully developed amount to 493,194 tons, valued at 17.66 dwts. over 49.18 inches, as compared with 512,787 tons, valued at 14.5 dwts. per ton.

**ROODEPOORT UNITED MAIN REEF.**—In 1917 this company sustained an appreciable set-back owing partly to shortage of native labour and partly to higher working costs. It crushed 357,113 tons, a decrease of 55,932 tons, for a yield of £374,974, or 21s. per ton, against £411,314, or 19s. 11d. per ton. Costs, however, rose 2s. 3d. to 20s. per ton, leaving a profit of only 1s. per ton, against 2s. 1d. per ton in 1916. The working profit was £17,436, against £43,271. The total revenue was £379,694, and the gross profit £22,157, against £49,922. After deducting certain charges the carry forward is reduced from £145,626 to £142,831, which is represented by mine equipment and development. Payable ore reserves are estimated at 526,256 tons, valued at 6.85 dwts. over 45 inches, as compared with 677,273 tons, valued at 6.03 dwts. The company's liability in respect of loans has been increased from £295,305 to £318,459, so that the question of a dividend belongs to the remote future. Additional costs involved by the war are estimated at £40,000 per annum.

**WEST RAND CONSOLIDATED.**—Although this mine managed to crush in 1917 413,310 tons, an increase of 10,720 tons, its production and profits decreased considerably. The yield per ton was 3s. 9d. less at 20s. 1d., so that the production decreased from £480,154 to £416,316. Costs were reduced by 9d. to 18s. 9d. per ton, and the rate of profit was reduced from 4s. 4d. to 1s. 4d. per ton, the working profit being £27,565, as against £85,977. The gross profit was £65,949 less at £42,080. After providing for certain outgoings, the carry forward is raised from £346,084 to £361,148, but this is not available for distribution. The ore reserves have decreased from 1,600,000 tons, valued at 6.1 dwts. per ton, to 1,267,918 tons, valued at 5.3 dwts. per ton. Considerable and unsuspected faulting has been met with in the lower levels, which has decreased the quantity and value of the reserves, and rendered a change necessary in the method of laying out the mine.

**GOLDEN HORSE SHOE.**—The accounts for 1917, after being debited with £33,094 for development expenses, written off, with £8,000 for Australian taxes, and with £12,000 for Eng-

lish income-tax, show a balance of £100,797, against £84,535. Dividends amounting to 5s. 6d. per share (as compared with 5s. for 1916) have absorbed £82,500, and £12,500 of debentures have been redeemed, this amount being written off plant and machinery account, leaving £6,494, against £6,666, to be carried forward. The year's production was £30,886 larger at £411,546, but costs were 1s. 10d. higher at 28s. 5d. per ton. At the end of December the ore in sight was estimated at 748,352 tons, valued at 9.58 dwts. per ton, against 709,819 tons at the close of 1916.

**ANGLO-CONTINENTAL MINES.**—A substantial increase in profits is recorded by this concern during 1917. After writing off £3,434, being losses on investments, the profit was £29,644, against £17,016. The dividend is raised from 7½ to 15 per cent., tax free, and £6,393, against £5,391, is carried forward, subject to any provision that may be required for revenue taxes. No provision is required for investment depreciation, for on the year an appreciation is shown. The output of tin concentrate from the Nigerian properties was 271 tons, against 278 tons.

**WAIHI GOLD.**—Operations in 1917 were on a slightly smaller scale than in 1916, 191,742 tons, as against 194,231 tons, being treated. But, owing to the higher grade of the ore, the yield rose from £350,058 to £370,567. Interest amounted to £20,544, making a total revenue of £391,111, against £385,296. The profit was £19,262 larger at £193,901. Dividends amounting to 4s. per share, or 20 per cent., have again been paid; the sum of £18,388 has been written off for depreciation, while the carry forward is raised from £35,352 to £62,435. On account of the current year a second interim dividend of 1s. per share, tax free, will be paid on June 1. Following on the suspension of development work, the ore reserves show a decrease of 110,913 tons, and now stand at 653,716 in general account, and 622,680 in suspense account.

## Letters to the Editor.

### NEW SOUTH WALES LOAN.

SIR,—Will you allow me to say a few words in reply to your explanation in your issue of the 18th inst. on the subject of New South Wales borrowing?

Your article suggested that the New South Wales Government is arranging for a loan of £5,000,000 for public works during the present year. The authority, however, which you quote shows that the reference was to—

1. An estimate of expenditure, not an impending loan six weeks hence;
2. For the period ending June 30, 1918;
3. Such expenditure would be based on moneys already raised for the current financial year.

I repeat that I know of no arrangement for raising £5,000,000 for public works, either before the end of June, 1918, or even before December 31, 1918. The only operation to my knowledge is the completion of a large redemption loan of 12½ millions, which falls due on September 1 next, and it is understood that these loans in no way increase the capital debt of the State.

Yours faithfully,

C. G. WADE.

Sydney House, Cockspur Street, S.W. 1,  
May 24.

\*.\* We are only too pleased to have misunderstood, and that the floating of no new loan is in contemplation.—ED.

# MEYER AND CHARLTON GOLD MINING COMPANY, LIMITED.

(Incorporated in the Transvaal.)

**Issued Capital - - £200,000.**

## ABRIDGED REPORT FOR YEAR ENDED 31st DECEMBER, 1917.

	Tons milled	...	...	164,586.	£	s.	d.	Per ton milled.
								s. d.
Total working revenue	...	...	...	...	469,415	14	10	57 0.50
Total working expenses	...	...	...	...	168,043	8	8	20 5.04
Working profit	...	...	...	...	301,372	6	2	36 7.46
Total profit for year	...	...	...	...	£315,253	4	7	
Balance unappropriated at 31st December, 1916	...	...	...	...	122,231	11	6	
					£437,484	16	1	
Less Government taxes, etc.	...	...	...	...	66,704	15	11	
					£370,780	0	2	
Dividends, Nos. 55 and 56, of 50% and 10% bonus	...	...	...	...	220,000	0	0	
Unappropriated profit carried forward	...	...	...	...	£150,780	0	2	

Fully developed PAYABLE ORE RESERVES at 31st December, 1917, estimated at 493,194 tons, average value 17.66 dwts. over 49.16 inches. In addition there were 59,749 tons valued at 13.34 dwts. over 49.17 inches. These reserves have been paid for out of past profits.

The working profit of £301,372 6s. 2d. represents a further record for the Company.

**The Total Dividends and Bonuses paid by the Company aggregate £2,115,308 19s.**

Full report and accounts obtainable from the London Secretary, T. FREDERICK THORNE, 63/64, WINCHESTER HOUSE, OLD BROAD STREET, E.C. 2.

PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1918, and May 18, 1918:—

	Estimate for the Year 1918-1919.	Total Receipts into the Exchequer from April 1, 1918, to May 18, 1918.	Total Receipts into the Exchequer from April 1, 1917, to May 19, 1917.
Balances in Exchequer on April 1—Bank of England .. Bank of Ireland ..	£ —	£ 19,361,578 1,668,452	£ 25,209,947 1,225,912
		21,030,030	26,435,859
<b>REVENUE.</b>			
Customs .....	—	10,475,000	9,376,000
Excise .....	—	6,007,000	6,765,000
Estate, &c., Duties .....	—	3,907,000	4,287,000
Stamps .....	—	983,000	758,000
Land Tax .....	—	255,000	270,000
House Duty .....	—	—	—
Property and Income Tax and Super Tax .....	—	19,596,000	17,005,000
Excess Profits Duties, &c. ....	—	33,828,000	23,402,000
Land Value Duties .....	—	70,000	101,000
Post Office .....	—	3,600,000	3,550,000
Crown Lands .....	—	50,000	50,000
Receipts from Sundry Loans, &c. ....	—	895	500
Miscellaneous .....	—	1,084,308	674,983
Revenue .....	—	79,854,203	66,239,483
Total .....	—	100,884,233	92,675,342
<b>OTHER RECEIPTS.</b>			
Repayment of Advances for Bullion .....	—	690,000	350,000
For Treasury Bills (for supply) .....	—	559,616,000	252,499,000
For 5 per Cent. Exchequer Bonds, 1922 .....	—	—	26,498,000
For 3 per Cent. Exchequer Bonds, 1930 .....	—	799,500	—
For War Savings Certificates .....	—	13,500,000	5,700,000
For other Debt (War Loan Acts, 1914-1917) ..	—	86,969,282	55,785,229
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .....	—	—	81,500,000
For National War Bonds .....	—	*100,981,000	—
Temporary Advances—Ways and Means .....	—	118,482,000	98,105,000
Total .....	—	981,922,015	613,112,571

\* Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1918-19.	Total Issues out of the Exchequer to meet payments from April 1, 1918, to May 18, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1917, to May 19, 1917.
<b>EXPENDITURE.</b>	£	£	£
Permanent Charge of Debt ..	—	3,278,855	3,433,784
Interest, &c., on War Debt ..	—	20,940,633	7,260,820
Payments to Local Taxation Accounts, &c. ....	—	200,380	450,380
Other Consolidated Fund Services .....	—	242,079	240,756
Supply Services .....	—	353,812,600	316,569,400
Expenditure .....	—	378,474,547	327,955,140
<b>OTHER ISSUES.</b>			
For Advances for Bullion .....	—	850,000	560,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	84,909	84,909
Under Telegraph (Money) Act, 1913 .....	—	—	20,000
Under Post Office (London) Railway Act, 1913 .....	—	12,000	—
Under Housing Act, 1914 .....	—	106,300	175,400
For Treasury Bills for Supply .....	—	†545,436,000	161,396,000
For War Loans, Exchequer Bonds, &c., under Section 34 of Finance Act, 1917 .....	—	5,856,119	56,210
For War Expenditure Certificates under War Loan Act, 1916 .....	—	†16,500	—
For other Debt under the War Loan Acts, 1914 to 1917 .....	—	9,497,837	—
For Depreciation Fund under the Finance Act, 1917 .....	—	3,660,022	—
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	20,000	—
Temporary Advances repaid—Ways and Means ..	—	23,000,000	100,500,000
		967,014,234	590,747,659
Balances in Exchequer—Bank of England .....	1918. £ 13,276,783	1917. £ 20,641,344	
Bank of Ireland .....	1,630,998	1,723,568	
Total .....		14,907,781	22,364,912
		981,922,015	613,112,571

MEMO.—Treasury Bills outstanding on May 18, 1918, ..... \*£986,893,000.

\* Includes £131,000, the proceeds of which were not carried to the Exchequer within the period of the account, besides a part (not yet ascertained and brought to account) of the Bills tendered as subscriptions to National War Bonds.

† Includes part payment of Bills and Certificates tendered as subscriptions to National War Bonds.

American Business Notes.

It is worth noting that in the course of his fine speech to the Red Cross mass meeting in New York last week, President Wilson interpreted his phrase about being "too proud to fight" which led to such depreciation and scoffing when first uttered, not only in Europe, but in America itself. "I could not be proud to fight for a selfish purpose," said he, "but I can be proud to fight for mankind." And when he went on to say, "if the enemy wish for peace, let them come forward through accredited representatives and lay their terms on the table. We have laid ours, and they know what they are." That is true, and the speech as a whole was valuable for its emphatic repudiation of any colloquing with an enemy whose whole attitude is insincere, whose sole aim is to deceive. "In the centre of the scene," said the President, describing the present military situation, "four nations are engaged against the

world, and at every point of vantage showing that they are seeking selfish aggrandisement; and against them twenty-three Governments representing the greater part of the population of the world, drawn together into a new sense of community of interest, a new sense of community of purpose, a new sense of unity of life." That is a picture to dwell on, and we must never lose sight of it. For we fight to set the oppressed free.

America is going to spend £262,500,000 on its navy this year. Such a sum is calculated to place the American navy second amongst the navies of the world, and not only is it to be large, but it is to be well provided for with hospitals, for upwards of £2,000,000 has been voted to pay for the enlargement of hospitals at different yards and in many cities. It will include £200,000 to be used for the building of a hospital overseas. In all directions the United States is coming forward to take its full share in the war for the world's redemption, and in proportion as its share increases will become its importance as a determining factor in arranging the ultimate terms of peace. In that fact there is to us profound consolation because we have not an increasing degree of confidence in the discretion or patriotic wisdom of our rulers at home. They are the servants of our "Junkers" to a far greater extent than we generally suspect.

Grumbles are heard in the United States over the action of Mr. McAdoo, Controller of the Railways. He actually has the audacity to announce that under the new order of things there is no room for the ornamental individual in any department of the railway service. Two hundred offices in New York belonging to outside railways which have no lines running into the city have been closed, and numbers of high salaried, parasite "railway men" have disappeared with them. Nearly 1,000 railroad traffic, passenger and freight agents were thrown out of employment on the 1st inst. And the reform does not stop there, for the Director-General seems to have plainly declared his intention to dispense with all the higher officials except those who are directly connected with the operation of the roads. This sweeping order, we infer, covers the position of railroad directors, quite a multitude of whom will seemingly be deprived of their sinecures. A monthly return of the salaries paid to all officials receiving from \$3,000 to \$10,000 a year has to be prepared, and a duplicate sent to the Director-General. Separate purchasing agencies have been done away with, and the whole of the wants of railways for material, &c., are to be provided for by one agency. No expenses are allowed to be charged against the Government for offices devoted to financial and company matters as distinct from matters appertaining to the physical operation of the roads themselves. The Government is not to be expected to pay for these luxuries until it has been satisfied that the expense was legitimate, and under an order issued on March 30, the Director-General intimated his conviction that no salaries or office and travelling expenses of officers should be paid where the services were not necessary to the working of the lines. In this way boards of directors, lawyers, pensioners retired from the service, and an immense variety of touting excrescences have disappeared, or will do so. Is there not in sweeping changes like these some hint for our own railway administration? The President of our Board of Trade is busy rearranging railroad charges, and especially concerning himself with the raising of season-ticket rates. Has he done anything to cut down expenses in the directions just indicated? Do our railroad directors flourish as usual, meet as usual, and receive their fees, all as before the war? Do the multitude of them with their families and belongings continue to travel free from one end of the kingdom to the other, and if so will the Government be surprised to find one day that the humble people who are being fined to maintain this luxury may turn upon them and demand a squaring of accounts?

In other directions the Government of Washington appears to be acting in a democratically thorough fashion, which must be disheartening to what are called "profiteers." For instance, the people called "canners," that is to say, those who make up tinned meats for the market, salmon, lobster, &c., &c., or fruits and vegetables of all kinds, are limited in the range of the profits they can charge. The cost of manufacture is first ascertained, and then a margin is allowed of so many cents according to the article or quality of the goods canned. These margins are considered, according to the Food Administrator's announcement, merely as guides, but prices exceeding those set by the limits will be considered unreasonable. This is a very far-reaching order, and if it were applied universally would entirely change the character of business. Supply and demand controlled from one centre, or by the authority of a chosen body representative of the entire trade, might then be regulated without violent fluctuation of market prices, and without the scramble of individuals to overreach each other in the market. Such escapades as efforts to "corner" wheat or cotton, to fleece the consumer for private gain, would become impossible, and railroads which have hitherto had their fingers on the pulse of the community, and power to squeeze that community to the profit of their "bosses" to the utmost, would have neither room nor inducement to follow the old way. It is apparently coming to this in the United States, if it has not already come, and we see that the wool output is to be turned over to the Government at the prices of July last year, and no one can sell his wool to any other purchaser until he knows for certain that the Government does not want it. Oh, they are getting on in America.

In a recent pamphlet upon the War Loans of the United States and the Third Liberty Loan, the Guaranty Trust Co. of

New York declared that "the national assets of the United States equalled the combined wealth of Great Britain, Russia, France, and Italy. America to-day has two and a-quarter times as much wealth as Great Britain, four times as much as France, and eight times as much as Italy. It is the richest nation in all history." Well, we are not disposed to quarrel with that estimate, but we should very much like to know upon what it is based. Broad assertions of this kind, unless carefully founded on fact, are apt to lead people astray. Not so many years ago, before the war, the United States, for all its wealth, was the greatest debtor nation in the world. Has it really reversed that position within four years?

### Tea, Oil and Rubber.

There is evidently terrible distress in the Rubber market, and it is becoming so acute that we are willing to withdraw most of the chaff we have expended on the scheme of the Rubber Growers' Association to restrict the output of its consenting members by 20 per cent. Let us see first of all how the position looks so far as our own official statistics are concerned, and here are the figures taken from the Board of Trade returns for April:—

	April.		Four Months.	
	1917.	1918.	1917.	1918.
	Centals.	Centals.	Centals.	Centals.
Imports .....	226,474	116,047	768,216	487,242
Exports .....	188,205	27,921	557,249	135,310
Retained .....	38,269	88,126	210,967	351,932

It will be seen that imports fell off heavily, but exports almost reached vanishing point, with the result that we retained almost 50,000 centals more than in the corresponding month last year. And for the four months to date we have over 140,000 centals more than a year ago. In the meantime, the United States have placed an embargo on imports (which were going more and more direct from Singapore to Pacific Coast ports, instead of coming through London or Liverpool), and have also fixed a maximum price of 2s. 7d. per lb. As the price of rubber in Singapore f.o.b. is about 1s. 8d., there is a big margin of profit "if the pigs are brought to market," but the position of the industry does not look encouraging, and that is the whole point we have been contending about for months past. Not long ago we were repeatedly told that we were trying to "crab" the industry, and our opposition to the restriction of 20 per cent. in output (affecting only one-third of the total in any effective sense, quite apart from the competition of Brazil and other "wild" producers) was held to be a sinning against the light. Now, that attitude was perfectly foolish, but it may be necessary to explain a little. Originally the idea, if we could make head or tail of it, was to maintain the price round 2s. 6d. per lb., and we were convinced that the steps taken towards this end would inevitably prove futile. Also the idea that the Governments principally concerned—Malay States, Ceylon, Java, &c.—should compel the other outside producers to fall into line appeared to be too futile for discussion. But all the time the protagonists of the industry seemed to regard it as an indefeasible right that they should be able to make a profit of anything from 200 to 400 per cent. on the actual cost of production! We could never subscribe to that idea with regard to an agricultural product where the scope for development is practically unlimited, and we have always been strongly of opinion that the sooner the industry got down to a strict commercial basis the better it would be for all concerned. Now, the United States have been the great sheet-anchor of the "spoofers," and the enormous increase of imports into that country gave a certain amount of justification for the idea that in a few years production would fall behind the requirements of the trade. But anyone who understands anything of American methods of doing business knows that when there is a "boom" on, prices and purchases have no relation to actual conditions. It is always a scramble, and those left in at the finish have to make the best of their bad bargains. The Government has now decided to stop this gorgeous gamble, and it may be taken as absolutely certain that in fixing the limit of imports every consideration has been given to the genuine demands for military and commercial purposes. And so we now learn that the Rubber Growers' Association has not gone nearly far enough—the docked stump of a tail must waggle the dog worse than ever! It is a supremely foolish game, and unless some scheme, binding for, say, five years over 90 or 95 per cent. of the world's producers can be evolved, it would be infinitely better to let things find their own level. There will be far less trouble and heartburning in the long run, and infinite disappointment may be avoided.

**THE ELDER LINE, LTD.**—Mr. A. T. Crawford, the secretary, informs us that the debentures of the company, having all been redeemed and cancelled and the company converted into a private one, the usual issue of the annual report and balance-sheet will be discontinued; but as information he gives the result of the working for the year ended December 31, 1917:—Profit for year, £70,400; 6 per cent. dividend; reserve fund, £20,000; carry forward, £58,498.

### DIVIDENDS ANNOUNCED.

Amalgamated Zinc (De Bavay's).—1s. per share to be paid June 7, less income-tax at the rate of 4s. 2d. in the pound.  
Bengal Coal Co. (of Calcutta).—Rate of 50 per cent., the same as a year ago; Rs. 3,00,000 forward, against Rs. 1,30,000.  
Canton Insurance Office.—Final for 1916 of \$7, making \$25 per share; also an interim of \$18 per share on account of 1917.  
Cock's Pioneer Gold and Tin Mines.—No. 6 of 1s. per share. less tax, payable June 5.  
Dominion Bank (Canada).—Usual quarterly 3 per cent., payable July 1.  
Great Boulder Proprietary Gold Mines.—Interim of 9d. per share, less tax, current year; the same as a year ago.  
Kombok (F.M.S.) Rubber Co.—Final 5 per cent. (actual), 1917, making 12½ per cent. for year. For 1916 the dividend was 20 per cent.  
Lipton.—Balance on ordinary shares of 8½ per cent., making 12½ per cent. for year (against 7½ per cent.), after placing £125,000 to reserve.  
London and River Plate Bank.—Interim of 6 per cent. (18s. per share) for year ending Sept. 30 next, less tax, payable June 14, the same as a year ago.  
Meters (Ltd.), Manchester.—Further dividend at rate of 12 per cent. per annum, making 8 per cent. for year, against 7 per cent.; £4,000 to reserve, against £2,000; £5,215 forward, against £4,027.  
New England Breweries Co.—4 per cent. on preference shares, making 8 per cent. for year 1917.  
North Hummock (Selangor) Rubber Co.—Interim of 5 per cent. (less tax) for year ending June 30, 1918, against 10 per cent. a year ago.  
Sagga Rubber Co.—Interim of 10 per cent., being 2s. per share (less tax), against 5s. a year ago.  
Stanton Ironworks (Nottingham).—Final 9 per cent. on the ordinary shares, making 15 per cent. for year, together with a bonus of 5 per cent., less tax in both cases, the same as last year.  
Zinc Corporation.—2s. per share on preference shares, being first half of fixed preferential dividend of 20 per cent. for 1918, payable July 1, less tax, at 3s. 6d. in the £. Final participating dividend on both classes of shares for 1917 of 2s. 6d. per share, less tax, at 3s. 6d. in the £, payable October 1.

**BELGIUM'S RESURRECTION.**—So absorbed do we get in the incidents of the long war that when we think of our Allies it is nearly always only their fighting capacity that the mind turns upon, but every country, even our own, is more and more occupied with the preparations for its recovery, for the preservation of its civilisation, and the improvement thereof, when the war ends. Belgium, above all, seems to be energetic in this respect, as Dr. Henry Schoen tells us in one of the interesting articles on current financial and economic affairs which he has been contributing to *L'Actualité Financière*. Believing in the maxim that self-help ensures God's help, the Belgians have set to work to create organisations, so as to be in a position to resume her place amongst the progressive civilised and commercial nations of the earth when peace returns. The Government is busy furthering the same noble purpose, nevertheless the principal impulse appears to come from the private initiative of the great leaders of Belgian industry and commerce. There is an official organisation as well, and they work in harmony with each other, but the planners and guides of the campaign are merchants and manufacturers, a considerable group of whom, gathered together in France, has been united to constitute a vast buying organisation with a view to assure the re-equipment of Belgian industry with all the tools of which it has been despoiled by the rapacity of the German thieves. This new organisation is to be called the "Comptoir National pour la reprise de l'activité en Belgique" (National office for the resumption of activity in Belgium.) This organisation has already succeeded in grouping together outside Belgium 1,300 adherents who participate to the extent of 5,300 shares. It repudiates all notions of favouritism or protection in trade, and has no intention of dislodging existing organisations; its principal purpose being to remedy the actual disorganisation and to restore wherever possible such of the equipment of industry as may have escaped destruction or theft at the hands of the enemy, or to replace what has been entirely lost. No monopoly is aimed at, but just this practical work of putting the country on its feet again. The Comptoir will take hold of the interests of its members and protégés, and defend them against the foreigner, and also plead their cause before the Belgian Government. As for the State, it likewise has been busy making ready for renewal of business when the war is over. In 1916 and 1917 it bought or has had built numerous ships to be ready the day after peace returns to bring to Belgium all the raw materials indispensable to the re-establishment of her industries. Its ambition will be to re-link the economic resources of Belgium with the great markets abroad, and to help in everything which is calculated to reawaken the energies of Belgian commerce. The work to be done is enormous, and sub-departments have been constituted to deal with various branches of the restoration. In four principal directions the Minister of Economic Affairs will make his influence felt, that is to say, in industry, in commerce, in finance, and in the reparation of war destruction. We have no doubt that the Allies will see to it that Belgium is not left without help in the arduous work before her.

## Answers to Correspondents.

**A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.**

**Deposits against future queries may be lodged with the Publisher.**

J. S. P.—Possibly. All is uncertain, except that you will have to wait for any profit of substance.

Impoverished.—(1) Yes, but do not buy much. (2) We see nothing to go for here yet. (3) As in No. 1, although the trouble is by no means over, and we see no running away of markets.

Jacobs.—(1) More distant probabilities uncertain, and the premium is already considerable. We hesitate to recommend buying now. (2) Quite dear enough.

X. Z.—The last report showed a very small profit for the year, but the debit balance is large. It owns a number of interests, some of which seem rather hopeless, but there are speculative chances in others. On the figures, the shares are of little value, and should only be averaged as a pure speculation.

Dover.—(1) Should certainly be kept; the company is strong financially, and its business should recover when we have peace. (2) This also should be kept, although recovery in dividends may be slow.

M. A. B.—It is quite straightforward; developments are good, and the shares seem a fair speculative venture.

F. C. G.—They have risen rather sharply lately, and may fall back again. If they drop about 10s., might be worth attention, but it will take time for the company to get under way.

K. R. R.—The company is doing very well, and likely to continue prosperous, but you might take advantage of the rise, and sell, say, half your holding.

G. D. G.—The company is doing well, and the shares are worth taking. If you do not care to find more cash, you can sell any part at a premium.

## Facts from Italy.

During the last eight months of the current fiscal year—i.e., from July 1, 1917, to February 28, 1918—the revenue of Italy has been constantly increasing, notwithstanding the loss of two provinces and the exceptional conditions of the territories adjacent to the war zone. Treasury receipts during this time reached two milliards 697 millions lire, surpassing by 96 per cent. those of the corresponding ante-war period. Still more noteworthy is the difference between present revenue and the past one during our neutrality, when it barely reached one milliard 315 millions, or less than before the European war. The average, which during our neutrality was of 164 millions per month, in the current fiscal year has gone up to 337 millions, and the average would be a much higher one were it not for the loss sustained by the country of two of her wealthier provinces. A fresh issue of bonds at three and five years' date at 5 per cent. has been lately decreed. The buyers will benefit by the same favours accorded to the previous issues.

The official statistics of Italian foreign trade during 1917 have just been published. From them we gather that while in 1916 imports amounted to 8,390 millions and exports have been for 3,088, in 1917 the value of imports, reckoned at the same prices as in 1916, went down to 7,732 millions, and exports to 2,259. The difference is hardly to be ascribed to the submarine war, since the diminution of imports from abroad is shown to be about 8 per cent. If we compare values instead of quantities, as reckoned by official statistics, on the prices of 1916, we must add 50 per cent. to imports as well as to exports. The rise of prices has been, of course, larger for the goods we bought from abroad, because of the heavy rate of exchange. According to this calculation, imports in 1917 were equal to 11 milliards and 500 millions lire, while exports came to less than three milliards. The whole commercial deficit since the beginning of 1915 amounts, therefore, to about 16 milliards.

We have imported from England goods to the value of 1,565 millions, while exporting there but 324 millions. From the U.S. imports have reached the huge sum of three milliards, and Italy has exported to the U.S. 179 millions. Argentina has sent to Italy 440 millions, while we exported there 111 millions. British India sent us goods to the value of 603 millions and imported from us 49. Our foreign trade with Switzerland shows a much fairer balance between imports and exports. Italy exported 439 millions while buying from Switzerland 150. Egypt exported to Italy 83 millions, against 32 of imports. With France we were nearly equal; exports 589, imports 645. Needless to say that almost the whole of imported goods are connected with the war.

Some good results have been obtained through the agricultural work done by soldiers. About a thousand hectares have been tilled, yielding 40,000 quintals of such products as potatoes, vegetables, cereals, &c. No less successful has been the raising of rabbits, poultry, pigs, &c. The whole profit was one million lire, including the cost of animals, of the necessary implements, and so on. By order of the War Office, the food remnants from military kitchens is to be used to feed the pigs and poultry belonging to each regiment.—From our Italian Correspondent.

## COMPANY MEETINGS.

### EAGLE STAR AND BRITISH DOMINIONS INSURANCE.

The ordinary general meeting of the Eagle Star and British Dominions Insurance Company, Ltd., was held on Thursday at 32, Moorgate Street, E.C., Sir Edward M. Mountain, the chairman and managing director, presiding.

The Secretary (Mr. John Gardiner, A.C.A.) having read the notice calling the meeting and the auditors' report,

The Chairman said:—It gives your directors great pleasure to be able to place before you a balance-sheet which shows such all-round good results. In conjunction with all other insurance companies, the abnormal times bring difficulties and anxieties, which compel us to watch our business from day to day. The technical and detail work of a company transacting a business of our dimensions is extremely large, and can only be perfectly carried out by an organisation established gradually over many years. Our normal organisation must be necessarily upset owing to the large number of our trained staff who have given their services to their country. The combined staff of our company and those with whom we have amalgamated in August, 1914, consisted of 329 men and 37 of the opposite sex. Of these, 230 of our men are now serving with his Majesty's Forces. Now, turning to the figures in the balance-sheet, in the marine account you will see that our premium income for the year is £1,909,792, which is an increase of £424,972 over last year. After paying all expenses and making provision for income-tax, excess profits duty and loss on realisation of securities, we are able out of this account to transfer £212,500—£150,000 has been written off the cost of the businesses acquired; £50,000 transferred to reserve fund, which now stands at £250,000; and £12,500 to the investment reserve fund, raising this to £92,500. After providing these amounts we are able to carry forward a reserve of £1,231,162, equal to 64.4 per cent. This reserve, in our opinion, is a full one, and we have purposely kept it so. With regard to the general situation of marine insurance business, as I have said on a previous occasion, it can be roughly divided into three headings—hull insurance, cargo insurance and war risks insurance. Hull insurance depends, as to whether it is a profit or a loss, to a large extent on the cost of labour and repairs and whether the premium has been correctly adjusted to meet altered conditions. Since the outbreak of war expenses have been constantly increasing; the cost of materials, the cost of labour, and the cost of docking, &c., have all risen again this year. It is estimated that the increase in cost of repairs as a whole in this country since the outbreak of war is not less than 150 per cent. and in America not less than 300 per cent. Notwithstanding this, underwriters have only made two increases in rates, each of 10 per cent., as a set-off. The increased value which owners felt it wise to place for insurance purposes on hulls has, however, operated in underwriters' favour. In addition to the burdens I have mentioned, there have been a very large number of extra losses occasioned by collision. These have constantly increased year by year since the war broke out, those of last year being much in excess of previous years. Another cause of loss is the dangers of navigation owing to vessels hugging the coast. With regard to cargo insurances, while the risks I have named in regard to hulls in most cases apply, there has arisen an additional one for cargo business; this is in consequence of the enormous accumulations at ports of shipment or transshipment. A very important point from a marine insurance point of view is the very large number of new companies which have entered the field both in this country and in America. I now come to the fire and general revenue account, which embraces our accident, employers' liability, motor and indemnity business. Substantial progress has been made in all departments, the premiums amounting to £493,043, an increase in the year of £181,950. This increase—and, in fact, practically four-fifths of the total premium income—is the result of our own efforts, and, like our marine business, is not due to the amalgamations with other companies, sufficient time not having yet elapsed to get the full effect of such amalgamations. While the building up of fire and general business is an expensive matter, I am glad to say that, after providing full reserves for losses advised but not settled and setting aside 35 per cent. for unexpired risk on the increased premiums, there is the underwriting profit of £16,000 apart from interest, which added makes the credit balance £25,000 odd. This we propose adding to reserves, which amount to no less than £251,905, or 51 per cent. of the total premium income. Most of you will remember I reported to you last year that we had seized the opportunity of entering the fire field in America, and we have now had the experience of a full year's working. Our business on the other side is in excellent hands, and is being conducted with great prudence and care. With the disappearance of German and allied companies from the field an enormous volume of business is open to British companies. Fire business in 1917 was a variable quantity, and while some companies had an excellent experience, that of others was exactly the reverse, notably those who were interested in the Salonika conflagration. I think our loss ratio of 45.72 per cent. will compare favourably with that of the majority of companies. In our accident department, you will recollect that shortly after war broke out we introduced a special policy insuring the public against death or accidents caused by air.

craft. This policy has been very much appreciated and is still being so, many people thinking it prudent to obtain additional life insurance and accident insurance at the very small premium they have to pay under this policy. During last year we found that many firms, especially in the City of London, whether they were legally liable or not, were seeking to gain protection by insurance for the whole of their staff. We, therefore, originated a scheme under which, by payment of a premium on the total salaries paid, the whole of such staffs could be insured. This has been very much appreciated by the public, and we are still issuing a large number of policies in connection with the scheme. Another new form of policy, which has also been extensively copied by our rivals, is that for motor vehicles under the petrol restrictions. We fixed what we considered an adequate, but much reduced, premium, giving full cover and accepting the risk of the restrictions being removed before the renewal date of the policy. We think those people who have had the advantage of our reduced premium will continue their business with us when we return to normal times. We have also issued a special policy insuring farm tractors, which has had a most favourable reception. In connection with employers' liability business, there is, I think, one point about which you will like to have some information. As in all our other departments, our fixed intention is to deal quickly and, at the same time, fairly with claims. We are still continuing this policy, and I am able to say that in proportion to the business the number of the claims outstanding is few, and none of these is of a serious nature. I now propose to deal with the life department. In my remarks last year I dealt with our amalgamation with the Eagle and the Sceptre, and since then we have been joined by the well-known Star Assurance Society, which was established in 1843. It is hardly necessary for me to enlarge upon the importance of the acquisition of this company. The name of the Star has become a household word, and, apart from the value of their life connections, we hope to use them in our other departments, where they should prove of extreme value. The result of these amalgamations and of the active pursuit of new life business by our representatives during the year is shown in the life assurance revenue account and balance-sheet. From those it will be seen that the premium income during the year exceeded £900,000, thus putting the company among the first half-dozen British ordinary life offices in point of size of premium income. The actual nett new life business of the associated companies was as follows:—Number of policies issued exceeded 23,000, sum assured (nett) exceeded £5,000,000, and annual premiums over £300,000. I think that that is a specially good record of new business.

The amount of new life business completed by the company was largely owing to the phenomenal success of our War Loan scheme, and we cannot expect to equal this amount of new business in future years under ordinary conditions. It may safely be said that never in the history of life insurance has there been such an advertising campaign as that with which we inaugurated our War Loan scheme. Although our War Loan campaign was, as I have indicated, by far the most outstanding feature of the life insurance history of the year, we did not content ourselves with this particular effort, and have from time to time since we commenced to transact life insurance business introduced other attractive new plans, especially a scheme for insuring the lives of our soldiers and sailors, for which Lord French and Admiral of the Fleet Sir William May are trustees. Before leaving the subject of life insurance I should like to point out that your directors feel very strongly that temperance is spreading so rapidly in the country that every effort should be made to give that section of the public every facility for life insurance on the best and most up-to-date lines. It was largely with this object in view that your directors made the arrangement whereby the Sceptre Life Association, one of the oldest and most successful companies, who especially cater for this class of business, joined their future to ours. It is interesting to note that during the last thirty-four years, whereas their death expectation on the general section amounted to 78.69 per cent., the death expectation on their temperance section amounted to only 50.26 per cent. In 1917, excluding war claims, the death expectation on their general section was 59.82 per cent., and in the temperance section was 37.33 per cent. As we are continuing to run our temperance section on exactly similar lines and treating it as a distinct class, we think we are in a position, if not to offer a better policy for this class of the community, at least to offer one that is as advantageous as any other company can. I have much pleasure in moving that the accounts and report be adopted.

Mr. J. Douglas Watson, F.I.A., F.A.S. (deputy-chairman), seconded the resolution, and it was carried unanimously.

The Chairman moved: "That the dividends on the preference shares paid on July 1, 1917, and January 1, 1918, be, and are hereby, confirmed."

This was seconded by Mr. Watson and unanimously agreed to.

The Chairman then moved: "That a final dividend of 7½ per cent., free of income-tax, be paid on the ordinary shares, which, with the interim dividend of 5 per cent. paid on July 1, 1917, makes 12½ per cent., free of income-tax, for the year."

Mr. Watson seconded the resolution, and it was carried unanimously.

The Chairman then moved "That a final payment of 2 per cent. be made on the preferred ordinary shares, which, with

the 4 per cent. paid on July 1, 1917, and the further 4 per cent. paid on January 1, 1918, will make 10 per cent. in respect of the year 1917."

Mr. Watson seconded the resolution, which was carried unanimously.

On the motion of Mr. Horace Peel, seconded by Mr. Rogerson, it was unanimously resolved: "That George Wigley, Esq., J.P., and Charles Williams, Esq., J.P.; be re-elected directors."

On the motion of Mr. H. S. Mountain, seconded by Mr. F. Hitchin, it was resolved: "That Messrs. Edwin Guthrie and Co. be re-elected auditors."

A vote of thanks to the staff, proposed by Mr. Mackenzie, and seconded by Mr. Fowler, was carried with acclamation.

Mr. S. A. Bennett, the assistant general manager, suitably replied on behalf of the staff.

A vote of thanks to the chairman and board, the West-End board, Star and Sceptre boards, and local boards was duly proposed, seconded, and carried unanimously.

The Chairman having acknowledged the compliment, the proceedings terminated.

## HARRISONS AND CROSFIELD.

An extraordinary general meeting of Harrisons and Crosfield, Ltd., was held on Friday in the Council Room of the Rubber Growers' Association (Incorporated), 38, Eastcheap, E.C., for the purpose of considering and, if thought fit, passing a resolution empowering the directors to increase the capital of the company to £2,525,000, to consist of 1,000,000 preference shares of £1 each, 1,000,000 preferred ordinary shares of £1 each, 500,000 deferred shares of £1 each, and 500,000 management shares of 1s. each, modifying the rights of the latter and readjusting the allocation of the profits. Mr. Chas. Heath Clark (the chairman of the company) presided.

The Secretary (Mr. H. P. Church) having read the notice convening the meeting,

The Chairman, in the course of moving the resolution, which was taken as read, said: Gentlemen, the great expansion of the business of the company which has taken place since its incorporation ten years ago is the main reason for the directors, after months of the most careful consideration, asking your approval of the scheme which has been placed before you for the rearrangement of the financial constitution of the company. The business has outgrown the original arrangements made upon the formation of the company, which at that time appeared entirely suitable to our requirements. The following comparative figures illustrate the development which has taken place. We started with an issued capital of £307,500, which has since been increased to £907,500. The total book value of the assets appearing in our first balance-sheet amounted to £564,436, and that of our last to £2,867,168. The profits earned during the company's first year amounted to £47,969, and last year our profit reached £179,423. The ascertained profits to date of the current financial year exceed last year's total, and I confidently anticipate it will be a record year for the company. The surplus assets shown in the balance-sheet in 1909 amounted to £45,590, and in 1917 they amounted to £452,840. As our assets appear in our balance-sheet "at cost or under," such surplus does not include the very large appreciation in the value of our investments, if taken at market prices, or the very large goodwill value that attaches to such a business as that owned by the company. During the past ten years we have accumulated reserves amounting to £346,000, in addition to large sums written off for depreciation, so that our assets are all in an extremely sound position. In the same period additional branches of the company's business have been opened by us in Medan, Batavia, Bandoeng, Quilon, Calicut, and Kobe, and we have become interested in the business carried on by companies with whom we are allied in the United States of America, Australia, South Africa, the Straits Settlements, Borneo, and China. I think, therefore, you will agree that the development of the company's business in the past has been so extensive as to justify, and, indeed, necessitate, very considerable changes in our capital organisation. In the proposals we are submitting for your approval we have endeavoured not only to meet the present needs, but also to provide for the considerable further expansion of the company's business which I am confident will take place. The industries in which we are mainly interested are hampered and restricted at the present time by war conditions, but when peace comes there must be a great expansion in all production as the one possible means of economic recovery from the havoc and wastage of the war. This company, we believe, will have the opportunity, and should be placed in a position to take a considerable share in the increased commercial and industrial activity which must then ensue.

The Chairman then drew attention to the principal points of the scheme, including the raising of the cumulative dividend upon the preference shares from 5½ per cent. to 6 per cent. per annum; the increase of the preferential cumulative dividend upon the preferred ordinary shares to 10 per cent. per annum; the improvements in the capital rights of both these classes of shares; the increase of the authorised capital; the transfer of the preference reserve fund to the general reserve for use in the business; the capitalisation of £150,000 of the general reserve by the issue of fully-paid deferred ordinary shares; and

the provisions for the creation of compulsory further reserves out of future profits.

In conclusion, he said: The scheme we have placed before you has been most carefully considered in all its bearings by the directors, who have exercised the utmost care to ensure that no class of shareholder shall be prejudiced in any way by its operation. The directors believe the scheme as a whole represents a distinct improvement in the rights attaching to all shareholders, and therefore they confidently recommend its acceptance as being in the best interests of each class of shareholder and of the company as a whole.

Mr. George Croll seconded the resolution.

Mr. J. B. Braithwaite said he was sure he would be only voicing the opinion of the shareholders if he took the opportunity of congratulating the chairman and the board on the extremely solid and satisfactory progress made by the company. As his firm made the first issue of capital, he thought the shareholders might like to know their opinion of the scheme. It was largely due to the suggestion of his firm in the first instance that the preference share reserve fund was established. By the courtesy of the chairman they had been consulted upon the present changes, and he could unhesitatingly recommend the shareholders to adopt them. The scheme thoroughly safeguarded the interests of the existing shareholders, while with regard to the deferred and management shares, which were in the hands mostly of the directors, the arrangements made were thoroughly equitable.

Mr. J. B. Crosfield, former chairman of the company, also expressed approval of the scheme. He had studied it carefully, and it appeared to him to be a particularly excellent scheme in the way it was worked out as regarded not only all classes of shareholders, but as regarded the advantages to the company as a whole.

The resolution was carried unanimously.

### CONSOLIDATED MINES SELECTION.

The twenty-second ordinary general meeting of the Consolidated Mines Selection Co., Ltd., was held on Thursday at Winchester House, Old Broad Street, E.C., Mr. Walter McDermott (chairman of the company) presiding.

The Secretary (Mr. C. W. Moore, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman said: On the credit side, properties, quoted and unquoted securities, aggregate £535,325, not including in this £100,000 War Bonds, a slight excess over the corresponding total of the previous year. The valuation of these securities is on the same basis as in the past—that is, they are taken at cost or under, and the total figure would be largely increased if they were valued at market prices on December 31 or at to-day's prices. The cash position is stronger at £290,809, including War Bonds. A strong cash position is necessary in connection with liabilities the company has incurred for certain guarantees of loans and for subscriptions for working capital of subsidiary and new companies. The profit of £164,245 compares with £124,003 for the preceding year, and the increase is due to a number of successful transactions and the realisation of profits on former investments. You will, however, be interested to hear that the transactions for the year leave us with all our main dividend-paying investments intact, and with new business in hand to replace, satisfactorily we hope, that already realised on, although any benefit therefrom will probably be a deferred one. The profit of the year, plus the carry-over from 1916, gives an available sum of £173,461, and of this it is proposed to transfer £20,000 to reserve account, making this then stand at £80,000, and to pay a dividend of 30 per cent., less income-tax. With these proposals carried, there will be a balance of profit forward of £29,148, subject to extra remuneration to directors and managing directors in London and Johannesburg. At our last meeting I was able to mention the securing of the Brakpan deep level lease as the most important event, and, fortunately, on this occasion the directors are able to report an equally important transaction in the securing of an additional lease for the Springs Mines, Ltd., which will make that company the owner of mining rights over 3,568 claims. There is one transaction, affecting the value of our large holding in Springs, on which I will say a few words, and that is a participation which the Springs Mines, Ltd., has taken in the West Springs, Ltd.—a new company formed to take over the Western Government lease. As part consideration for the working facilities granted, Springs Mines, Ltd., will receive an option to call for 150,000 shares of the new company, for at least two years, at 2s. 6d. This call will allow of a distribution of one option certificate to Springs Mines shareholders for every ten shares held. The Brakpan Mine is in a strong position, with good promise for its continued successful career. The ore reserve of 3,268,000 tons—assaying 9.2 dwts. over 67 ins. of stoping width—has been estimated with reference to present higher working costs. For the year under review the grade of ore milled was 3s. 7d. and costs 1s. per ton higher than in 1916, so that the resulting profit was 2s. 7d. per ton better. Dividends amounting to 4½ per cent. were paid for the year. I have not gone into mining details as fully to-day as at some previous annual meetings, and I have to take up a little of your time on a question of domestic policy which has been raised by a circular you have probably all seen about enemy holdings in our company. I can show you that the premises on which Mr. Kennedy

has based his appeal are erroneous. Mr. Kennedy is grossly inaccurate in his statement that 180,000 shares are held by our managing directors, who do not hold one-tenth of that number. As regards the 150,000 shares, in names which appear to be German, though their owners live in Great Britain, the secretary informs me, including those of the managing directors, and speaking with a long experience of German names, that there are not over 73,000 shares which can be said to be in such names. Mr. Kennedy is, therefore, inaccurate in this matter. The only real charge, therefore, which we have to meet is the existence of the large enemy holdings, now under Government control—"the very head and front of our offending bath this extent, no more." I am able to say, in the language of Parliament, that this matter has received our serious consideration, and long before Mr. Kennedy's exhortation. More than one attempt has been made in this direction by asking the Public Custodian if he would sell the shares, and the reply was in the negative. We had also received the advice of our solicitor (in answer to inquiries made of us) that there were not sufficient grounds for pursuing the matter. If we should see such change of policy on the part of the Public Trustee as would improve the prospect of getting the enemy holdings of shares distributed *pro rata* among English shareholders, you may be sure of the active sympathy of the board in its execution.

Mr. R. J. Frecheville seconded the motion, which was unanimously adopted, an amendment proposed by Mr. Kennedy on the subject of shares held by enemy aliens being withdrawn after some discussion.

### KEPONG (MALAY) RUBBER.

The annual general meeting of the Kepong (Malay) Rubber Estates, Limited, was held on Thursday at the registered offices, 65, Bishopsgate, E.C., Sir Gordon Voules (chairman of the company) presiding.

The Secretary (Mr. W. B. Gauld) having read the notice convening the meeting and the report of the auditors,

The Chairman said: You will see our profits for the year, after writing off £1,000 for depreciations, amounted to £21,859, or £3,500 less than in the previous year, when we scored a record profit, exceeding our total share capital. If we add to this profit of £21,859 the sum of £5,369 brought forward from the previous year and abate the excess profits duty of £3,707 for the year 1916, together with the 100 guineas you voted for war charities, we arrive at the sum of £23,416. Out of this we have already paid three quarterly dividends of 15 per cent. apiece, which have absorbed £11,250. Thus there remains the sum of £12,166 for you to deal with to-day. Your directors propose that this should be dealt with as follows:—Payment of a final dividend of 15 per cent., which will absorb £3,750, and a transfer of £1,000 to our reserve account, leaving a balance of £7,416 to be carried forward. With regard to the reduction in our profits, I would explain that, though we sold 35,000 lbs. more rubber than in the previous year, the amount realised by our sales was £2,750 less. This is chiefly due to the fact that, owing to the shortage of steamers to Europe, as well as to America, we were obliged to sell nearly half our crop at Singapore. This, combined with our proposal to carry forward £2,000 more than in the previous year, is mainly responsible for the proposed reduction of our dividend to 60 per cent. for the year instead of the 85 per cent. we paid in 1916, though we practically earned 88 per cent. The real stability of our property is due to the fact that, with a modest capital of £25,000, we have not only purchased our estate, but have already expended £50,000 on its development. This represents our real carry-forward. In addition to this, we shall have paid out in the way of dividends £129,000. You will see we harvested 335,586 lbs. of rubber, or the odd 586 lbs. in excess of the estimate. The cost of production f.o.b. at Port Swettenham was 8.4d. per lb.—practically the same as in the previous year. All-in costs were well under 1s. The area tapped during the year was 760 acres, out of which 188 acres were very lightly dealt with. The average yield was 436 lbs. per acre. With regard now to the current year, I should like to offer some explanation of the limitation of our output to 270,000 lbs., or 80 per cent. of the crop for 1917, instead of the 380,000 lbs. estimated by our manager. This limitation, as you are aware, has been made at the instigation of the Rubber Growers' Association, with the view of supporting the Government policy of releasing as much tonnage as possible for the conveyance of troops and food. I feel sure you will approve of our having fallen into line with this scheme, originated by the Rubber Growers' Association. We believe it to be in the interests not only of Kepong, but of the rubber industry generally. Something like 80 per cent. of existing rubber companies have now joined up, and it is to be regretted that any companies should remain outside. This is an account of our stewardship for the past year. I trust you will consider we have not done badly under very trying conditions. What we shall be able to accomplish when peace comes round again, with normal shipping facilities and normal freights, no war insurance, no excess profits tax, and an increased demand for our rubber, I will not attempt to prophesy. But in making your own calculations as to our future prospects, do not forget that nearly 40 per cent. of our planted area has not yet been touched by the tapper's knife. When it has, we imagine that the result will be startling.

Mr. T. M. C. Stewart seconded the motion, which was unanimously adopted.

## INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE		
	Week ending	Amount	In. or dec. on last year.	Amount	In. or dec. on last year.	
Assam Bengal	Mar. 16	Rs. 1,67,934	+ 45,172	Rs. 34,31,084	+ 3,99,133	
Barel	" 9	10,200	+ 6,400	7,78,700	+ 2,28,700	
Bengal & N.W.	" 16	4,96,930	+ 9,158	99,66,892	+ 3,54,501	
Bengal Nagpur	" 23	12,35,000	+ 55,000	5,46,00,155	+ 48,43,907	
Bombay, Baroda	May 11	17,91,000	+ 1,04,000	1,05,82,000	+ 11,66,000	
Burma	Mar. 16	5,18,182	+ 17,479	2,11,13,799	+ 76,306	
Delhi Umballa	May 11	87,000	+ 5,509	5,28,485	+ 70,723	
East Indian	" 11	26,83,000	+ 2,35,000	1,47,94,000	+ 9,12,000	
Gt. Indian Penin.	" 11	21,98,100	+ 1,27,500	1,35,24,200	+ 2,71,202	
Lucknow-Bareilly	Mar. 16	70,636	+ 16,924	12,96,717	+ 1,55,246	
Madras and S.						
Mahratta	" 23	11,15,000	+ 20,932	2,62,61,870	+ 15,38,931	
Nizam's Gd. (Broad)	" 23	1,43,122	+ 15,262	34,20,293	+ 1,40,263	
" (Metre)	" 23	75,022	+ 3,986	21,21,775	+ 23,572	
Rohilkund and						
Kumaon	" 16	55,206	+ 14,463	11,11,039	+ 1,94,482	
South Indian	" 23	6,78,923	+ 14,995	1,61,10,988	+ 9,44,995	

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Amount	In. or dec. on last year.
Dublin United	Apr. 5	7,817	+ 1,914	99,454	+ 19,435
Hastings and Dist.	May 6	1,160	+ 58	18,964	+ 2,274
Ile of Thanet	" 4	199	+ 108	5,659	+ 2,147
Lancashire United	" 15	2,763	+ 574	51,635	+ 14,947
Provincial	Apr. 27	2,804	+ 493	73,127	+ 13,337
Yorks. (Wat. Rdng.)	May 19	3,007	+ 1,104	48,863	+ 11,358

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

		£	£	Ms.	£	£
Alabama Power ..	Mar. §	126,829	+ 20,143	I	126,829	+ 20,143
Anglo-Argentine ..	May 20	54,104	+ 1,450	1	1,107,440	+ 78,045
Auckland Electric ..	Apr. 12	23,209	+ 2,031	a	224,466	+ 9,880
Brazilian Traction ..	Mar. §	M3,925,000	+ M226,000	3	M11,866,000	+ M852,000
Brisbane Elec. Inv. ..	Apr. §	35,530	+ 3,910	4	137,569	+ 9,789
British Columbia ..	Mar. §	129,658	+ 29,210	4	1,032,557	+ 160,244
B.A. Lacroze ..	Apr. §	41,643	+ 2,532	9	388,064	+ 8,601
Burmah Electric ..	b	Rs. 27,614	+ Rs. 3,915	10	213,042	+ Rs. 4,945
Calcutta ..	May 18	Rs. 72,691	+ Rs. 7,260	+	Rst300,599	+ Rs. 95,287
Caribghena and Herrerias ..	Ap b	4,200	—	166	17,558	+ 3,032
Cordoba Light P. & T. ..	Feb.	12,972	+ 1,076	II	147,938	+ 435
Hongkong ..	Mar. 16	12,349	+ 228	1	153,745	+ 2,605
La Plata ..	Apr. b	5,169	+ 940	4	19,972	+ 2,807
Lima ..	"	20,292	+ 1,603	4	82,153	+ 14,554
Madras Electric ..	May 15	Rs. 42,003	+ Rs. 7,728	4	Rs. 362,727	+ Rs. 52,350
Manila Electric....	Feb.	168,000	+ 25,870	2	335,000	+ 46,570
Mexico ..	Nov. §	215,256	+ 108,669	1	3,193,106	+ 197,227
Rangoon ..	Apr. §	5,885	+ 849	1	22,863	+ 2,393
Singapore Electric	Mar. 9	14,054	+ 1,160	1	133,346	+ 2,206
Toronto ..	"	531,725	+ 56,119	3	1,442,834	+ 55,211
United of Monte V.	Apr. §	33,704	+ 4,474	6	206,037	+ 19,415
Vera Cruz ..	Feb. §	42,200	+ 6,300	3	84,800	+ 19,300
Winnipeg ..	Mar. §	66,661	+ 16,980	3	216,856	+ 33,817

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

		£		£		£		£
Alcoyand Gandia ..	May 18	Ps. 10,000			†	Ps. 186,900		- Ps. 26,970
Antofagasta (Chili)	" 19	54,670	+	11,590	†	867,930		+ 114,055
Arauco	Mar.	12,500	+	1,500	†	39,000		+ 6,000
Argentine N.E.	May 18	9,900		300	†	394,500		+ 68,698
Bilbao R. and Canta	Apr.	5,453		2,011	4	15,083		+ 2,919
Bolivar .. ..	" *	13,000		962	†	113,775		+ 14,630
Brazil	Feb.	M4,426,000		M713,064	†	M9,628,000		+ M178,353
Brazil Gt. Southern	Dec. *	Mis. 66,912		M22,712	†	M538,439		+ M74,769
B. Ayres & Pacific	May 18	140,000		54,000	†	4,331,000		+ 303,000
Do. Central	Apr.	36,405		10,302	10	289,099		+ 46,182
Do. Gt. South'n	May 19	137,000		32,000		5,045,705		+ 130,549
Do. Western	" 19	81,000		37,000		2,440,400		+ 187,000
Central Argentine.	" 18	157,000		68,800		5,297,200		+ 559,100
C. Uruguay of Mte V.	" 20	19,590		7,430		850,689		+ 242,771
Do. East'n Ex.	" 20	5,921		1,943		237,124		+ 9,334
Do. North'n Ex.	" 20	4,132		1,400		152,265		+ 37,841
Do. West'n Ex.	" 20	1,958		578		102,541		+ 18,967
Cordoba Central	" 18	41,000		7,440	†	1,443,000		+ 80,200
Costa Rica	Apr. 6	2,822		2,074	†	114,894		+ 96,608
Cuban Central	May 18	30,115		1,966	†	975,193		+ 169,531
Dorada Extension.	Apr. *	9,500		400	†	33,400		+ 2,700
Egyptian Delta	" 10	8,688		2,686	4	8,488		+ 2,686
Entre Rios	May 18	21,400		6,400	†	740,600		+ 183,000
French Sante Fé	Feb.	147,180		53,260	2	294,668		+ 108,973
Gt. South. of Spain	May 11	27,862		Ps. 76,886	†	Ps. 567,015		+ Ps. 268,628
Gt. West. of Brazil.	" 18	14,600		2,700		352,400		+ 93,550
Havana Central	Apr. 1	11,210		3,177		403,805		+ 85,946
Inter. of C. Amer.	Mar. 27	30,205		9,999		77,876		+ 27,584
La Guaira and Car.	May 18	5,000		2,500		24,250		+ 10,750
Leopoldina	" 18	30,770		7,310	†	629,776		+ 176,057
Midland Uruguay	Apr.	12,872		1,800	†	133,034		+ 2,844
Mogiana	Feb.	M1,793,000		M415,924	†	M3,918,000		+ M969,999
N.W. of Uruguay	Apr.	22,000		8,617	†	260,697		+ 17,004
Nitrate	May 15	33,858		2,654	†	274,948		+ 16,354
Paraguay Central	" 11	3,730		700	†	130,190		+ 15,790
Paulista	Feb. *	M2,740,000		M994,536	†	M5,700,000		+ M180,795
Peruvian Corp'n	Apr. *	S1,079,880		S122,380	†	S1,040,440		+ S114,254
Salvador	May 11	2,569		231	†	97,353		+ 1,255
State of Bahia S.W.	Mar.	M47,000		M20,000	†	M237,000		+ M53,000
S. Paulo (Brazilian)	May 19	25,235		5,095	†	607,270		+ 163,684
Sorocabana	" 6	M1,784,000		M272,301	†	M3,736,000		+ M472,192
Taital	" *	25,282		4,679	10	249,960		+ 61,702
United of Havana	May 11	78,916		14,292		2,605,924		+ 631,798
West'n of Havana	" 18	13,336		3,547		424,056		+ 15,164
Zafra and Huelva	Mar. *	13,419		3,201	2	35,912		+ 5,593

\* Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Amount	In. or dec. on last year.
Belra	Dec. 8	49,448	—	173,777	+ 6,532
Canadian Northern	May 14	857,300	+ 24,700	36,342,300	+ 3,114,400
Canadian Pacific	" 14	3,109,000	+ 14,000	51,941,000	+ 2,308,000
Gt. Trk. Main Line	" 14	238,877	+ 25,022	3,626,233	+ 221,004
Gt. Trk. Western	" 14	42,349	+ 1,496	663,863	+ 7,110
Detroit G. H. & M.	" 14	13,089	+ 956	213,722	+ 20,785
Gt. Trk. Pac. Prairie Sc.	" 14	17,263	+ 9,395	451,085	+ 98,087
Mashonaland	Jan. 8	52,822	+ 3,300	226,599	+ 3,232
Mid. of Westn. Aus.	Mar. 8	9,591	+ 1,616	70,728	+ 2,310
New Cape Central	" 3	2,713	+ 530	30,840	+ 5,349
Rhodesia	Jan. 8	26,395	+ 4,188	345,800	+ 7,737

\* Months. † July 1. † Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.	No. of Mths.	Amount.	In. or Dec. on last year.
Atobison T. & S. Fe	Jan.	1,912,000	+ 1,689,900	12	47,829,000	+ 1,242,000
Atlantic Coast Line	"	1,075,000	+ 212,000	12	12,014,000	+ 607,000
Baltimore & Ohio	"	1,852,000	+ 1,165,000	12	30,589,000	+ 3,425,000
Canadian Northern	Mar.	210,400	+ 407,700	9	2,490,100	+ 5,014,400
Canadian Pacific	"	2,993,000	+ 944,000	3	4,752,000	+ 3,603,000
Chesapeake & Ohio	Feb.	627,000	+ 160,000	2	546,000	+ 1,394,000
Chicago & N.W.	Jan.	785,000	+ 2,797,000	12	27,015,000	+ 3,034,000
Chicago Burl. & Q.	Dec.	1,585,000	+ 2,276,000	12	32,867,000	+ 6,232,000
Chicago G.W.	Feb.	151,000	+ 36,000	2	142,000	+ 357,000
Chicago Mil. & S.P.	Jan.	628,000	+ 2,291,000	12	21,967,000	+ 9,300,000
Chicago, Rock I. & P.	Feb.	271,000	+ 348,000	2	331,000	+ 1,636,000
Colorado & Southern	Dec.	—	+ 11,000	11	5,200	+ 370,000
Cuba	Feb.	451,796	+ 418,865	8	2,422,241	+ 817,795
Delaware & Hud.	Jan.	3,600	+ 720,000	12	5,636,000	+ 2,124,000
Denver & Rio Grand	Feb.	341,000	+ 12,000	2	756,000	+ 294,000
Erie	Dec.	507,000	+ 1,848,000	12	10,538,000	+ 5,277,000
Gt. Tr. Main Line	Feb.	241,700	+ 291,000	2	4,009,700	+ 1,601,550
Grand Trunk West.	"	440,150	+ 827,000	2	1,779,300	+ 1,645,500
Detroit G. H. & Mil.	"	113,100	+ 13,900	2	28,100	+ 6,750
Gt. Northern	Dec.	1,165,000	+ 1,401,000	12	22,937,000	+ 6,179,000
Illinois Central	Feb.	1,008,000	+ 238,000	2	531,000	+ 2,272,000
Kansas City Southn.	"	455,000	+ 59,000	2	824,000	+ 10,000
Lehigh Valley	Jan.	985,000	+ 1,346,000	12	9,403,000	+ 2,876,000
Louisville & Nashv.	Feb.	1,462,000	+ 25,000	2	2,084,000	+ 1,289,000
Minn. S.P. (Soo) J.	Dec.	612,000	+ 883,000	12	9,331,000	+ 3,648,000
Miss. K. & Texas	Feb.	76,000	+ 112,000	2	231,000	+ 392,000
Missouri Pacific	Nov.	1,690,000	+ 321,000	5	9,425,000	+ 1,920,000
New York Cent. & H.	Feb.	705,000	+ 243,000	2	443,000	+ 5,019,000
N.Y. N. Haven & H.	Dec.	207,000	+ 1,795,000	12	23,815,000	+ 2,245,000
New York Ont. & W.	Feb.	21,000	+ 60,000	2	14,000	+ 185,000
Norfolk & Western	"	542,000	+ 833,000	2	765,000	+ 2,300,000
Northern Pacific	"	862,000	+ 694,000	2	1,644,000	+ 2,139,000
Pennsylvania East						
and West Lines	Mar.	2,527,000	+ 3,665,000	3	610,018,000	+ 2,086,000
Phil. and Reading	Nov.	416,000	+ 1,939,000	11	14,877,000	+ 6,626,000
Reading	Feb.	131,541	+ 40,338	2	249,000	+ 80,230
St. Louis & San F.	Dec.	1,225,000	+ 244,000	6	9,576,000	+ 632,000
Seaboard Air Line	"	673,000	+ 206,000	12	8,628,000	+ 24,000
Southern	Feb.	1,772,000	+ 412,000	8	17,716,000	+ 1,667,000
Southern Pacific	Jan.	—	+ 536,000	12	59,785,000	+ 7,953,000
Union Pacific	"	—	+ 72,000	12	42,942,000	+ 2,115,000
Wabash	Feb.	166,000	+ 8,000	2	482,000	+ 1,784,000

‡ Includes Wisconsin Central. \* Gross earnings. † Surplus. b Deficit.

## Notes on Books.

*Oil and Petroleum Manual*, 1918. Walter R. Skinner, 11-12, Clements Lane, E.C. Price 4s. nett.

This useful handbook has now reached its ninth year of issue, and it is recognised as the standard work of reference on the oil and petroleum industry. The publisher has been reluctantly compelled to raise the price from 2s. 6d. to 4s., owing to the increased cost of paper and printing, but those who have to consult it often will not grudge the increase. In the case of many companies, especially those operating in Russia and Rumania, reliable information is extremely difficult to obtain, but wherever possible

# The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

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## THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	...	£1,500,000
Capital Issued	...	1,125,000
Capital Paid Up	...	562,500
Reserve Fund (Undivided Profits)	...	708,432

### Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS  
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

## ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1797.

PAID-UP CAPITAL	£2,000,000
REST AND UNDIVIDED PROFITS	914,968
DEPOSITS	26,177,865

Head Office: ST. ANDREW SQUARE, EDINBURGH.

Cashier and General Manager, A. K. WRIGHT. Secretary, J. B. ADSHEAD.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager. ALEX. DICK, Deputy-Manager.

Glasgow Office: EXCHANGE SQUARE.

A. DENNISTOUN, Agent. THOMAS LILLIE, Sub-Agent.

167 Branches throughout Scotland.

Banking Business of every description transacted. Accounts opened and Agency business undertaken for Foreign and Colonial Banks and other financial establishments. Drafts, Circular Notes, and Letters of Credit issued — available throughout the world. Cable transfers are also made. Deposits received at interest repayable at call or at notice. Correspondence invited.

## THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - TAIPEH, FORMOSA.

Amoy, Batavia, Bombay, Canton, Foochow, Hankow, Hongkong, Kuikiang, Kobe, New York, Osaka, Shanghai, Singapore, Swatow, Soerabaya, Tokyo, and every important city in Formosa (Taiwan), &c. The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	...	Yen 49,000,000
Capital Paid Up	...	Yen 42,000,000
Reserve Fund	...	Yen 23,000,000

Head Office: YOKOHAMA.

Branches and Agencies at

Bombay.	Honolulu.	Newchwang.	Shimonoseki.
Buenos Ayres.	Hong Kong.	New York.	Singapore.
Calcutta.	Kobe.	Osaka.	Sourabaya.
Changchun.	Los Angeles.	Peking.	Sydney.
Dairen (Dalny).	Lyons.	Rangoon.	Tientsin.
Fengtien (Mukden).	Manila.	San Francisco.	Tokyo.
Hankow.	Nagasaki.	Seattle.	Tsinanfu.
Harbin.	Shanghai.		Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

## HONGKONG AND SHANGHAI BANKING CORPORATION.

Capital (all paid up)		\$18,000,000
Sterling Reserve, held in London at exchange of 2s. per \$	£1,500,000	\$15,000,000
Silver Reserve		\$19,500,000
Reserve Liability of Proprietors		\$18,000,000

HEAD OFFICE—HONGKONG. Chief Manager—N. J. STABB.

BRANCHES AND AGENCIES:—Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Colombo, Foochow, Hankow, Harbin, Hongkew (Shanghai), Ipoh, Johore, Kobe (Hiogo), Kuala Lumpur, London, Lyons, Malacca, Manila, Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San Francisco, Shanghai, Singapore, Sourabaya, Tientsin, Tsingtau, Yioho, Yokohama.

LONDON COMMITTEE:

HENRY KESWICK, Esq., M.P.

WM. GAIR RATHBONE, Esq.

J. R. M. SMITH, Esq.

A. M. TOWNSEND, Esq.

GRACECHURCH STREET, LONDON, E.C. 3.

SIR CHARLES ADDIS,  
H. D. C. JONES,

Managers in London,

JOHN MACLENNAN, Sub-Manager.  
W. M. BLACKIE, Accountant.

# LONDON COUNTY WESTMINSTER & PARR'S BANK, Ltd.

ESTABLISHED IN 1836.

**AUTHORISED CAPITAL** £30,000,000, in 1,500,000 Shares of £20 each.  
**Reserve** - - - - - £6,800,000.

Chairman: WALTER LEAF, Esq. Deputy Chairmen: Sir MONTAGU TURNER, R. HUGH TENNANT, Esq.

**HEAD OFFICE:** 41, LOTHBURY, E.C. 2.

Joint General Managers: F. J. BARTHORPE, J. W. BUCKHURST, J. C. ROBERTSON.

**Foreign Branch Office:** 82, Cornhill, E.C. 3.

*The Bank is represented by Branches or Agents in all the principal cities and towns of the United Kingdom and has Correspondents throughout the World.*

**Spanish Branches:**—Barcelona: Paseo de Gracia 8 & 10. Madrid: Calle de Alcalá 43.

**Affiliated in France:** London County and Westminster Bank (Paris) Limited.  
 Paris: 22, Place Vendôme. Bordeaux: 22 & 24, Cours de l'Intendance.

**Affiliated in Ireland:** Ulster Bank Limited.

*All Cheques on the Ulster Bank will be collected for Customers of this Bank, free of Commission.*

**EXECUTOR AND TRUSTEE DUTIES UNDERTAKEN.**

## ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

**Head Office—38, Lombard Street, E.C. 3.**

Subscribed Capital .. .. .	£1,078,875 0 0
Paid-up Capital .. .. .	539,437 10 0
Further Liability of Proprietors .. .. .	539,437 10 0
Reserve Fund .. .. .	500,000 0 0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION, Manager.

## THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

<b>Authorised Capital</b> .. .. .	£1,000,000.	<b>Subscribed Capital</b> .. .. .	£825,000
Paid-up Capital .. .. .	£500,000		
Reserve Fund .. .. .	555,000		
	£1,055,000		
Uncalled Capital .. .. .	125,000		
Reserve Liability of Proprietors .. .. .	625,000		
	£1,850,000		

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

## THE LONDON BANK OF AUSTRALIA, LIMITED.

Head Office—71, Old Broad Street, E.C.

Subscribed Capital .. .. .	£1,276,747 10 0
Paid up Capital .. .. .	669,685 0 0
Reserve Fund and Undivided Profits .. .. .	409,626 1 1
Reserve Liability of Proprietors .. .. .	606,962 10 0

REMITTANCES made by CABLE.

DRAFTS, LETTERS OF CREDIT and CIRCULAR NOTES issued upon Branches and Agents.

BILLS on Australasia NEGOTIATED or sent for collection.

DEPOSITS RECEIVED for periods and at rates which may be ascertained on application, and Banking Business of every description conducted with Australia.

## THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837. LIMITED. INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £2,000,000; together .. .. .	£4,000,000
Reserve Liability of Proprietors .. .. .	4,000,000
Total Capital and Reserves .. .. .	£8,000,000

**HEAD OFFICE** - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

## THE WESTERN AUSTRALIAN BANK.

Established 1841.

Paid-up Capital .. £250,000 0 0		25,000 Shares of £10 each.
Reserve Fund .. ..	£700,000 0 0	Reserve Profits .. £19,338
Reserved Liability of Shareholders £250,000.		

Drafts issued. Remittances cabled. Bills negotiated or collected. Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Australia conducted through the London Agents. The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

## BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital .. .. .	£3,904,860
Reserve Fund .. .. .	2,875,000
Reserve Liability of Proprietors .. .. .	3,904,860
	£10,684,720

**Head Office:** SYDNEY, NEW SOUTH WALES.

**London Directors:**

Sir FREDERICK GREEN, Chairman.

H. L. M. TRITTON, Esq. WALTER S. M. BURNS, Esq.

DAVID GEORGE, Manager. J. S. CAMPBELL, Secretary.

HALKERSTONE MELDUM, Assistant Manager. DAVID GEDDIE, Accountant.

The Bank has 331 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

**London Office:** 29, THREADNEEDLE STREET, E.C. 2.

## THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

<b>Authorised Capital</b> .. .. .	£4,000,000
<b>Paid-up Capital</b> .. .. .	1,800,000
<b>Reserve Fund</b> .. .. .	2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, São Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILI—Valparaíso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

## BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

**BANKERS TO THE NEW ZEALAND GOVERNMENT.**

**London Office:** 1, Queen Victoria Street, London, E.C. 4.

**AUTHORISED CAPITAL** .. .. . £5,500,000

**SUBSCRIBED CAPITAL.**

Four per Cent. Guaranteed Stock .. .. .	£529,988
"A" Preference Shares issued to New Zealand Government .. .. .	500,000
"B" Preference Shares issued to New Zealand Government .. .. .	350,000
Ordinary Shares .. .. .	1,500,000
	£2,779,988
Reserve Fund and Undivided Profits .. .. .	£2,246,595

Negotiates and collects Bills of Exchange.

Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

# The Investors' Review.

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New Series.

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Norfolk House, Norfolk Street,  
London, W.C.

Telephone No.:  
Gerrard 9132.

Telegraphic Address:  
"Unveiling, London."

The Editor cannot undertake to return rejected communications.

Letters from correspondents must, in every case be authenticated by the name and address of the writer.

The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and he cannot accept responsibility for statements made therein.

## ANSWERS TO QUERIES.

One Reply to One Question—One Shilling. Any number of questions may be put and will be answered at the rate of One Shilling each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of One Guinea per annum paid in advance, a Key to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

Telegrams advising about new securities cost Half-a-Crown each, plus cost of the telegram.

Private letters in answer to inquiries can be had if desired. The minimum charge for such letters is Ten Shillings, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is Half-a-Crown per question.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of One Guinea, each list different.

## Wanted, a Larger Revenue.

An impressive summary of what America's help has meant to the Allies of the *Entente* in this war was given by M. Tardieu, the French High Commissioner in the United States, and a distinguished Frenchman. He began by pointing out that the American Army will amount to 2,000,000 of men before this month is a week old, and that another 1,000,000 will follow immediately. "The capacity of transport for troops from America to France surpasses considerably that of the transport of German troops from the Russian front to the French at the most active period of the transfer." Thus the Allies are guaranteed a superiority of numbers for the final phase of the war, and have behind them America's inexhaustible man-power. Almost as impressive in another aspect is America's monetary sacrifices. The total loans have risen to £2,520,000,000, and expenditure has been voted by Congress amounting to £7,680,000,000. Loans to the Allies already exceed £1,200,000,000; and while supplying Europe with men and money unstinted in numbers and amount in order to put down the Prussian horror, the people of the United States have not neglected the other aids. The exportable surplus of food has amounted to 3,120,000 tons, and the production of essential materials is being each day more and more strongly organised. To France alone America's exports have increased more than 4,000,000 tons within a twelvemonth. This includes 1,228,000 tons of cereals, 804,000 tons of steel and artillery, 650,000 tons of petroleum and petrol, and 248,000 tons of transport materials. The cereals sent from America to France between May last year and this represent bread for 11,000,000 of Frenchmen every year, and, it may be added, every effort is being made, with a skill and precision unexampled, to make sure that the capacity to go on feeding the people of France, Italy, and Great Britain may be greater than ever this year.

Nevertheless, we hope that 1918 will be the last year of big fighting, that long before its close the Prussian will be beaten to his knees, if not into harmlessness, and the grovelling surrender, which will be his attitude when he realises that he has met his masters, and that the day of suffering for his crimes has come. But in order to make the triumph all the more complete, and the peace durable, efforts greater

than have yet been made are necessary in the way of providing, not merely means to carry on the fight, but the means to release the people from the bondage of debt as speedily as possible after the war ends. To this imperative end more taxes are required, and we are glad to see that President Wilson, as usual of late, has taken the lead in insisting upon a larger revenue. He has asked Congress to provide for heavier levies on incomes, war profits, and luxuries. "There is indisputable evidence of profiteering," he declared, "and profiteering that cannot be got at by restraints of conscience can be reached by taxation." He rightly said, also, that it would be an unsound policy to raise too large a proportion of the revenues by loans, and that the £800,000,000 provided for the coming fiscal year by taxation was insufficient to sustain the greatly enlarged Budget. The present generation has to make its sacrifices and to realise that in doing so it is lessening the pressure upon the hoped-for prosperity to come. President Wilson declared that he was "never more proud to be an American than he is now," and evidently it is his hope and expectation that the American people will give all their means to an extent unexampled in order to provide for the expenses of the war without adding a burden of debt intolerable to be borne on those that come after us.

Are we doing the same? We wish it were possible to answer "Yes," but it is not, and the pity is that it is not. Our revenue from taxation ought to be larger than it is, or than the Government has attempted to make it. Already our debt has become stupendous, and the charges upon it, even were the war to end now, will far exceed the total revenue of the three kingdoms before the war. We have but to remember with what restlessness and grumbling pre-war burdens were borne to be able to grasp in some measure what such a debt load will mean to the spirit of the nation when it has to shoulder it year in and out, when the prospect is that but slight relief can come through the whole succeeding century, and perhaps for longer. As it will be with us, so will it be with France and Italy and Belgium and forlorn Russia, with Serbia and Rumania, with our Colonies and India, with all those who have participated in this cataclysmic struggle—ay, even on the neutrals, who have had to spend their means and run into debt in order to provide against perilous chances of being brought into the

conflict. Another and higher spirit is therefore demanded of us, and we shall do well to give thought to the President's appeal as earnestly as if it were made directly to ourselves. "We are not only in the midst of the war," said he, "we are at the very peak and crisis of it. Hundreds of thousands of our men are carrying our hearts with them and our fortunes in the field, and ships are crowding fast and faster to the ports of France and England with regiment after regiment, thousand after thousand, to join them until the enemy shall be beaten and brought to a reckoning with mankind. There can be no pause or intermission. The great enterprise must, on the contrary, be pushed with greater and greater energy." And to make sure of this, the people must put down their money. Will our Government imitate President Wilson's action and increase our taxes? It must, or we shall become such slaves to our creditors as must cripple our energies and clog all our efforts to retrieve our position in the vanguard of human progress.

### Government Wants and Our Duty.

One of the most interesting disclosures made by Mr. Law in his statement made to a journalist for loan propaganda purposes, related to the way in which his appeal to the banks has been responded to. As the advertising agents of the Treasury have been making the nation aware, the immediate object of their present "stunt"—we do not like the word, but it has become exceedingly handy in indication of the new sensational fashion in advertising—is to capture the dividend on last year's big War Loan so that it will not be spent, but returned to the Treasury to earn 5 per cent. or more interest. Everybody has been urged to hand all his dividend money back without using any of it for other purposes, and we believe the public will do its best to respond to this appeal. As, however, no Chancellor of the Exchequer can be sure of the popular mood, or be able to guess with an approach to accuracy all the effect of increased taxation and higher prices upon the power of the people to save, Mr. Law prudently set to work to enlist the bankers on his side, and, as usual, they responded to him with a whole-hearted patriotism which cannot be too much emphasised. He wishes every investor, big and small, throughout the country to make laying-by a regular habit, and is satisfied that the £25,000,000 a week he is asking for would be easily forthcoming if they would only do so. The banks on their part have joined him in the endeavour to do their utmost to inculcate and make enduring this habit of saving for National purposes. They have agreed not only to invest in War Bonds all the dividends they receive from the Government stock on June 1, but to encourage everyone who has money to invest to place it directly in National War Bonds, and, as it were, to block the customer's way into other channels, they have also passed a self-denying ordinance not to give special rates of interest on deposits.

What may be done in the way of helping the Treasury is well illustrated by some figures of the Prudential Assurance Co. It holds altogether about £31,000,000 in Government loans, and the dividend on its war stock to be paid at the end of this week comes to £639,000. The whole of this will be invested in War Bonds. Moreover, the company is diligently cultivating the saving habit amongst its clients, and has considerably more than 100,000 war stock and bond policies already outstanding. In their newest form the premiums on these policies are payable monthly, easing the practice of the thrift habit for their holders. In this way increasingly large sums of money are finding their way into the Treasury. Other great life offices, such as the Alliance, are just as alert and diligent, although not perhaps all as diligent in cultivating publicity. In fact, when we look at the attitude of institutions like our first-class life offices, our surprise rather is that the money coming in should be so small than that the weekly aggregate should fail to reach Mr. Law's minimum.

This leads us to suspect that a considerable section of the wealthier portion of the community has not yet realised what the war means any more than their humbler fellow-citizen. Supposing the Allies to be defeated by the Prussian monster, there would not be any wealth left in this country for anybody to lend. Goods and animals, machinery, riches of all kinds, would be looted and carried away. That is what has happened in Belgium, in the overrun regions of Northern France, in Serbia, in Rumania, in Russia, wherever the feet of the assassin has trod, and it would be our fate. It is worth while, then, surely for every man to try and realise the position we stand confronting from this point of view, and to cultivate the habit of counting as nothing his possessions against the risk of losing all. Is it necessary to have a large balance at your bankers in order to believe that righteousness will yet prevail?

This is not preaching merely in obedience to the call of the hour for manifestations of patriotism. We say nothing that we have not backed up to the extent of our small powers throughout. When the Government began to ask for money, and to distribute advertisements to the Press in order to attract it, this journal got a modest share of these advertisements, but not one penny of the money received for them has been used by the proprietor for his own private purposes. He resolved from the outset that it should not be used, and it has not been. Notwithstanding the enormously increased cost of paper and of printing, notwithstanding many other adverse influences and conjunctions, the whole of the money received for Treasury advertisements, without deduction of agents' commission paid, or any part of the cost of producing the paper, has been put back into war stock, and the whole of the dividends received also have gone back, and more.

This is not said with any notion of boasting at all, nor with a view to self-advertisement, but simply to lend force to what we urge to be the duty of all loyal citizens. There ought, if possible, to be no spending of any kind out of the earnings paid from the proceeds of increased public debt, still less any dissipation of war-made profits. If that rule were followed by every individual or corporation now making profits out of Government contracts, the financial position of the Treasury would be far more satisfactory than it is. The money should be lent without solicitude as to the rate it may earn.

It will have to come to this, and more than this. The Chancellor of the Exchequer will not get his £25,000,000 a week, steadily and for long spells, nor can he hope to increase his revenue from taxation—unless something like compulsion is applied to the wealthy, and some forms of property, the most valuable and permanent in the country still exempt, brought under the tax harrow. Of that we have not much hope. Mr. Bonar Law is an excellent official for commonplace times.

How many people are going to try to be in a position to imitate Lord Inverclyde, who has informed the National War Savings Committee that he intends to invest in War Bonds "three times the amount of the War Loan dividend" he will receive to-day? The more people who are aroused to emulate this nobleman—formerly Sir James Burns, Bart., and eminent in the shipping world—the better will it be for us all. All must aim to do something more than put by the dividends as they come to hand, because dividends only emerge once in six months, and the Treasury wants from £6,000,000 to £9,000,000 of money every day of the week as long as the war lasts, and perhaps for at least six months after it has worn itself out. And it is better to give and to lend now, before that conscription of capital gets to loom threateningly on the horizon.

It is announced that 56 members of the Stock Exchange have intimated their intention not to apply for re-election, and that eight others had not renewed their applications for membership. The depletion of the ranks goes on apace, but we often wonder how so many manage to survive under present adverse conditions.

### Passing Events.

In the week ended last Saturday the receipts from National War Bond sales, Bank of England issue, was more encouraging at £11,235,000, which compares with £9,439,000 received the previous week and with £9,215,000 the week before. Last week's product was an increase of £1,796,000 on the week ended May 18, and was subscribed by 8,299 applicants, an increase of 300. Adding this to the totals previously given, we have now a total of £709,144,000 subscribed by 596,338 applicants. We cannot say "individuals," because many people have doubtless subscribed over and over again. For the previous week, ended the 18th ult., the sales of the Post Office issue of National War Bonds was less good, there being, at 12,800, 3,105 fewer applications, and the amount being £54,520 less at £354,200. This decrease is no doubt ascribable to the fact that Whit week was at hand. The total to date netted by sales of this form of debt has been about £28,900,000, and of War Savings certificates 2,466,000 were sold during the same week-ended May 18, and this brings up the aggregate sales to date to 197,595,000, which means that the Treasury has gathered in about £153,136,000 by this instrument of credit. The total from all sources, measured by the week, does not amount to half the Exchequer requirements.

It is not wonderful that in these circumstances the Chancellor of the Exchequer should be doing his utmost to stimulate the flow of means to the Treasury. He has been giving a Press interview to help things, at which he again expressed his distaste for great Government loans, "spectacular" affairs which bring in a lump of money and reduce the fertility of all current forms of credit manipulations for a long while after their subscription. And we agree with him. He is right enough, but only provided he can secure sufficient means to go on with by continuous borrowing. Therefore we give him all the support we can in pursuing his campaign. "Nobody's money" can be neutral," he said, "and money lent to the country fights for the country," which is axiomatically true, but unfortunately it is not the "neutrality" of money, but its selfishness, which lies at the root of the trouble. And all the appeals of the Government advertising agents are made to selfishness in its crudest form. Nevertheless, we fear it will end in good Mr. Law's having to study fresh sources of taxation, with a wet towel round his head, perhaps, and with national impotence looming large before him, like a bad man possessed of a club—unless the people awake and grow heroic in their sacrifices.

Last week's income again amounted to little, only to £9,687,000 from taxation and State services, but expenditure was also a trifle smaller, just in passing, a mere £43,771,000, or £6,253,000 a day, of which £42,950,000 was on supply. There were, however, £52,975,000 of supply Treasury bills which fell due for repayment and had to be provided for, besides £1,819,000 of War Loan and Exchequer Bonds to be redeemed, and one or two other trifling items to be liquidated, so the Government had to issue £58,363,000 of new Treasury bills, or £5,433,000 more than had to be redeemed. The total of these bills outstanding is therefore now raised to £992,336,000. Moreover, all the amount paid off in the previous week on Ways and Means advances had to be renewed, and rather more, £8,546,000 being got from the bankers in this way. The total outstanding of these Ways and Means advances is, therefore, now £104,028,000, but, thanks to the receipt of £9,654,000 from other war debt sources and of £11,838,000, proceeds of National War Bond sales, together with £1,300,000 brought in by sales of War Savings certificates, the Exchequer managed to end the week with £842,000 over, to be added to the Exchequer balances, thereby raising them to £15,749,000. There is nothing special to draw attention to in the actual revenue receipts of the week, but we hope that the lean time in the flow of taxes will soon come to an end.

A correspondent in the *Times* suggests that much more revenue might be drawn from a more drastic assertion of the nation's rights to inherit intestate estates. He quotes the deliverance of the late Mr. Joshua Williams in his book on "The Law of Personal Property," and the advice there given is good, and especially opportune at the present moment. In essence Mr. Williams urged that where the property could be claimed by no near relative it should go to the uses of the State. Public claims, in other words, seemed to him preferable to those of the man who, in the case of real estate, founds his title on his descent from the *most remote* male paternal ancestor of the intestate, or who claims a share in the personalty because he chances to be a survivor amongst the multitude standing in the fifth or sixth degree of a series of kindred which increases, as it grows distant, in geometrical progression. We should go much further than Mr. Williams and claim for the public use a much larger share of all accumulations than has ever been done under our death duties. After all, does the inheritor of a great estate always or often benefit by what is left to him? Would he be injured at all in any real sense if he were asked to begin life, or to continue it, comparatively poor? How many great fortunes have their root in injustice, in unfair treatment of the amasser's fellow-citizens? How many heirs of fortunes go to the dogs?

Various distinguished advocates have been urging us to intervene actively to "help Russia" against the German tyranny, and in particular Dr. Harold Williams, the able correspondent of the *Daily Chronicle*, formerly in Petrograd, has appealed to the Government to intervene with arms in its hands. Lord Robert Cecil gave the correct answer to such appeals the other day in saying that we and our Allies were watching Russian affairs with the utmost interest, and would help when help was possible, or words to that effect. What else can be said just now? We have no troops to spare, still less ships to convey them with their furniture of war to Russia at the present time; and, after all, could we hope to do any good if we did intervene? It is said always that with the help of the Japanese we, the Allies, might penetrate into Russia through the Pacific; but would that be desirable, and would there be any guarantee that the effect would be as wholesome as the sorrowing friends of Russia may dream? We do not think so, and do not believe that the moment has come for any effective direct military help to be accorded to Russia by the Allies. It seems to us that so far as military help goes we are doing our utmost to assist Russia now on all fronts. Not only in France and

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Belgium, but in Northern Italy, in Macedonia, in Syria and Mesopotamia, we are fighting the battle of the Russians, quite as effectively as if we sent an army into Siberia. For the rest they must meanwhile help themselves, as, indeed, they appear to be doing, judging by the news of peasant revolts, &c., that filter through.

Our best ally in helping to rouse and deliver Russia is the German himself. His stupid brutality, his grotesquely savage methods of extracting from the people their substance, his intolerable cruelty, too, on all occasions, is raising the countryside everywhere against him. A correspondent of the *Daily News*, Mr. Arthur Ransome, gave in its pages an example some days ago which vividly illustrates the fatuous stupidity of the German administrator. It seems that the ukase went forth from the conquerors that the population must deliver to them three eggs a week per hen, according to the register of fowls the Boche had made. If a fowl happened to die, its carcase had to be produced to the authorities before the owner got liberated from his obligation as to eggs. Thousands of similar stories, Mr. Ransome says, might be told, and every day there are peasant risings causing perpetual conflict, not only between the Germans and the peasantry, but also between the Germans and the classes their Prussian slave-drivers have appointed to rule. German rebelling against German, that is indeed ominous. Or is it German against Prussian? Whatever the arrangement, it is universal antagonism of ruler to ruler, and the Prussian himself is making his gloated-over penetration of Russia and the "open road" to the Far East impossible. Is it not wise on our part to leave him at his work, and to allow the Russian people to find themselves, meantime watching for every opportunity to strengthen their hands in making effective revolt? The patriotic people of Russia are already awakening from their stupor, and are getting ready to work out their own redemption. They shall have help at need when ready for it, but it is not our business to thrust our hands into their domestic concerns just yet.

The Committee, of which Sir Archibald Williamson, M.P., is chairman, appointed last year by the Board of Trade to consider the question of national electric power supply, has issued its report, in which several valuable recommendations are made. Evidently the problem has been approached from a broad-minded standpoint, and the scheme outlined might at a comparatively early date provide the country with an ample supply of cheap power, so necessary in these days for industrial progress. It was estimated by witnesses of high authority that the saving of fuel which would result from combined generation of electricity, the reduction in factory costs, and the increased output will represent not less than £100,000,000 per annum, a very important consideration in view of the financial difficulties created by the war. It is therefore proposed that a new body called the Electricity Commissioners should be set up, to whom should be transferred the existing powers of the Board of Trade, the Local Government Board, and other authorities, and that large additional powers should be given them for regulating and encouraging the generation and distribution of electricity. It is recommended that the country should be divided into districts, technically suitable for economical generation and distribution, and that district electricity boards should be formed so as to decentralise control as much as possible, and assure that the differing needs of various localities will receive proper attention. Space forbids our going into all the details, but the report outlines the basis of a really practicable scheme such as we have frequently advocated, and we hope action in the matter will not be unduly delayed.

Very encouraging is the statement issued by Sir Arthur Lee, Director-General of Food Production, and we draw the conclusion that although much has already

been accomplished, there is still plenty of room for further development. From an official and compulsory census obtained on April 27, we gather that the acreage under wheat was 2,665,000, an increase of 752,000 acres, or nearly 40 per cent., giving the highest area recorded since 1882. Oats have increased 735,000 to 2,820,000 acres, or 20 per cent. above the previous highest record. Rye, pulse, &c., is up nearly 70 per cent., and the potato acreage has increased 50 per cent. to 645,000 acres, exceeding the previous record by 27 per cent. Altogether, the area under corn and potatoes has been increased by more than 2,000,000 acres to 8,302,000, and in the meantime statistics show that up to the middle of March 1,800,000 acres of "permanent" grass had been broken up in England and Wales, and it is estimated that a total addition of not less than 2½ million acres has been made to the tillage area since 1916. Moreover, we learn that no fewer than 1,300,000 allotments have been taken up—one of the strongest evidences ever produced of the natural longing of all sorts and conditions of people to have a "cabbage patch"—or a potato or onion patch—of their own. Let us for once use that horribly hard-worked word, and state that all this is not mere "camouflage." If the statistics are reliable (which we do not for a moment question), we shall produce at home four-fifths of our breadstuffs this season, as compared with one-fourth for 1917-18, and one-fifth in 1916-17. In many other respects the figures are most hopeful, and we can only hope that the good work started under war pressure will continue and fructify when at long last we return to those Utopian conditions of peace which seem so far away.

German ideas of how the Ukraine treaty should be interpreted are characteristic. It is stated in the *Times* that Austria-Hungary is prepared to import £40,000,000 worth of spirituous liquors into South Russia without asking the leave of the people. Neither the Kieff Rada nor the Moscow Soviet are prepared to contemplate a forced import of liquor on this or any other scale. Then in order to insure further that food shall be forthcoming in exchange, elaborate preparations have been made to import Austro-German industrial products into the Ukraine. The Austrians have arranged to dispatch at an early date upwards of 770 truckloads of goods, valued at less than one-tenth of the proposed liquor import. Up to May 1, goods to the value of under £400,000, and including 33 truckloads of scythes and sickles, seven trucks of enamelled ware, 21 trucks of agricultural machinery, one truck of window glass, five trucks of mineral waters, two trucks of lamps and other lighting material, and one truck of miscellaneous goods, had been despatched from Vienna. "A shoddier consignment has never crossed even the German frontier," says the *Times* contributor, but none of this commercial industry and—enterprise, shall we say—has yet got at the corn, and the *Cologne Gazette* is even bold enough to jeer at the food fiasco. Before the Brest treaty was patched up, it says, officials told wonderful stories about the fine stocks of corn in the Ukraine, so as to emphasise the beauty of Prussian diplomacy, and to refresh in vision the lean-stomached at home. Scarcely was the treaty signed than the people were told that the stocks of grain were heavily over-estimated, and little or no grain has so far been forthcoming. Little ever will be. But the Germans are marvellous adepts at simulation, make believe, and probably many of them still continue to believe that food and other riches untold lie around for the gathering in Russia, and that their commerce will arise triumphant, and assert its supremacy when the war ends, not only over all Russia, but over Asia as well. But they are going to be very hungry first.

Results obtained by the Royal Mail Steam Packet Co. last year show relatively small changes compared with those for 1916. Trading profits were £13,000 less at £725,000, and interest, rents, &c., also fell £13,000,

but £15,000 more was brought in, and the total of £827,000 is only £11,000 down. This is offset by a saving in debenture interest, and after again placing £200,000 to reserve and £25,000 to superannuation fund, the dividend of 7 per cent. is repeated, and the amount to be carried forward is practically the same at £52,000. Bills payable and other debts have increased £460,000 to £3,175,000, while freights under collection are up £140,000 at £476,000, and other debts due to the company have increased £810,000 to £936,000, but cash is £305,000 lower at £1,415,000. Book value of fleet, investments in allied companies, and war securities have risen £70,000 to £10,438,000, and sundry investments also are £70,000 higher at £176,000, but premises at home and abroad have been written down £95,000 to £543,000. During the greater part of the year those of the company's vessels not engaged in war service were, with one or two minor exceptions, requisitioned by the Ministry of Shipping. Three of the company's vessels were sunk by enemy action during the year, and appended to the report is a list of the members of the staff who have died in the service of their country, as well as of those who have been awarded distinctions. Reference is made to the acquisition of a substantial interest in the Argentine Navigation Co., and it is announced that the first of the large steamers under construction for R.M.S.P. Meat Transports, Ltd., has been delivered, and has taken up service. Under the abnormal conditions prevailing the accounts afford little opportunity for comparison with the results of previous years, but the organisation is now a very powerful one, and will be an increasingly important factor in overseas trade when peace is restored.

A welcome recovery was shown by the Leopoldina Railway Co., Ltd., last year. Gross currency receipts amounted to Rs. 29,465,000, an increase of Rs. 3,214,000, or  $12\frac{1}{2}$  per cent., but thanks to an improvement in the exchange, which averaged  $12\frac{1}{8}$ d., against  $12\frac{1}{16}$ d., sterling receipts were £260,600, or  $19\frac{3}{4}$  per cent., higher at £1,580,000. Unfortunately, working expenses increased £191,000 to £1,090,000, the ratio advancing from 68.08 per cent. to 68.95 per cent., but that is a universal experience, and inevitable under the circumstances. Including £152,000 brought forward, the available balance is £68,000 higher at £665,000, while interest and other charges require £20,000 less. Last year £30,000 was set aside for income-tax, but there is no corresponding item this time; on the other hand, £10,000 is allocated to repair damage caused by goods. Out of the balance it is proposed to pay a dividend of  $1\frac{1}{2}$  per cent., against nil, on the ordinary stock, and the carry forward is reduced £15,000 to £137,000. The number of passengers carried showed an increase of 790,000 at 8,550,000, and the goods tonnage advanced 168,000 to 1,271,000 tons. Coffee, sugar, sugar cane, and firewood showed large increases, but there was a decline in maize. The immediate prospects are regarded as encouraging, but much depends on shipping facilities, as to which it is impossible to be over confident.

There is a sweet innocence about Mr. W. M. Acworth's report on Rhodesian railway administration as told by the *Times* correspondent at the Cape (the only source we have seen so far) that makes us strongly suspicious. This authority says that "the Rhodesian malcontents who clamoured for the inquiry in the belief that the Commissioner would come to curse will be mortified to find that he has blessed." And so we are not surprised to learn that in the view of the correspondent aforesaid Mr. Acworth's report "is a model of clear thinking and lucid expression," or that this most estimable commissioner finds the criticisms as to excessive charges "largely the result of misapprehension due to obscure and complicated facts." Still quoting from the authority mentioned, we are told that the complainants "wholly failed to prove their case.

Existing rates in Rhodesia, taken as a whole, so far from being excessive, are, having regard to all the circumstances, surprisingly moderate. Rates for all traffic on the Rhodesian railways exceed the average rate on the Union railways not by 50 to 100 per cent., as complained, but by precisely 8.2 per cent.," and our *Times* man goes on to say that this is "an insignificant difference which is fully explained by the greater density of traffic in the Union." And so we are led up to the assertion that "Mr. Acworth categorically denies the existence of any evidence warranting the constant complaint that the Rhodesian rates are throttling progress. The contrary is demonstrated by the growth of the tonnage carried, which shows that progress is steady and substantial." We wonder how much it cost to cable this kind of flatulent rubbish, and how long it will be before Mr. Acworth's complete report is available here for any knowledgeable kind of criticism. We can accept the figures quoted, and yet have a firm conviction that Rhodesia is actually being "throttled" by the railway administration. What is the sense of putting forward such a figure as 8.2 per cent. as the average super-charge when it is notorious that a big proportion of the traffic consists of Wankie coal, and ore from the Broken Hill and other regions which are carried at exceptional rates? It is equally notorious that ordinary goods are charged at a "throttling" rate as was proved by the Beira Railway Committee some years ago. The "average" may be as stated, but that affords no comfort to the ordinary settlers who pay heavily both on their imports and exports. Have the people of Rhodesia at this day any real option as to whether their goods shall go by the short haul to Beira, or the long haul to Cape Town, and do they get any benefit in rates when they have made their choice? We shall look for Mr. Acworth's complete report with exceptional interest to see whether any light is thrown on these and similar points, because we refuse to believe that an expert of Mr. Acworth's proved ability can have dropped into the fallacy of thinking that "average" rates are any answer to cases of individual and general grievance. The mere fact that the agitation for a revision of rates has gone on for years after the Beira Committee's exposure, when some (largely illusory) concessions were made, proves that glaring wrongs have not been materially redressed. Colonials never, in our experience, quibble about trifles; the iron must enter into their soul before they are moved to action.

Although the trading profits of Schweppes, Ltd., last year were £2,000 smaller at £93,340, the results may be considered highly gratifying under all the circumstances. It was found possible to save no less than £8,000 in general expenses and £4,000 in income-tax, directors' fees, &c., with the result that after providing for debenture interest the nett profit shows an increase of £10,000 at £48,520. However, the amount brought in was less, and after repeating the dividend of 7 per cent. on the ordinary shares, the balance forward is increased by £5,500 to £13,300. The directors are of opinion that the restrictions and difficulties experienced will not only continue, but will increase during the war, and they regret that they are unable to recommend the payment of a dividend on the deferred shares. All the same, the business has kept up better than might have been expected.

Last year to November 30 was the most successful experienced by R. White and Sons, Ltd., the well-known table water manufacturers, for a long time. Trading profits amounted to £143,500, an increase of £15,000, and the nett profit comes out at £39,400, an increase of £7,000. The large sum of £123,000 was brought in, and after setting aside £50,000 as a reserve for contingencies, the directors are able to recommend that the arrears of preference dividend (four years) be paid off, and in addition 5 per cent. is to be paid on the preferred ordinary and 15 per cent. on the ordinary shares for the

past year. Moreover, £5,000 is placed to the special reserve fund in which the preference shareholders are interested, and £15,570 remains to be carried forward. During the year £27,800 of debenture stock has been cancelled, and in other respects the position of the company has substantially improved. Changes in the balance-sheet call for no special notice, but we may mention that the company adopts the very convenient practice of setting out the previous year's figures, so that all the items can be compared without the trouble of having to turn up the last report. It is a simple arrangement that might with advantage be much more generally followed.

The Broken Hill Proprietary Co. has had a very prosperous career as a purely mining proposition, and its prosperity has not diminished since it embarked, a few years ago, upon the iron and steel industry. This has been so rapidly developed that the undertaking is one of the largest of its kind in the Southern Hemisphere, and the directors have just decided, in view of the infinitely more money now locked up in the business, to capitalise a large amount of the undistributed profits, and to reorganise the capital. At present the capital consists of 1,500,000 of 8s. shares, amounting to £600,000, but 318,994 shares are unissued. These are to be offered to the shareholders *pro rata* at 40s. per share, or 30s. less than the market quotation. After this issue has been completed the capital is to be increased from £600,000 to £3,000,000 by the creation of 1,500,000 new shares of 12s. each, and the same number of new shares of £1 each. A bonus of 12s. per share on the existing shares will be declared, and will be satisfied by the issue of one new 12s. share for every 8s. share held, and these shares will then be converted into one £1 share. This will capitalise £900,000 of the reserve fund. Upon the completion of this arrangement a further £600,000 of the reserve fund will be capitalised by declaring a bonus of 20s. for every 2½ shares held, and in satisfaction thereof 600,000 £1 shares will be issued to the shareholders, making the total issued capital £2,100,000. The issue has been underwritten, and the Treasury consent to the scheme has been obtained. If the scheme is approved at the special meeting to be held on June 10, and it is almost sure to be, the effect on the shareholders' position will be very satisfactory. For every 10 shares of 8s. each now held, a shareholder will receive 14 shares of £1 each. The reserve fund, which was increased from £410,000 to £1,910,000 in November, 1917, will be reduced to its former figure, and the balance at the credit of profit and loss account will stand at £234,966. Most of the profits now to be capitalised were accumulated prior to the war.

The two principal mines belonging to the Goerz group had a favourable experience last year, despite the growth of working expenses and shortage of native labour. The Modderfontein Deep Levels again milled an increased quantity of ore, the total being 40,400 tons larger at 494,400 tons. This yielded £964,393, an increase of £106,308, the average yield being 1s. 3d. higher at 39s. per ton, following an increase of 3s. 4d. in 1917. Owing to the larger quantity treated, it was possible to keep costs at the 1916 level of 16s. 4d. per ton, and consequently the rate of profit rose by 1s. 3d. to 22s. 8d. per ton. The working profit was thus £561,176, and the total profit £569,301, against £492,437, which enabled the dividend to be raised from 67½ to 85 per cent., and the carry forward to be increased from £81,462 to £126,475. No change is shown in the quantity of the ore reserves, which remain at 3,320,000 tons, but the value has been increased from 25s. 8d. to 36s. 11d. per ton over 78 inches. The plant now consists of 70 stamps and 8 tube mills. Working costs will tend to increase, but this increase should be fully met by a higher recovery due to the higher grade of the reserves. The consulting engineer anticipates,

therefore, an increase in profits this year. The Geduld by treating a much larger tonnage with its enlarged plant was able to increase its output by £127,140 to £631,364, despite the fact that, as was foreshadowed would be the case last year, the yield per ton was lower. The average yield was 1s. 6d. lower at 29s. 8d. per ton, but the reduction was 1s. 11d. to 19s. 8d. Consequently the profit rate was 5d. higher at 10s. per ton, the working profit being £212,838. The total profit was £221,206, an increase of £49,740. This sufficed to maintain the dividend at 10 per cent., and to meet the heavy expenditure on equipment, which absorbed £132,665, and nothing is carried forward, against £44,322 brought in. Reserves of ore show the small increase of 50,000 tons to 2,200,000 tons, but the value is 5d. higher at 31s. 10d. per ton. The full battery of 100,000 stamps, with a monthly capacity of 40,000 tons, has operated since January 23 last, and there is a good prospect of a further expansion in profits this year.

## The World's Cereal Position.

At all times the position of the world's food supply is a subject of supreme importance, and with conditions as they are at present its consideration is invested with more than usual interest. In the existing state of affairs it is needless to say a problem of very great complexity. Many countries are unable to make any accurate statistical return, others, for obvious reasons, withhold information, while the value of the usual methods of estimating production and consumption has been greatly vitiated by the operation of war-time conditions and the imposition of multifarious Government restrictions and enactments. In the face of all this, the reports of the International Agricultural Institute at Rome are achievements of no mean degree. No one who appreciates the labour and difficulty of work of this character, and the care and thought required to frame the various estimates, can but feel that not only the agricultural, but the financial and commercial community, are under no inconsiderable obligation to the compilers of these instructive statistical reports.

The definite scope of the statistical notes is the ascertaining of, on the one hand, the cereal requirements, and, on the other, how far the world is in possession of the means of satisfying these requirements. The term "world" is rather a misnomer, for obviously the Central Powers and their deluded adherents furnish no figures. Russia's statistics for 1917 are unknown, and in the return for the Southern Hemisphere Chile's figures are not included. In the absence of any reliable data to go upon no attempt has wisely been made to estimate production and consumption figures for these countries, and they do not, therefore, contribute their quota to the return. In considering the yield the world's crops are divided into two main groups, those of the Northern and those of the Southern Hemisphere. This is because the first group are harvested within one calendar year, while the second overlaps into two of such years.

Comparison is made with the crop of the previous season, with the average of three previous years, and with the average of the five pre-war years ended 1913. From the point of view of productive efficiency the agricultural industry has, of course, suffered much from war conditions. Labour has been scarce and dear, and much of it unskilful. Fertilisers have been very expensive, and in deficient supply, while there has been a great rise in the price of seed. These and many other hindrances have tended greatly to interfere with production, and in spite of the fact that prices have soared to extraordinary heights, the total yield of wheat for the calendar year 1917 and the Southern Hemisphere year 1916-1917 was considerably below that of previous years. The wheat yield for Great Britain and Ireland is returned at 17 million quintals compared with 16 million for 1916, 17,800,000 quintals, the average for the three war years, and 16 million quintals, the average of the five pre-war years. British India contributes 103 million quintals, as against 86 million quintals for 1916, 91 million quintals for the three-year average, and 95 million quintals for the five pre-war year average, but the United States harvested only 179 million quintals, as against a three war year average of 231 million quintals, and a five pre-war year average of 186 million quintals. The yield of France—excluding that of occupied territory—declined from a five pre-war year average of 86 million quintals, a three-year war average of 64 million quintals, and a 1916 outturn of 55 million quintals to only 39 million quintals for 1917. Italy figures only for 38 million quintals compared with a three-year war average of 46 million, and a normal average of 50 million quintals. Canada produced 63 million quintals, a yield which, although 8 million quintals below that of 1916, and 14 million quintals below the three war year average, was 8 million quintals in excess of the five pre-war year average.

In the Southern Hemisphere there was a very poor yield in that of the Argentine. It only amounted to 19 million quintals, whereas for 1915-16 there was a harvest of 46 million quintals, and for the three war year average, and the five pre-war year average 40 million quintals in each case. Australia, although some 25 million quintals above the three war and five pre-war year averages was, at 41 million quintals, 7 million quintals below the yield of 1916. Adding miscellaneous countries, the aggregate yield for both hemispheres comes out as follows:—1917 and 1916-17, 574 million quintals, 1916 and 1915-16, 629 million quintals; three war year average ended 1916, 675 million quintals; five pre-war year average, 629 million quintals. In considering the question of consumption, a number of factors present themselves. Taking first those of the restrictive class, there is the great rise in price; the reduction in the production of manufactured articles in which cereals form a raw material; the depopulation of some countries or regions on account of military operations or occupation; the displacement of large bodies of troops who have left their own country to serve in foreign lands; sundry legislative measures adopted to limit consumption, including definite restrictions as to quantity of cereals for each person and regulations providing that an increased proportion of flour shall be extracted by the miller from the wheat.

The economy arising from this restriction is estimated at about 20 per cent. of the normal quantity of grain consumed, but it is scarcely possible yet to appreciate the influence of these measures at their proper value. Among factors tending to increase consumption is the considerable advance in the price of meat, eggs, &c., compelling the mass of the people to eat more bread and farinaceous food; the increase in purchasing power; the clearly larger requirements of the men who are mobilised; the movement of population from invaded districts; and a certain amount of hoarding which has gone on in the various countries. Sundry Governments have thought well to frame estimates of their consumption from August, 1917, to July, 1918. In some other instances rationment forms a sufficient basis for an estimate of probable consumption. Added to the Institute's totals, however, there is prudently some percentage of margin to cover contingencies which cannot be accurately foreseen. In the absence of one or other of these systems as a basis for estimates, recourse is made to the method hitherto adopted, which consists in taking past consumption for estimating that of the future. Thus, where necessary, figures are based upon the average consumption of the three war years, 1914-15, 1915-16, and 1916-17.

Among countries with an estimated consumption greatly in excess of the yield, Great Britain naturally occupies leading place, with an estimated total consumption of 71 million quintals, and a deficiency of 49 million quintals to make up by imports. France is not far behind, for the total estimated consumption of 86 million quintals surpasses the yield by 46 million quintals. The next great wheat-importing country is Italy, whose consumption, 67 million quintals, exceeds the yield by 29 million quintals. Adding the totals of the less important countries, the aggregate deficiency for 1917-18, in both Northern and Southern hemispheres of those countries whose consumption figures are in excess of yield, comes out at 144 million quintals. This does not include, however, the estimated deficiency of a considerable number of small countries able to import, from whom returns or complete returns are not available. Estimating this aggregate deficiency at 22 million quintals, our aggregate requirements of importing countries come up to 166 million quintals.

Against this, however, there is to be offset the surplus of those countries where the yield of wheat exceeded consumptive requirements. In this category comes Canada, with an estimated surplus of 42 million quintals, and Australia, with an excess yield of 38 million quintals. There is an estimated surplus for the United States of 20 million quintals, while British India is not far behind with an estimated surplus of 19 million quintals. Altogether, the estimated surpluses for both hemispheres aggregate 123 million quintals, some 43 million quintals short of requirements. In our consideration of the position, however, allowance should be made for the fact that the Argentine 1917-18 exportable wheat surplus promises to be enormously in excess of that of a year ago—a circumstance it is only proper to take into account. According to the preliminary figures, the yield for 1917-18 will amount, in round figures, to 60 million quintals. If we assume a total consumption, including seed requirements, of 18 million quintals, there would be an export surplus of 42 million quintals—a figure which, if realised, would almost make up the present world deficiency. In the foregoing we have dealt exclusively with the wheat position; barley, oats, and maize have not been taken into account. In the ordinary way, it would not appear correct simply to add together totals comprising products of diverse properties, such as foodstuffs and fodder, since nutritive values and modes of employment differ so widely. At the present time, however, laws or decrees have been enacted in most of the countries enjoining the admixture of products of the fodder cereals with wheat flour, so that we may, perhaps, be justified in taking them into account. The estimated surplus of maize is 115 million quintals, and that of oats 47 million quintals. This would bring the aggregate estimated surplus of foodstuffs and fodder up to some 160 million quintals. From this it appears that the supply of cereals for the year ended July next is likely to be in excess of consumptive requirements. Satisfactory as this is, however, we must not deceive ourselves. If there is a superabundance of cereals in existence, the supplies

are situate at points far distant from the great consuming centres, and the dearth of shipping remains. We must, therefore, use every endeavour to keep down consumption to the lowest possible point, and to encourage the production of cereals in the United Kingdom.

## By-the-Way War Notes.

THURSDAY MORNING.

The fresh German offensive began on Monday, and has been marked by all the usual characteristics of such. When Belgian neutrality was violated in 1914 by hordes of insolent German soldiers victory was counted certain, and dates were assigned for the theatrical entry of William Hohenzollern at the head of his ornamental household cavalry into Paris. And for three weeks the Germans swept all before them. Within a month the Battle of the Marne foiled these hopes, but did not lessen the defeated invaders' pride. So attuned have Prussian minds been to the idea that Germans alone are worthy to rule and capable of conquering that on each succeeding effort, and succeeding defeat, the same ghoulish vision has been spread before their eyes, and with the same result. The gullible, drilled serfs, seemingly incapable of reasoning or of honest thought, have accepted the yarn about victory, immediate and final, as true prophecy.

Is it going to be different this time from what it has been in all the assaults hitherto, in the various attempts to drive through to the Channel ports, in the prolonged assaults upon Verdun, and in all the desperate fighting across Champagne? Except that the Germans must be less confident, we cannot see that it is, and it is a pity that pessimistic notions become so prevalent among us at home and with such promptitude. Because the Germans by massing overwhelming numbers of troops and an equally crushing weight of artillery at a chosen point in the long front have been able in three days to push back the Anglo-French lines 15 miles and to get into Soissons, it does not follow that we are defeated or anywhere near defeat. But people are saying that our troops were surprised, and that our front lines were too thinly held "as usual." Doubtless there was something of surprise at the point selected for the assault, but how could that be avoided? Consider the length of line held, the hundreds of miles of twisting trenches which have to be watched, and then try to imagine how it could be possible to prevent sudden attacks at unlooked-for points on these lines. The entire population of France and Great Britain if set to watch would hardly suffice to guarantee us against "surprise" at some spot.

And in regard to the numbers in the front trenches, do the public who talk so glibly in censure of our military com-

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manders for their unpreparedness ever realise what an agonising strain the holding of the foremost lines must be to the troops in the present war? Every species of artillery that the diabolical ingenuity of the German has invented is turned on upon these front trenches, and when the shrapnel and bombs charged with high explosives fail to destroy the troops sheltering in them liquid fire and poisonous gas are rained down upon them from beyond the trenches or from the skies. They live in a hell alive with the engines of destruction, and the marvel to us has always been how any of the men escape. Would any commander who had the slightest regard for the lives of his fellow-men, or who realised in any degree the necessity from a national point of view of doing the utmost to conserve our manhood, fill these front trenches with masses of men to wait and wait for an assault day after day and week after week, meanwhile being destroyed by the enemy's artillery? Clearly, no. The commander who followed such tactics would deserve to be shot. His dominant solicitude must be how to hold on with the fewest possible men.

From the point of view of actual war conditions there is nothing at all to be surprised at in the initial success which has generally attended the long and carefully prepared for first overwhelming assaults of the enemy upon our lines, and there is nothing indicative of coming defeat in our retreat now any more than in March last or than in August, 1914. The battle has only begun, and the mad Hohenzollern Kaiser alone is capable of bawling "Victory! victory! triumph! God is on my side," before the real battle is joined. It gives us confidence to behold the miserable creature yelling and spluttering blasphemies thus while consigning young and old of his subjects to death in thousands every hour. Let us, then, maintain our calmness of mind. There is danger, always must be in battle, and the time is critical, for we know not what the Prussian recklessness of German lives will prompt them to do as murderers in their despair. It is for William and his proud Prussians victory or irretrievable ruin this time, and the last available man of Germany's youth will be sacrificed to try to secure this victory for the dominant caste and its financiers, even though the sacrifice might involve a ruin of Prussian hopes complete and overwhelming enough to obliterate the German race as a "great Power" for ever. It is obliterated already, as many in Germany begin to discern, and a suspicion of the ruin must have penetrated even the Junker brain. All the more reckless the onslaughts.

We shall have to fight bitterly, without ceasing, and probably the turning point in the battle is not yet near at hand. But it will be reached one of these days, and before so very long, just because the Prussians are using up their human "gun-fodder" with a fury so abandoned. Soon we shall have superiority in numbers on the long field of battle, superiority in artillery likewise, and all through we have had superiority in the spirit and moral of the troops, as witness our air service, which dominates the enemy on all fronts. A heroic defence is being maintained by the Allied armies every hour of the day and night on the front between Soissons and Rheims everywhere, and the German manhood, from youths of 18 or less to men verging on old age, are being mown down by the Allied troops far more rapidly than our men are. We know this because the attacking armies have from five to seven or eight, or even ten, times the strength of ours at most of the selected points of attack. Only by such preponderance can the disheartened troops probably be persuaded to advance to the assault.

This kind of recklessness in flinging a nation's life away cannot last much longer. It is sheer desperation that drives the Prussians to make the sacrifice with their usual Oriental indifference to human life. They must know they are doomed, and fight with the abandon of the bully at bay and in fear. We have but to wait, therefore, and to hold on, steadfast, killing, meanwhile, as many as we can on every opportunity, to see the crisis pass and the tide turn.

Germany, remember, is not able even now to put all her strength into this great battle of the West. Her loutish management of affairs on other battle fronts, the increasing impotence and disorganisation of the Austro-Hungarian Empire, the exhaustion of the Bulgar and the Turk, together with the usual Teutonic brutality of treatment meted out to the populations of overrun Russia, of throttled Rumania, of Poland gagged and bound, are all compelling the Hohenzollern war leaders to maintain large contingents of troops in other centres of conflict. The Hohenzollern "peace" is everywhere the peace of the man down with the despoiler sitting on his chest rifling his pockets. They must hold down, shoot, rob, and intimidate, or else see their plans everywhere disarranged, the Allies welcomed by the oppressed as deliverers, and the way opened to attack the eviscerated Central Empires in the rear.

So people must not lose heart, and, above all, they ought to refuse to be too much swayed by the news of retreats. Remember the retreat from Mons and Charleroi in August, 1914. At times we thought all was lost then, and that the Germans would fulfil their braggart programme: be in Paris by mid-September. Much has happened since then, and they have not reached Paris yet, except by a long-range gun—the cowardly fiends.

We should realise by now that it is a whole race we are fighting against, and which we have to destroy. We shall do that, sure enough, melancholy though the task is, and the longer the war is prolonged by the obstinate pride of the Prussian beast the more thoroughly will the destruction be accomplished. Than that nothing can be more sure. For

America stands by our side now, and is doing right valiantly. Her troops are as a great reserve behind a sorely-tried fighting front of the French, Belgians, Italians, and British, and the German push forward will now avail nothing against the weary nations united to resist them, because America can even much more than make good our waste.

Various minor incidents of the week may deserve a word. Some people are grumbling that our Government should have acceded to the request of the Catholic Archbishop of Cologne to abstain from casting bombs on that city on Corpus Christi day, but it was possibly the right and humane thing to do, although the only thanks we shall get from the Prussian military fiends who now trample all humane sentiments under foot, even in the Germans themselves, may be another murderous bombardment of hospitals in the rear of the Allied lines, involving the death and wounding of nurses, and probably many other casualties among patients. The horror deepens of the bombardment of our hospitals at Etaples, mentioned last week, the more we hear of it, and even the German wounded patients in these hospitals seem to have been excited to frenzy against their fellow countrymen. Pity that frenzy does not spread through the German army. It might, even at this late day, rescue the German people from the worst of their doom.

It was unfortunate that the Prime Minister's recent braggadocio (German model) about our triumph over the German submarine should have appeared simultaneously with the news that an American transport had been torpedoed with the loss of nearly 60 of those on board, and we this week have lost another transport and 104 lives in the Mediterranean, which is now the region of most danger to commerce. But that sea probably lay outside Mr. George's survey. And he can put against unseasonable incidents of that sort our sinking of a monster (5,000 tons) German submarine with all hands. We are getting on.

FRIDAY MORNING.—Something like dread sometimes comes over the mind in reading the descriptions of the demoniac battle now raging in France and Flanders. It is so appalling in its fury, in the masses of German men; and in the employment of the variety of engines of destruction brought into use with such brutal ingenuity that one wonders how human nature, no matter how heroic it may be, is capable of enduring it. But our troops are enduring, and in many places holding their ground, in spite of the destructive agencies brought against them, and of being outnumbered by five to one or more. So the news this Friday morning seems indicative that the plague is beginning to be stayed. It is not the end yet, nor perhaps even the culminating point, but the Germans are still 30 miles from the Marne, where they met their punishment in September, 1914, and every hour increases the resistance of the French troops and our own. Moreover, the assault cannot be very far from its maximum, because it is so insanely furious. Day and night German troops are being flung into the mêlée, to be pounded to pieces, and the rate of wastage cannot last very much longer. That it should be persisted in now regardless of all consequences is itself manifest proof that the condition of Germany is getting so critical that the military ruffians who are hustling the empire to its ruin cannot afford to wait.

But if checked in the present rush between Soissons and Rheims, it is probable that plunges will be made at other points on the front. We may very likely have other surprises and fresh recoils to endure, so we have to be vigilant and patient and of good courage. Every day the American help becomes more effective.

Another sign that all is not as it is made to appear in Germany is the German bulletins about their captured booty. These are redolent of unassuaged hunger. We know they cannot be true, because there was no disorder as in March last in the French or British retreat, and in most cases the material of war captured was rendered useless if not wholly destroyed before it was abandoned. But Germany is so hunger-consumed that it will be a sort of consolation to the miserable wretches left there under the Prussian heel to think that their relatives at the front are now being fed with the provisions of the enemy. It is bounce, exaggeration, lying and truculence throughout.

It is worth noting, surely, by our Government, some members of which are still actively pro-Prussian in their sympathies whenever they get the opportunity, that the characteristic German acknowledgment of our humanitarian consideration in abstaining from bombing Cologne or other German towns on Corpus Christi Day, was an intensified bombardment of Paris with that monster long-range gun. And are not the attacks on hospitals ruthlessly persisted in something for the Germans to be proud of, proof of their force and humanity!

## Insurance News.

All departments of the Guardian Assurance Company did well in 1917. There was an increase of £51,030 to £618,828 in the nett new life business, and while the number of the claims came out slightly above the expectation, their amount was somewhat below that expected. Nett fire premiums at £763,781 showed an expansion of £87,851, the nett losses at £331,608, or 43.41 per cent. of the premiums, being only £1,841 larger than in the previous year. The total profit was £115,467, against £103,156. There was an increase of £33,995 to £279,225 in the nett premiums received in the accident and general section, the claims being £104,179 (37.31 per cent. of the premiums), against £94,146. The dividend for the year is made up to 6s. a share on the reorganised capital.

An application by the liquidators of the Law Guarantee

Trust and Accident Society for leave to call meetings of creditors has been granted by the Court. The object of the meetings is to extend the time for closing the affairs of the company, as arranged by the scheme of 1910. It was stated that no further meeting of shareholders would be necessary, it being clear that there would be nothing coming to them. The liquidators have distributed a good deal of the assets, but there is a large number of possible claims on contingency policies and mortgages and debentures that had been guaranteed. Owing to the war, and legislation due to the war, it is undesirable that the liquidators should be obliged to meet these at the present time.

Particulars of a special war-time policy are announced by the Scottish Widows' Fund Life Assurance Society, which should be useful to many who, desiring ordinary life assurance, are liable to military service. Instead of issuing policies under which the risk of naval and military service would be covered on payment of an extra premium, which would necessarily be very high, and in most cases prohibitive, the society offers a policy containing special clauses.

In common with other life offices having large invested funds, the General Life Assurance Company has suffered from the depreciation in values of securities of the highest class. The valuation for the five years to December 31 disclosed a surplus of £164,292, but owing to depreciation £30,469 of this surplus has been transferred to the investment reserve, raising it to £264,000, and leaving a balance of £33,823, which is carried forward. Shareholders, however, will receive the usual 10 per cent. dividend to be paid out of the sum at credit of the proprietors' fund, being the unexpended balance earned at the end of 1912. During 1917 the claims were less by £25,498 than had been provided for. At the close of the year the funds amounted to £2,061,489—an increase of £9,093. Interest at the rate of £4 3s. 8d. per cent., against £3 18s. 10d. per cent. in 1916, was realised on the investments as a whole.

Remarkable progress was made by the City Equitable Fire Insurance Company last year, the expansion being particularly marked in marine business, the marine and war premiums at £740,038 showing an increase of no less than £479,549. The company is holding £360,868 against unexpired risks, or about 50 per cent. There was an increase of £100,606 to £458,375 in the fire premiums, while the total amount of all claims paid and outstanding was only £9,799 higher at £229,843, the loss ratio having dropped to 50.14 per cent., due partly to the new business on which losses have not had time to mature. This year the directors have omitted the Russian business from the accounts. Including £21,425 income from investments (as against £10,030), the total profit was £128,251, or £62,756 more, and £18,740 was brought in, making £146,991. Against this is charged £20,504, representing the difference in the company's favour on the Russian account, but which, in view of the uncertainties attaching to the entire position, the directors have decided provisionally to write off, treating the whole of the Russian business as in suspense. The dividends for the year are made up to 1s. a share on the preference, and 4s. a share on the ordinary shares, a small increase on last year; reserves have been strengthened to the extent of £67,000, and £7,137 is carried forward. Investments at £336,989 show an increase of £172,668.

The Phoenix Assurance Co. did an increased business in all departments during 1917, and profits were larger than in 1916. Nett fire premiums were £177,448 higher at £1,709,312, the loss ratio declined from 48.9 per cent. to 47.6 per cent. of the premiums, and commission and expenses absorbed 38 per cent. as compared with 39 per cent., the total outgo being £1,461,914 as against £1,346,133. After increasing the fire funds by £71,000 (against £50,000) to £2,071,000 the profit was £40,666 higher, and £235,436, or £46,562 more than in the previous year, was transferred to profit and loss. Nett premiums in the marine branch increased by £1,042,363 to £2,411,564, claims on account of 1917 were £376,951 heavier at £899,833, and on account of previous years £143,034 more at £489,984. The profit was £35,000 larger at £185,000, the sum of £224,772, or £37,302 more, being transferred to profit and loss, while the marine funds were increased by £643,910 to £1,693,444. A profit of £18,005 was made from the accident business. The life business also showed satisfactory results, the nett new assurances retained at £1,123,511 being £103,028 more than in 1916. Notwithstanding the inclusion of £70,530 war claims the total amount paid, namely, £631,756 arising by the death of 721 persons, was within the normal expectation; a further £157,616 was paid in respect of endowments. At the close of the year the life funds stood at £10,916,222, an increase of £135,381. The total profits were £73,612 higher at £379,411, in addition to £161,594 for interest, out of which £140,000, or £54,000 more, was required in writing down securities. After providing £230,150 for income-tax and excess profits duty the balance forward was £1,317 more at £263,266. The total dividend in respect of 1917 is to be raised to 9s. a share; in each of the last five years 8s. a share was paid. So far 8s. 6d. a share has been distributed; the balance of 6d. a share as a final dividend is to be paid in November by way of an increase to such interim dividend as may then be declared.

### Our Disabled Men.

Mr. Hodge, the Minister of Pensions, had some very interesting things to tell the House when it reassembled on Tuesday evening about the working of his department. When he succeeded Mr. Barnes his staff numbered 3,700, and to-day it numbers 6,200. This is not an

undue expansion, in view of the increase in the number of claimants for pensions to be dealt with. These now show an average of something like 15,000 a week, and it is a very formidable undertaking to deal fairly and promptly with such numbers of people. All sorts of schemes have to be entertained, and, if possible, put in execution, so as to help the disabled, and, by training them and equipping them, it may be, lessen the obligations of the community for their maintenance in time to come.

Colonel Ashley remarked that pensions after the war would probably run to £100,000,000 per annum. They already run to nearly £50,000,000 and may soon exceed £60,000,000. No one grudges the money—provided we can find it; but the danger of all these efforts is that the generosity with which the Government answers appeals for liberal treatment may land us in an impasse, without the means to make good our promises. Therefore the more that can be done now to put the pensioners in the way to produce instead of merely to consume wealth, the better, and Mr. Hodge betrays a thorough familiarity with the scope of the problem before him. He said he had been accused of going about the country making speeches instead of attending to his work, but that is only the mud-throwing of the gutter Press. As a matter of fact, that kind of speech-making with him seems to take the place of the ordinary citizen's "week-end in the country," and the minister's journeyings here and there are necessary to get and keep him in touch with local conditions, sentiments, and purposes, so that all may be satisfied. Up to the end of April, to give a few statistics, the number of disabled men who had received pensions was 341,025, and of these 2.8 per cent. suffered from slight injuries, 2.6 per cent. from wounds and injuries to legs requiring amputation, 11.9 per cent. from wounds and injuries to arms that did not require to be cut off, and 8.45 per cent. also had injuries to the hands which did not require cutting off. By far the larger number were, with care, in the position to earn their own living, provided training were given, and it is satisfactory to find that the proportion of those wounded whose legs or arms had to be amputated was only 2.8 per cent. in the case of the legs and 2.6 per cent. in the case of the arms, or 5.2 per cent. in all. Appeal was made by Mr. Hodge to the public to give employment to the armless men where possible as porters and messengers, and arrangements have been made to train the disabled in various ways to practise new industries. It is an immense work, requiring patience, judgment, and steady pressure upon local authorities, but it is getting begun on the wisest lines, with a view to economy of expenditure in the future and the well-being of the injured themselves.

### COMPANY RESULTS IN BRIEF.

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re-serves.	Dividend.	Carried Forward.
Calgary and Edmonton Land ..... (Dec.)	£ 22,090	£ 11,970	£ —	% 80	£ —
Do. .... Prev.	14,630	3,600	—	—	—
Craig and Rose.... (Mar.)	—	13,840	6,500	7½	5,600
Do. .... Prev.	—	13,770	5,500	7	5,260
Land Mortgage Bank of Texas ..... (Mar.)	—	26,390	45,000	12½	35,980
Do. .... Prev.	—	23,560	45,000	12½	33,480
Mirrlees, Bickerton, & Day (Mar.)	—	23,950	25,000	10	2,120
Do. .... Prev.	—	16,940	20,000	7½	1,260
Sylhet Tea Co. .... (Dec.)	9,530	1,700	—	6	3,800
Do. .... Prev.	13,010	4,540	—	16	4,500
W. and A. McArthur (Jan.)	—	42,570	65,378	6	2,410
Do. .... Prev.	—	34,030	55,378	5	—

At a General Court of Proprietors of the Bank of England Sir Charles Stewart Addis, of the Hongkong and Shanghai Banking Corporation, was elected a director for the remainder of the year in the room of Mr. Albert George Sandeman, who has retired.

## AUSTRALIAN MUTUAL PROVIDENT

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The Largest Mutual Life Office in the Empire.

Funds, £38,000,000.

Annual Income, £5,000,000.

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WORLD-WIDE POLICIES.

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The PRUDENTIAL National War Bond Policy WILL HELP YOU.

You may PURCHASE Bonds for £100 redeemable in:

Age next birthday.	5 years at 102 by 5 annual payments of	7 years at 103 by 7 annual payments of	10 years at 105 by 10 annual payments of
30	£19 12 0	£13 12 8	£9 4 2
50	£19 16 8	£13 18 10	£9 12 2

*The PRUDENTIAL undertakes to take up the Bond immediately the first instalment is paid.*

**IF** you die before the Bond matures the Bond will be at once handed to your legal representative; payment of the remaining instalments will **not** be required.

**IF** you are killed in an air-raid **TWO** Bonds will be given instead of **ONE**, provided death occurs within one week of the injury.

**IF** death occur before the Bond is redeemed by the Government, your representative may select any Bond still current of the same issue, and the subsequent half-yearly dividends will be paid to him.

**IF** you die on active service abroad, the instalments paid will be returned with **COMPOUND INTEREST** at 5 per cent. per annum in substitution for other benefits.

**IF** you pay income tax at the rate of 3s. in the £ or over, you will be able, subject to the usual limitations, to claim rebate of tax of £1 1s. per £100 Bond, and in effect to reduce your instalments by that amount.

**IF** you wish, the instalments may be paid half-yearly or quarterly.

**NO MEDICAL EXAMINATION IS REQUIRED.**

*Full Prospectus and Particulars may be obtained from*

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## The Investors' Review.

### Money and Credit Notes.

**BANK RATE 5 PER CENT.** (Reduced from  $5\frac{1}{2}$  per cent. on Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

Sometimes call money is a little wanted, sometimes there is more offering than the market can take up, so these fluctuations have no influence upon discount rates, which remain as in our table, and the up and down movement in the short loan rates is only about  $\frac{1}{4}$  per cent. The most noticeable incident of the week was the large volume of applications for the Liverpool yearlings. These were allotted at about  $3\frac{1}{2}$  per cent., and sellers were offering them in the market at  $3\frac{3}{4}$  per cent. later in the day. Late in the week French bills were offered and cheapened a little to the buyer. The discount quotations, in other words, hardened to  $4\frac{1}{2}$  per cent. for January and  $4\frac{1}{4}$  per cent. for October maturities. Arrangements were made on Wednesday for placing some Italian credit bills next week, but the price is not yet settled.

Last week's Bank return is, in effect, a mere reversal of the previous week's, that is to say, the money then paid off on other deposits and Government deposits was this week borrowed again. So Government securities are £1,157,000 and other securities £9,182,000 up. At the same time public deposits are £2,622,000 and other deposits £7,670,000 lower. The reserve

is £13,500 better, because against an increase of £818,000 in the coin and bullion, there is an expansion of £805,000 in the note circulation, so the proportion is down  $\frac{1}{4}$  to  $1\frac{1}{4}$  per cent.

As a result of the conference between the bankers and the Chancellor of the Exchequer, to which we referred last week, the clearing banks have agreed not to allow more than the published rate of interest on deposits, which is 3 per cent. Recently there has been considerable competition, especially in the provinces, to obtain long-term deposits, and the rate has been forced up to 5 per cent. These fixed deposits have grown very considerably of late owing to the practice of companies to keep funds on deposit to meet heavy claims for excess profits duty and income-tax. These deposits should now show a tendency to be invested in War Bonds or Treasury bills seeing that no more than 3 per cent. will be allowed on them, especially as the banks have also agreed to give special borrowing facilities to holders of War Bonds in order to enable them to meet contingent requirements. The arrangement regarding the deposit rate does not apply to overseas banks, apparently because with them, especially the Australian banks, these deposits are a regular and special feature of their business, but it ought to be possible for them to agree not to take further deposits at a high rate from those people who ought to place their funds in Government securities.

We understand that there is likely to be a further extension shortly of the policy lately followed by the clearing banks of forming close working arrangements with overseas banks, particularly those banks operating in the Dominions. This policy is certainly an attractive variation of the amalgamation fashion, for it opens up new connections entirely. For some time past there have been "understandings" between various banks, but it is now sought to make these more definite. It will be recalled that Barclays some time ago entered into an arrangement of the kind with the Colonial Bank, and since then the London Provincial and South-Western has entered into an arrangement with the British Bank of South America, while Williams Deacon's Bank has made closer its connections with the Anglo-South American and London and Brazilian Banks. The war has so changed the channels of trade that enormous transactions have now to be carried out every day, and some of the colonial banks have not been big enough to undertake some of the financing single-handed. This development has quickened the interest taken by the big clearing banks in colonial business.

A rather sharp depreciation in the value of the lira has been the outstanding feature in the foreign exchange market this week. The pound sterling will now purchase 43.45 lire, or nearly half of a lira more than last week. Stockholm at 13.99 kr. and Copenhagen at 15.27 kr. have moved in our favour somewhat, likewise Amsterdam, which is now quoted at 9.56 fl. On the other hand, both Swiss francs and Spanish pesetas are about 15 points dearer at 19.15 fr. and 16.80 p. respectively. Portuguese milreis have risen 38 d. to 33 d., and English pounds stand at a discount of 17 per cent. in relation to Peruvian. The Argentine exchange has fallen 1 d. to 51 d., and Montevideo dollars have declined 1 d. to 64 d. The Uruguayan Finance Minister has suggested as an additional means of improving the exchange situation that the Central Uruguay Railway, which is British-owned, should be nationalised, and the proceeds partly spent in paying for produce shipped to the Allies. The Montevideo exchange has relapsed 1 d. to \$4.81 d.

Mr. Watt, the Treasurer of the Australian Commonwealth, has given the total of its debt at £609,000,000, and this includes £148,000,000 issued by the Commonwealth and War Loans from the Imperial Government amounting to £49,000,000, and means in annual interest a charge of £25,000,000.

From Amsterdam comes the news that the subscriptions to the eighth Austrian War Loan opened on Tuesday. In order to make it attractive it is described as the "last loan," and we should be much astonished to find the prophecy falsified. As we said last week, it is a  $5\frac{1}{2}$  per cent. loan, and is to be redeemed between 1924 and 1958, redeemed in paper no doubt, for among metals even lead is too dear. The issue price is 92½, and the banks are apparently being taken by the scruff of the neck, so to say, and made to subscribe, but Viennese financial circles do not expect much money from other quarters, except municipal savings banks, which are made to hand over their money whether they like or not. With it all the Empire of the Habsburgs totters to its fall.

## NOTICE TO SUBSCRIBERS.

By order of the Government no copies on sale or return of "THE INVESTORS' REVIEW" can be sent out after June 15. It cannot therefore be obtained anywhere on chance, and we shall be deeply obliged to habitual readers if they will place their orders for uninterrupted delivery either with their local newsagent or directly with this office.

Also, we regret to have to notify that from the beginning of July subscribers will have to be asked to pay almost full postage on their copies, that is to say, the price, post free, will henceforth be 28/- per annum inland and 30/- per annum abroad; but existing subscriptions or subscriptions received by us before June 30 will be made for a full year at the present prices.

\*Excluding sales through banks which have not yet been brought to account

## NETHERLANDS BANK (12 Florins to the £).

	May 25, 1918	May 18, 1918.	May 11, 1918	May 25, 1917
	£	£	£	£
Gold and Silver ..	60,769,833	60,583,083	60,772,000	50,305,500
Bills and Advances ..	15,779,416	16,527,415	18,080,500	14,827,500
Note circulation ..	76,792,083	78,131,916	79,564,583	62,759,000
Deposits ..	5,904,916	4,938,333	4,858,750	5,494,750

## BANK OF SWEDEN (18 kroner to the £).

	May 4, 1918.	Apr. 13, 1918.	Apr. 6, 1918.	May 5, 1917.
	£	£	£	£
Gold .. ..	14,307,000	14,327,000	14,331,000	11,280,000
Balance abroad and Foreign Bills ..	7,600,000	7,538,000	7,307,000	6,828,000
Swedish and Foreign Govt. Securities ..	3,885,000	3,901,000	3,924,000	3,150,000
Discounts and Loans ..	13,502,000	15,675,000	15,769,000	9,243,000
Notes in circulation ..	34,292,000	33,855,000	34,662,000	24,073,000
Deposits at notice ..	4,925,000	7,168,000	6,552,000	6,705,000

## BANK OF NORWAY (18 kroner to the £).

	May 7, 1918.	April 30, 1918.	April 22, 1918.	May 7, 1917
	£	£	£	£
Gold .. ..	6,734,000	6,733,000	6,734,000	7,163,000
Balance abroad and Foreign Bills ..	3,549,000	3,615,000	3,590,000	3,799,000
Gov't Securities ..	712,000	712,000	713,000	708,000
Discounts and Loans ..	18,485,000	18,446,000	18,450,000	13,141,000
Notes in Circulation ..	19,777,000	19,741,000	19,726,000	15,615,000
Deposits at notice ..	6,352,000	6,445,000	6,457,000	7,021,000

## SWISS NATIONAL BANK (25 francs to the £).

	May 15, 1918.	May 7, 1918.	April 30, 1918.	May 15, 1917.
	£	£	£	£
Gold and silver ..	17,507,276	17,289,952	17,293,936	15,753,836
Bills .. ..	11,041,732	12,022,912	11,559,972	8,110,324
Note circulation ..	27,248,168	27,944,152	28,008,604	20,272,944
Current and deposit accounts ..	4,058,496	4,181,088	3,315,280	3,587,072

## BANK OF ITALY (25 lire to the £).

	Feb. 23, 1918.	Feb. 20, 1918	Feb. 10, 1918	Mar. 1, 1917.
	£	£	£	£
Total cash .. ..	43,772,240	38,300,240	43,004,880	43,338,360
Inland Bills .. ..	29,816,360	29,404,200	29,467,480	21,247,640
Foreign Bills .. ..	897,360	887,840	4,426,000	838,920
Advances .. ..	24,284,400	20,564,920	22,346,440	19,412,400
Government securities ..	8,795,840	8,813,240	8,806,160	8,697,520
Circulation .. ..	267,249,200	264,926,160	263,291,560	154,630,760
Deposits at notice ..	33,864,520	38,043,120	35,555,840	19,255,960
Current accounts .. ..	20,090,520	21,712,640	19,574,560	11,482,640

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	May 15, 1918.	May 7, 1918.	April 30, 1918.	May 15, 1917.
	£	£	£	£
Total Coin & Bullion ..	123,290,950	123,247,750	123,239,800	127,742,150
Treasury Notes .. ..	77,792,300	77,577,250	76,759,750	22,998,100
Bills discounted .. ..	727,310,450	678,879,400	694,389,400	463,889,650
Advances .. ..	302,800	303,500	435,500	502,930
Note circulation .. ..	590,193,500	590,116,600	591,039,650	410,314,950
Deposits .. ..	387,668,500	342,852,200	352,750,250	229,634,100

Clearing House return during March £459,815,355, against £420,879,905 in February.

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	May 28, 1918.		May 30, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	9.48	9.53	9.47	9.52
Paris .. ..	Cable transfers ..	27.13	27.18	27.13	27.18
	Three months' bills ..	27.53	27.58	27.53	27.58
Switzerland ..	Cable transfers ..	19.10	19.20	19.10	19.20
	Three months' bills ..	19.45	19.55	19.45	19.55
Genoa, &c. ..	Cable transfers ..	43.40	43.50	43.40	43.50
Spain .. ..	Cable transfers ..	16.62	16.72	16.73	16.83
	Three months' bills ..	66½	67½	66½	67½
Lisbon and Oporto ..	Cable transfers ..	31½	32½	30	32
Copenhagen ..	Cable transfers ..	15.18	15.28	15.25	15.35
Christiania ..	Cable transfers ..	15.03	15.13	15.05	15.15
Stockholm ..	Cable transfers ..	15.85	15.95	15.95	16.05

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22½	27.16½	27.15½
Amsterdam, cheques ..	Florins to £1 ..	12.107	9.60½	9.48
Italy, sight .. ..	Lire to £1 ..	25.22½	43.21½	43.42½
Madrid, sight ..	Pesetas to £1 ..	25.22½	16.80	16.77½
Lisbon, sight ..	Pence to milreis ..	53½d.	31d.	32d.
Switzerland, sight ..	Francs to £1 ..	25.22½	19.27½	19.08
Christiania, sight ..	Kroner to £1 ..	18.159	15.03½	15.09
Stockholm, sight ..	Kroner to £1 ..	18.159	13.82½	13.95½
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.16½	15.29
Petrograd, sight ..	Roubles to £1 ..	94.57	nom.	nom.
Alexandria, sight ..	Piastres to £1 ..	97½	97½	97½
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/5½	1/5½
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/5½	1/5½
Hong Kong, T.T. ..	Sterling to dollar ..	—	3/12	3/11½
Shanghai, T.T. ..	Sterling to tael ..	—	4/6	4/6½
Singapore, T.T. ..	Sterling to dollar ..	—	2/3½	2/4½
Yokohama, T.T. ..	Sterling to yen ..	24.58d.	2/2½	2/2½
New York, cable ..	Dollars to £1 ..	4.86½	4.76½	4.76½
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	51½d.	51½d.
Valparaiso, 90 days ..	Pence to peso ..	—	16½d.	17½d.
Montevideo, T.T. ..	Pence to dollar ..	51d.	65½d.	64½d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	13½d.	13½d.

## OPEN MARKET DISCOUNT.

	Last week.	This week.
	Per cent.	Per cent.
Thirty and sixty day remitted ..	3½	3½
Three months .. ..	3½	3½
Four months .. ..	3½	3½
Six months .. ..	3½	3½
Three months fine inland bills ..	4½	4½
Four months .. ..	4½	4½
Six months .. ..	4½	4½

## BANK AND DEPOSIT RATES.

	Last week.	This week.
	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
" " short loan rates ..	—	—
Bankers' rate on deposits ..	3	3
Bill brokers' deposit rate (call) ..	3	3
" " 7 and 14 days' notice ..	3½	3½
Current rates for 7 day loans ..	3½	3½
" " for call loans ..	2½-3	3

## The Week's Stock Markets.

To-day some £50,000,000 will be distributed in War Loan interest. Usually a large proportion of a sum like that might be expected to come into the Stock Exchange for reinvestment, and dealers would have been all agog to get a "turn" out of the prospective buyers. Now, however, the campaign to induce those who do not absolutely require their interest for current expenses to put the money back into War Bonds must necessarily, and properly, have so much effect that the balance which will be left over for speculative purposes may be almost negligible, and, anyhow, it has had no apparent effect in any direction. The progress of the battle on the Western front has not been so satisfactory as was hoped, but the Stock Exchange can generally be relied on to take sane views on matters of that sort, and it has kept a very level head all through. With regard to individual markets there have been good and bad developments. The relapse in the Rubber section, which for months past has provided a large proportion of current dealings, was naturally not liked, and the latest revenue statement of the Grand Trunk was regarded as most disappointing owing to the huge increase in working expenses which more than offset the large gain in gross receipts. On the other hand, the dividends of the Antofagasta and Leopoldina Railways gave a useful fillip to their sections, and gilt-edged securities, Foreign bonds and Shipping shares were all good. But if you watch the daily markings of business done the record is not very cheerful, and for the present we can see no hope of material improvement.

Although the German offensive on the Western front has made more progress than was anticipated by the average layman after the confident statements that had been made about our complete preparations to resist it, the Stock Exchange has taken a very sane view of the position, and has kept wonderfully cheerful in face of what must be regarded as a difficult situation. The Funds have been particularly firm, and the leading securities are all fractionally higher, although towards the end of the week business became extremely restricted. Colonial issues have also been steady, and in a few of the shorter-dated stocks a fair amount of business was transacted. Foreign securities have shown a wonderful amount of strength, particularly in the South American section. Brazilians, Guatemalas, Uruguays, Venezuelans, and Peruvian Corporations have all gained to a substantial extent, and Spanish, Portuguese, Japanese and Chinese have also displayed strength. Business, it is true, has been on a small scale, but it is satisfactory to find a moderate inquiry in these days.

Home Railways opened with a considerable amount of inquiry for the favourite stocks, and prices generally advanced small fractions, but towards the end the tone became dull and a good part of the gain was lost. An exception may be mentioned in the case of the Metropolitan Districts, which for some not fully explained reason jumped 2½. Americans generally have been weak, and International Mercantile Marine dropped 1 to 3 points, but interest in this section is almost non-existent. Canadian Pacifics have been stagnant, and Grand Trunks were adversely affected by the exceedingly poor statement for April, which shows that expenses increased far more rapidly than receipts. Argentine Rails have not moved appreciably, and the tone has been rather dull owing to continual labour difficulties, which, although apparently not serious, have a depressing influence. Antofagastas had a spurt of about 8 points on the excellent dividend, which comes out at 12 per cent., against 8, but the pace was too rapid, and on profit-taking a good deal of the gain was lost. Leopoldinas, San Paulos, and Mexicans were also well supported and generally moved upwards.

Banks have been in moderate demand, and where changes have occurred they have usually been favourable. Breweries were irregular, and while City of London advanced a couple of points, Watney deferred lost 1½. The other changes have not been of much consequence. Telegraphs showed exceptional strength on what must be regarded as very small business, while the Shipping division was pronouncedly strong on the revision of Blue-book rates. Textiles generally were firm and English Sewing Cotton and a few others made substantial headway, but the section generally did not get very much attention. Iron and Steel shares opened with a considerable display of strength, but afterwards eased off, and in the Miscellaneous

Industrial section the movements were trifling and irregular. Associated Cements, however, showed some strength.

	Last Week	This Week		Last Week	This Week
Consols.....	56 1/2	56 1/2	N.S.W. 5%, 1921-3 .....	99 1/2	99 1/2
War Loan 3 1/2% .....	87 1/2	87 1/2	" 5 1/2%, 1920-2 .....	99	100
" 4 1/2% .....	90 1/2	90 1/2	" 5 1/2% Debts .....	102 1/2	102 1/2
" 5% 1929-47 .....	93 1/2	93 1/2	New Zealand 4 1/2%, 1929 .....	86 1/2	87
" 4 1/2% 1910-60 .....	101 1/2	101 1/2	Queensland 4 1/2%, 1920-5 .....	93	93
India 3 1/2% .....	55 1/2	55 1/2	S. Australian 5 1/2%, 1922-7 .....	99 1/2	99 1/2
" 3 1/2% .....	64 1/2	64 1/2	Union of S. Africa 4 1/2% .....	94	93 1/2
Australian 5 1/2%, 1920-22 .....	99 1/2	100	1920-5 .....	94	93 1/2
Canada 4 1/2%, 1910-60 .....	94	94 1/2	Victoria 4 1/2%, 1920-5 .....	93 1/2	93 1/2
" 4 1/2%, 1920-5 .....	94	94 1/2	Westn. Aus. 4% .....	79	79
Argentina 5%, 1886 .....	98 1/2	98 1/2	French War Loan, 5% .....	77 1/2	77 1/2
Belgian 3% .....	70	70 1/2	Japan 4 1/2% (1st), 1905 .....	95 1/2	95 1/2
Brazil, 1913 .....	85	85 1/2	" 5%, 1907 .....	80	80
" 5%, 1914 .....	85	85 1/2	Mexican 5%, 1899 .....	52 1/2	52 1/2
Chinese 1896 .....	93	94	Russia 4 1/2% .....	32 1/2	32 1/2
" 1912 .....	81	81	" 4 1/2%, 1909 .....	30 1/2	30 1/2
Egypt Unified 4% .....	87	88	" 5%, 1906 .....	44	44
Caledonian defd. ....	9 1/2	9	London and N.-W. ....	80 1/2	80 1/2
Gt. Central ptd. ....	13	13	London and S.-W. dfd. ....	22 1/2	22 1/2
" dfd. ....	6 1/2	6 1/2	Metropolitan .....	20 1/2	20 1/2
Gt. Eastern .....	35 1/2	35 1/2	Met. District .....	14 1/2	15
Gt. Northern dfd. ....	35 1/2	35 1/2	Midland dfd. ....	56	56
Gt. Western .....	85	84 1/2	Nth. British dfd. ....	13 1/2	13 1/2
Lancs. and Yorks. ....	65	65	Nth.-Eastern .....	95	94 1/2
London Brighton defd. ....	56	56	Sth.-Eastern dfd. ....	27 1/2	28
London Chatham ord. ....	8 1/2	8 1/2			
Canadian Pacific .....	158	157 1/2	Chesapeake .....	62	62
E. Indian Guar. 4 1/2% debts. ....	84	84	Erie .....	18 1/2	19
Grand Trunk ord. ....	9 1/2	9 1/2	Southern .....	26	25 1/2
Do. 1st pf. ....	55 1/2	55 1/2			
Do. 3rd pf. ....	21 1/2	20 1/2			
Antofagasta dfd. ....	154	155	Leopoldina .....	38 1/2	39 1/2
B. A. & Pacific .....	42 1/2	42 1/2	Mexican ord. ....	18	19
B. A. Gt. Southern .....	67	67	San Paulo (Brazilian) .....	186	183 1/2
B. A. Western .....	66 1/2	66 1/2	United of Havana .....	72 1/2	72 1/2
Cent. Argentine ord. ....	58 1/2	58 1/2			
Anglo-South American ..	8	8 1/2	London & Brazilian .....	24 1/2	25
Bank of Australasia .....	120	120	London City & Midland .....	7 1/2	8
Bank of N.S. Wales .....	35 1/2	35 1/2	London County & Westm. ....	15 1/2	15 1/2
Barclay & Co. "A" .....	78 1/2	78 1/2	London Joint Stock .....	29	28 1/2
Do. "B" .....	128 1/2	128 1/2	Nat. Prov. (£100 pd) .....	25 1/2	25 1/2
Capital & Counties .....	27 1/2	27	Do. (£12 pd) .....	30	30
Chartered of India .....	76 1/2	76 1/2	Standard of S.A. ....	11 1/2	11 1/2
Hongkong & Shanghai ..	86	86 1/2	Union Discount .....	10 1/2	10 1/2
Lloyds .....	25	25			
Armstrong, Whitworth ..	41 1/2	41 1/2	Kynochs .....	40 1/2	40 1/2
Birmingham Small Arms ..	64 1/2	64 1/2	Mond Nickel ord. ....	3 1/2	3 1/2
Cammell-Laird .....	6 1/2	6 1/2	Nobel, £1 .....	72 1/2	73 1/2
Cargo Fleet .....	25 1/2	26 1/2	South Durham Steel .....	45 1/2	47 1/2
Davis, D. & J. ....	11 1/2	11 1/2	Thornycroft .....	38 1/2	38 1/2
Dorman, Long .....	39 1/2	35 1/2	Vickers .....	41 1/2	41 1/2
Associated Cement .....	31 1/2	31 1/2	Forestal Land .....	47 1/2	47 1/2
Borax dfd. ....	38 1/2	38 1/2	Hudson's Bay .....	7 1/2	7 1/2
Bovril .....	21 1/2	21 1/2	Imperial Tobacco 'C' pf. ....	32 1/2	32 1/2
British Amer. Tobacco pf. ....	18 1/2	18 1/2	Lever Bros. "C" pf. ....	20 1/2	21
British Aluminium .....	32 1/2	33 1/2	Lyons, J. ....	4	4 1/2
British Oil & Cake .....	32 1/2	32 1/2	Marconi .....	3 1/2	3 1/2
Brunner, Mond .....	1 1/2	1 1/2	Maypole Dairy dfd. ....	16 1/2	15 1/2
Castner-Kellner .....	38 1/2	38 1/2	Pears, A. & F. ....	1 1/2	1 1/2
Eastern Telegraph .....	154 1/2	154 1/2	Underground Inc. Bds. ....	77	76 1/2
Eastmans .....	11 1/2	11 1/2			
Cunard .....	4 1/2	4 1/2	Coats .....	5 1/2	5 1/2
Furness, Withy .....	66 1/2	65 1/2	Courtaulds .....	7 1/2	7 1/2
P. & O. dfd. ....	33 1/2	33 1/2	English Sewing Cotton .....	54 1/2	57 1/2
Royal Mail .....	126	126	Fine Cotton Spinners .....	34 1/2	32 1/2
			Harrods Stores .....	2 1/2	2 1/2
Anglo Argentine 1st Pf. ....	2 1/2	2 1/2	Dennis Bros. ....	36 1/2	35 1/2
Brazil Traction .....	13	13	National Steam Car. ....	18 1/2	17 1/2
Darracq .....	33 1/2	35 1/2	Rolls-Royce .....	2	1 1/2
Anglo-Egyptian "B" .....	36 1/2	35 1/2	Shell .....	6 1/2	6 1/2
Burmah .....	7 1/2	6 1/2	Spies (10/-) .....	7 1/2	6 1/2
Lobitos .....	1 1/2	1 1/2	Trinidad Leaseholds .....	34 1/2	33 1/2
Mexican Eagle pf. ....	3 1/2	3 1/2	Ural Caspian .....	1 1/2	1 1/2
North Caucasian .....	1 1/2	1 1/2	Venezuelan .....	1 1/2	1 1/2
Roumanian Cons. ....	9 1/2	9 1/2			
Alagar 2/- .....	3 1/2	2 1/2	Perak 2/- .....	6 1/2	6 1/2
Anglo-Dutch, £1 .....	26 1/2	26 1/2	Port Dickson 2/- .....	3 1/2	3 1/2
Anglo-Java Rub. 2/- .....	5 1/2	5 1/2	Rub. Estates Krian 2/- .....	3 1/2	3 1/2
Anglo-Malay 2/- .....	12 1/2	12 1/2	Rubber Trust £1 .....	23 1/2	23 1/2
Ayer Kuning £1 .....	45 1/2	40 1/2	Sampang (Java) 2/- .....	2 1/2	2 1/2
Brit. N. Borneo Trust £1 ..	16 1/2	16 1/2	Seaport £1 .....	25 1/2	23 1/2
Bukit Cioh 2/- .....	4 1/2	4 1/2	Sengat 2/- .....	2 1/2	2 1/2
Bukit Mertajam 2/- .....	4 1/2	4 1/2	Seremban £1 .....	32 1/2	26 1/2
Bukit Sembawang 2/- .....	3 1/2	2 1/2	Sialang £1 .....	57 1/2	56 1/2
Carey United £1 .....	39 1/2	37 1/2	Singapore Para 2/- .....	4 1/2	3 1/2
Chersonese .....	3 1/2	3 1/2	Singapore United 2/- .....	2 1/2	2 1/2
Cheviot 2/- .....	5 1/2	5 1/2			
Dalkeith 2/- .....	2 1/2	2 1/2	Pataling 2/- .....	39 1/2	34 1/2
Grand Central £1 .....	33 1/2	24 1/2	Straits Bertam 2/- .....	5 1/2	5 1/2
Highlands £1 .....	55 1/2	52 1/2	Sumatra Para 2/- .....	7 1/2	7 1/2
Java Investment £1 .....	23 1/2	23 1/2	Sungei Bahru £1 .....	35 1/2	29 1/2
Johore Rubber Lands £1 ..	28 1/2	27 1/2	Taipang 2/- .....	31 1/2	3 1/2
Kamunins 2/- .....	3 1/2	3 1/2	Tanjong £1 .....	7 1/2	7 1/2
Kinta Kelas 2/- .....	3 1/2	3 1/2	Tanjong Malim £1 .....	30 1/2	30 1/2
Labu 2/- .....	5 1/2	7 1/2	Tebrau £1 .....	58 1/2	58 1/2
Langen Java £1 .....	36 1/2	35 1/2	Telagorejo £1 .....	39 1/2	39 1/2
Linggi 2/- .....	23 1/2	21 1/2	Tempeh 2/- .....	2 1/2	2 1/2
London Asiatic 2/- .....	7 1/2	7 1/2	United Serdang 2/- .....	9 1/2	9 1/2
Malayalam £1 .....	36 1/2	36 1/2	Val d'Or 2/- .....	3 1/2	3 1/2
Merlimau 2/- .....	5 1/2	5 1/2	Vallambrosa 2/- .....	19 1/2	18 1/2
Bechuanaland Exp. ....	7 1/2	7 1/2	Kyshtim .....	6 1/2	6 1/2
Broken Hill Prop. (8/-) ..	6 1/2	6 1/2	Mashonaland Agency .....	6 1/2	6 1/2
Cam & Motor .....	11 1/2	12 1/2	Meyer & Charlton .....	4 1/2	4 1/2
Central Mining (£12 1/2) ..	6	5 1/2	Modder "B" .....	7 1/2	7 1/2
Chartered .....	15 1/2	15 1/2	Do. Deep .....	7 1/2	7 1/2
City Deep .....	3 1/2	3	Mysoore .....	2 1/2	2 1/2
Cons. Gold Fields .....	1 1/2	1 1/2	Nigerian Tin .....	1 1/2	1 1/2
Cons. Langlaats .....	17 1/2	17 1/2	Pahang (3/-) .....	12 1/2	13 1/2
Crown Mines (10/-) .....	2	1 1/2	Rand Mines (5/-) .....	2 1/2	2 1/2
De Beers dfd. (£2 10s.) ..	2 1/2	2 1/2	Rio Tinto (£5) .....	60 1/2	60 1/2
East Pool (5/-) .....	29 1/2	28 1/2	Russo-Asiatic .....	2 1/2	2 1/2
East Rand .....	4 1/2	4 1/2	South Crofty (5/-) .....	54 1/2	54 1/2
Geduld .....	2 1/2	2 1/2	Spring Mines .....	3 1/2	3 1/2
Geveer (10/-) .....	25 1/2	25 1/2	Tanganyika .....	3 1/2	3 1/2
Gov. Areas Mod .....	3 1/2	3 1/2	Tanahlyk .....	3 1/2	3 1/2
Gt. Boulder (2/-) .....	11 1/2	11 1/2	Van Ryn Deep .....	3 1/2	3 1/2

this section are of an extremely limited character. The Rubber market, on the other hand, has taken a very decided turn downwards, and where it used to be almost impossible to buy shares at the quoted price, sellers now have to give away a substantial turn in order to do business, and the cumulative effect of what from day to day looks like a trifling decline, becomes important when the level of to-day is compared with that of a few weeks ago.

The Falmouth Docks undertaking has been purchased by the Federal Company, which is part of the combine of the Peninsular and Oriental Co., the British India Co., the New Zealand Shipping Co., the Union of New Zealand Co., Hain and Co., and Glover Brothers.

## LONDON PRODUCE MARKETS

The general course of trade remains without improvement, business being confined to pressing wants, while prices maintained a steady level in most directions.

## CURRENT PRICES OF CHIEF ARTICLES

WEEK ENDING MAY 31 1918

	Last Week.	This Week		Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 25.8, 98% polarisation .....	£ s. d.	£ s. d.	<b>Wool</b> —per lb.	£ s. d.	£ s. d.
Tate's Cubes .....	3 4 9	3 4 9	Australian Scoured Merino .....	nom.	nom.
Crushed .....	3 4 9	3 4 9	Scoured Cr'ssbr'd .....	nom.	nom.
Granulated .....	2 17 9	2 17 9	Greasy Merino .....	nom.	nom.
Lyle's granulated .....	2 17 9	2 17 9	Greasy Crossbred .....	nom.	nom.
Foreign granu- lated, first marks f.o.b., spot .....	nom.	nom.	New Zealand (scoured) Merino .....	nom.	nom.
German Cubes f.o.b. ....	nom.	nom.	Greasy Crossbred .....	nom.	nom.
French Cube .....	nom.	nom.	Cape snow white .....	nom.	nom.
Crystallised, West India .....	2 17 9	2 17 9	<b>India Rubber</b> —p. lb. Plantation, Sp. B. Crepe .....	2 2 2 1/2	0 2 2
Beet, 88% f.o.b. ....	nom.	nom.	<b>Coal</b> —per ton Durham, best .....	nom.	nom.
<b>Tea</b> —per lb., duty 1/- lb. ....	s. d.	s. d.	Seconds .....	nom.	nom.
Indian Pekoe .....	1 4	1 4	East Hartlepool .....	nom.	nom.
Broken .....	1 4	1 4	Seconds .....	nom.	nom.
Orange .....	1 4	1 4	Steamers, best .....	32 6	32 6
Broken .....	1 4	1 4	Seconds .....	29 6	29 6
Pekoe Souchong .....	1 4	1 4	<b>Lead</b> —per ton. ....	£ s. d.	£ s. d.
Ceylon Pekoe .....	1 4	1 4	English Pig .....	nom.	nom.
Broken .....	1 4	1 4	Foreign soft, net .....	£ 29 1/2	£ 29 1/2
Orange .....	1 4	1 4	<b>Quicksilver</b> —per bottle firsthand .....	nom.	nom.
Broken .....	1 4	1 4	<b>Tin</b> —per ton. English Ingots .....	nom.	nom.
Pekoe Souchong .....	1 4	1 4	Do. bars .....	nom.	nom.
<b>Cocoa</b> —per cwt. duty 6d. per lb. ....	s. d.	s. d.	Standard cash .....	£ 55	£ 55
Trinidad—per cwt. ....	86 0 0	86 0 0	Tin Plates, per box .....	nom.	nom.
Grenada .....	79 0 85	79 0 85	<b>Copper</b> —per ton. English, Tough, per ton .....	nom.	nom.
West Africa .....	55 0 05	55 0 05	Best Selected .....	£ 119-£ 123	£ 119-£ 123
Ceylon Plantation .....	85 0 00	85 0 00	Sheets .....	£ 149	£ 149
Guayaquil .....	up to 90 0	up to 90 0	Standard .....	£ 110-£ 110 1/2	£ 110-£ 110 1/2
<b>Coffee</b> —per cwt. duty 42/- per cwt. ....	110 0 135	110 0 135	<b>Jute</b> —per ton. Native frsts for shipment .....	nom.	nom.
East India .....	77 0 151	80 0 160	<b>Oils</b> — Linseed, per ton .....	£ 58	£ 58
Jamaica .....	110 0 137	110 0 137	Rape, crude .....	£ 66	£ 66
Costa Rica .....	110 0 137	110 0 137	Cotton Seed, crude .....	£ 60	£ 60
<b>Provisions</b> — <b>Butter</b> , per cwt. Australian finest .....	252/	252/	Petroleum Oil, per 8 lbs. ....	1/10 1/2	1/10 1/2
Argentine .....	252/	252/	Water White .....	1/11 1/4	1/11 1/4
Irish Creameries .....	nom.	nom.	Oil Seeds, Linseed .....	—	—
Dutch ditto .....	nom.	nom.	Calcutta—per ton Spot By agree- ment .....	By agree- ment.	By agree- ment.
Russian finest .....	nom.	nom.	<b>Rape</b> .....	£ 29-10 1/2	£ 29-10 1/2
Paris baskets .....	nom.	nom.	<b>Iron</b> —per ton Cleveland Cash .....	nom.	nom.
Danish finest .....	nom.	nom.	<b>Tobacco</b> —duty, manufactured .....	—	—
Brittany rolls— doz. lb. ....	nom.	nom.	8/2-10/4 per lb. ....	1 6-2 6	1 6-2 6
<b>Bacon</b> —per cwt. Continental .....	188/	188/	Virginia leaf .....	1 0-1 6	1 0-1 6
Irish .....	172/	172/	Kentucky leaf .....	nom.	nom.
Canadian .....	169/-172/	169/-172/	Latakia .....	1 6-6 6	1 6-6 6
American .....	169/-180/	169/-180/	Havana .....	—	—
<b>Hams</b> —per cwt. Irish .....	nom.	nom.	Cigars, duty 15/- per lb. ....	2/ upds.	2/ upds.
Canadian .....	162-165/	162-165/	<b>Timber</b> —Wood. Pitch Pine .....	300/-400	300/-400
American .....	125/-165/	125/-165/	Indian Teak .....	680/-700	680/-700
<b>Cheese</b> —per cwt. Dutch .....	nom.	nom.	<b>Turpentine</b> — American Spot .....	118/	118/
Canadian .....	nom.	nom.	<b>Copra</b> —per ton Malabar .....	46 0 0	46 0 0
English Cheddar .....	102/8-149/4	102/8-149/4	Ceylon .....	46 0 0	46 0 0
Wilt's loaf .....	nom.	nom.	F.M.S. Singapore .....	45 10 0	45 10 0
New Zealand .....	nom.	nom.	F.M.S. Straits .....	45 10 0	45 10 0
<b>Rice</b> —per cwt. Japan .....	41 3	41 3			
Rangoon 2 stars .....	26 3	26 3			
<b>Eggs</b> —per 120. English .....	37 0-38 0	40 0-41 0			
Irish .....	35 0-36 0	37 0-38 0			
Danish .....	nom.	nom.			
<b>Spelter</b> — G.O.B. as to position .....	£ 54 £ 50	£ 54 £ 50			
<b>Flour</b> —per sack. Country Straight Runs ex Mill .....	44/3	44/3			

but all useful liquoring sorts brought steady prices. Uganda, bold fair to good palish, changed hands at 102s. 6d. to 112s. 6d.; extra bold, 120s. 6d. Nairobi, bold, fair to good, 110s. to 125s. Futures quite idle and nominal.

Cocoa in steady request at graded prices, but offers are still sparingly made.

SPICE.—Pepper market firm, and there is a steady trade passing. Fair black Singapore, spot, buyers, 1s. 5½d.; Tellicherry sold at 1s. 6½d.; Aleppy, 1s. 6d.; white Singapore, 2s. 6½d.; and Muntok, 2s. 8d. Fair Zanzibar cloves, spot, sellers, 2s. 5d.; and fair flake tapioca, buyers, 7½d. per lb. Auctions went firmly, Eastern nutmegs being rather dearer. 67's sold at 3s. 4d.; 108's, 2s. 5d.; and Singapore 97's at 2s. 7d. Nyassaland chillies, sold, 98s. to 100s.; and ditto capsicums, mid dark, 62s. 6d.

VANILLOES.—At public sale a fair assortment was offered. Good to fine sorts realised firmer prices, ordinary being steady, but foxy descriptions generally 1s. down compared with previous auctions.

SHELLAC.—Only retail sales are passing on the spot on the basis of 335s. for fair free second orange.

RUBBER.—Trading was on a limited scale, and tendency barely steady. Plantation crepe, spot, sold at 2s. 2½d. to 2s. 6½d.; June, 2s. 2½d. to 2s. 2½d. and 2s. 2½d.; July, 2s. 3d., 2s. 3½d., and 2s. 2½d.; July-December, 2s. 3½d. to 2s. 4d. and 2s. 3½d.; October-December, 2s. 4½d. to 2s. 4½d. and 2s. 4½d. Smoked ribbed sheet, spot, 2s. 1½d. to 2s. 1½d.; July-December, 2s. 3d. to 2s. 2½d. Fine hard Para, spot, 3s. 1½d.; soft fine ditto, 3s. 1d.; and ball, at 1s. 8½d. per lb.

CORN (Mark Lane).—Steadiness characterised movements at market this week, though the volume of trade passing showed no appreciable expansion, offers being still on a limited scale. English wheat sells at the Controller's limit, while business in imported descriptions was again confined to leading Canadian qualities. No. 1 Northern Manitoba sold at 82s. 4½d.; No. 2 ditto, 80s. 9d. Australian quoted 85s. 6d.; No. 2 Calcutta, 87s.; and La Plata, 82s. 7½d. Flour continues in fair supply, with G.R. quoted at 44s. 3d. ex mill, and imported makes ranging from 50s. 3d. to 51s. 3d. per 280 lbs. landed. Barley remains out of supply. Oats: American white clipped, 61s. 6d. to 62s. 6d.; and Canada Western No. 2 sold, 63s. 6d., landed terms. Maize sparingly offered. American mixed, 81s. 3d., landed terms.

COTTON (from our Manchester correspondent).—The conditions prevailing in the market during the past week have not been at all favourable to an active business being done, and until the prospects are clearer there is little probability of freer operations. The further restriction of output and the wages advance have upset the ordinary methods of calculating prices of yarn and cloth, and sellers who have been in doubt as to what to quote have erred on the top side if at all. Numerous firms are refusing for the time being to give out quotations of any kind whatever. In the circumstances negotiations have been carried on under great difficulties, and business has only transpired where buyers have found it impossible to delay. Crop advices from the United States remain very healthy, and there is the expectation of an excellent Government report next week. The inquiry in cloth for abroad has not been at all important. Fair scattered sales have been put through for India, chiefly in bleaching descriptions, and advices from Bombay are better than those from Calcutta. The monsoon season has now started in our Dependency, and news relating to the rains is awaited with considerable interest. Offers for China have been very scarce, but rather larger operations have been reported for Singapore, Java, and the Straits Settlements. Egypt remains quieter. A fair business has been about for South America. Encouraging reports continue to be received from the home trade, the chief difficulty of the distributing houses being to secure adequate supplies of goods. Prices in all kinds of yarn have tended to harden. Business has been checked by the higher rates and the scarcity of supplies. Spinners of both American and Egyptian qualities continue to enjoy a very wide margin of profit.

### American Business Notes.

We realise, in watching America, how dictatorial a democratic Government can be in a time of emergency, and the action of Mr. McAdoo in raising railway rates and, at the same time, putting up wages of railwaymen to the tune of £30,000,000 affords an impressive lesson of vigorous initiative in administration. Here we should have had endless discussion and dispute before a step could be taken. In the United States the question is investigated quietly, and quietly settled without fuss, and, we infer, without serious protest. It is, indeed, useless to protest; for the Government holds the country in the hollow of its hand, and no one will venture to dispute its decisions while the world emergency lasts. On the whole, too, the railways cannot complain, for they are not in a weak financial position, and we scarcely ever look into the accounts of any one of them without finding evidence of prosperity. Look at that but lately distressful corporation, the Missouri Pacific. Its first annual report since reorganisation has been issued, covering seven months to the end of last year, and it shows a surplus of \$6,618,000, after paying working expenses and debt interest. For the entire calendar year the surplus was \$8,966,000, after disbursing \$13,335,000, chiefly as interest on the company's funded debt.

A prosperous road like the Delaware and Hudson also shows a comfortable position, for in 1907 it could display a surplus of \$1,168,000, after paying all interest, rentals, and other preferential demands and a dividend of 9 per cent. on its stock. The previous year the surplus was only \$333,000.

This sort of prosperity cannot, perhaps, be called evidence of profiteering, but in other directions there is ample proof that some people have been making too much money out of the crisis.

Here is the International Harvester Co., for instance, paying a 7 per cent. dividend for 1917 on both its preferred and common stocks with \$9,110,000 left over. In 1916 and the two years before that a 5 per cent. dividend only was paid on the common stock, and the largest surplus, that for 1916, was \$6,582,000, while for 1914 it was only \$3,363,000. Moreover, \$1,514,000 was last year set aside to plant depreciation reserve, and altogether the various reserves got \$3,726,000, which was quite \$400,000 above the average assignment for the previous three years.

Copper mining also tells a suggestive story of great prosperity. The Anaconda Co., for example, at the head of which is Mr. John D. Ryan, had a surplus for last year of \$14,518,000, after paying the 17 per cent. dividend on its shares. As recently as 1915 the dividend was only 8 per cent., and the surplus \$7,371,000, after that was paid. The same dividend for 1914 could only be paid at the cost of a deficit of \$288,000, whereas in 1916, so sudden and overwhelming was the rush of profits, that there was \$33,344,000 left after a 15 per cent. dividend had been paid. Can any shareholder grumble seriously if Mr. Wilson's administration steps in and says, "In this emergency I want all your surplus over and above the 8 per cent. paid before we entered the war."

Another copper company is the Utah, which paid 127½ per cent. in dividends for 1917, and gave back in addition 17½ per cent. capital, or in all 145 per cent., besides putting aside \$5,015,000 as reserve against taxation. Should not these profits be handed over to the Government instead of being distributed to the shareholders at the cost of an increase in the debt? Will the spirit of self-sacrifice amongst the American people, in other words, cheerfully submit to the surrender of all kinds of unusual gains in order that the load may be less which their children after them will have to shoulder? Debt and waste invariably go hand in hand, and one of the chief causes of the appalling consumption of our borrowed wealth from time to time revealed by incidents and investigations is that the money seems to the spenders to cost nothing. Nobody finds it, and its waste does not in appearance injure the individual. It merely goes to swell the debt. "A tax on luxuries"? But that is trifling with the country's necessities and the danger. We must listen to Mr. Wilson, and imitate him without wasting time in Parliament wrangles and mouthing about our "patriotism." The real patriot is the man who makes sacrifices and pays up.

It is satisfactory to learn that ships aggregating over 100,000 tons were launched in the United States last week. Actually 18 vessels, 15 steel and three wood, were put into the water with a total tonnage of 109,700, which is at the rate of well over 5,000,000 tons a year. In all 30 steel ships and 25 wooden ships were launched in the first 25 days of May. The rate of production is showing a steady and consistent increase with each week and each month, though many shipyards have not yet really got under way. At this rate we shall soon make good a considerable proportion of the losses caused by the piratical U-boats.

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## The Week in Mines.

The renewal of the German offensive has had the effect of restricting business in the Mining markets, and with a few exceptions the tendency has been generally dull. Diamond shares have been supported on reports that there is a good demand for stones on East-End account. Another strong feature has been the Broken Hill group, particularly Proprietary's on the decision of the directors to capitalise £1,500,000 of the undistributed profits.

### SOUTH AND WEST AFRICANS.

The South African market after showing a firm tendency weakened under several adverse influences. A short-lived strike at the Randfontein Central caused the market to remember that the Rand is not without its labour discontent, and the reflection was emphasised later by a report that the miners are asking for £8 weekly, which would involve an addition of £40,000 monthly to the miners' wages bill, and entail the closure of several low-grade properties. City and Suburbans have been on offer, and are 5-32 lower at 1½, while City Deep has relapsed ½ to 3 1-32. Gold Mines Investments 18. to 22s. 6d., Modder B ½ to 7½, Kleinfontein 18. to 17s., and Central Minings ½ to 5½. New Modders after rising to 23½ fell back to 22½. Wit Deep has improved slightly to 7s. 6d.; at the meeting at Johannesburg considerable opposition developed against the board, and a poll was demanded by the Shareholders' Society. It is rumoured there that the Central Mining Corporation will surrender control to the opposition, but this would involve apparently the calling in of a loan of £25,000. Springs Mines are better at 3 25-32 despite criticism of the Springs West arrangement, a cash dividend being asked for instead of options. In the Rhodesian section Chartereds have declined 9d. to 15s. 3d., Rezendes ½ to 4½, and Shamvas ½ to 1½, but Cam and Motors have been supported at about 12s. 9d. and Wankies at 14s. Diamond shares show a general advance; De Beers deferreds at 13½ and Premier deferreds at 6½ are both ½ higher, and the prefs. are also ½ to ¾ higher. West Africans have been neglected.

### COPPER AND MISCELLANEOUS.

Apart from a fall of ½ to 66 in Rio Tinto, copper shares show little movement. Tin shares have weakened owing to the fall in the price of the metal, and Cornish descriptions have been affected by the acute shortage of labour. South Croftys have declined 2s. to 52s. 6d., and various other shares show slight falls. Broken Hills have been active and buoyant, especially Proprietarys, which are 5s. 9d. higher at 71s. 6d. ex dividend on the capital bonus scheme. It is calculated that the current price, plus the payment of 40s. for the new shares, represents about 45s. for each of the 2,100,000 shares to be issued. The company's profits are at present equal to 25 per cent. on the new capital. British Proprietarys have risen 2s. to 49s. 6d., but have actually been higher than this. Souths at 3 5-32, Souths at 1½, and Zinc Corporations at 25s. are all appreciably higher. Elsewhere a notable incident has been the weakness of Mexico of El Oros, which have fallen ¼ to 5½.

## MINING NEWS.

**WEST AFRICAN GOLD OUTPUT.**—In April the production of gold was £117,520, or £4,915 more than in March, but £6,305 less than in April last year. The following table shows the monthly production since January, 1914.

MONTH.	1918.	1917.	1916.	1915.	1914.
Jan. ..	107,853	131,665	140,579	143,649	128,862
Feb. ..	112,865	104,892	137,739	144,034	123,169
Mar. ..	112,605	158,727	150,987	153,770	131,392
April ..	117,520	123,825	135,976	149,978	131,697
May ..	—	121,104	132,976	142,123	145,227
June ..	—	114,489	127,107	135,289	147,289
July ..	—	142,017	128,574	140,290	151,923
Aug. ..	—	130,278	125,143	139,364	150,386
Sept. ..	—	127,168	127,138	135,744	154,316
Oct. ..	—	126,295	134,577	141,771	159,410
Nov. ..	—	126,915	130,101	132,138	154,674
Dec. ..	—	122,602	146,409	158,323	147,699
Totals	450,853	1,529,977	1,615,306	1,706,473	1,727,044

**RHODESIAN MINERAL OUTPUT.**—The production of gold in April shows a recovery, the total being £239,916, an increase of £9,893 on March, but a decrease of £58,061 on April last year. The following table shows the production since January, 1914:—

MONTH.	1914.	1915.	1916.	1917.	1918.
January .....	249,032	293,133	318,586	296,113	253,807
February .....	259,888	286,789	313,769	289,734	232,023
March .....	273,236	299,686	335,368	300,183	230,023
April .....	295,907	315,541	339,386	297,977	239,916
May .....	290,062	318,898	323,783	299,271	—
June .....	306,421	322,473	333,070	302,195	—
July .....	320,670	336,565	322,365	288,731	—
August .....	316,972	344,493	338,001	294,359	—
September .....	309,398	321,085	322,035	291,367	—
October .....	337,241	339,967	325,608	289,978	—
November .....	311,711	313,160	317,135	275,830	—
December .....	309,669	331,376	306,205	270,616	—
Totals ..	3,580,207	3,823,166	3,895,311	3,495,353	955,769

The number of producers was 148, or 6 more than in March, and the output of other metals was 16,358 ounces of silver, 41,093 tons of coal, 312 tons of copper, 570 tons of asbestos, 917 tons of chrome ore, and 10 carats of diamonds.

**RHODESIA COPPER AND GENERAL EXPLORATION.**—The accounts for the period from June 1, 1917, to March 31 last show a profit of £6,706, and a total available balance of £8,403. Owing to depreciation in the value of some of the company's interests no dividend is recommended. The financial position discloses a deficiency of £88,114 on liabilities amounting to £280,075. Of this deficiency, £59,344 is due to depreciation in investments. It is proposed to write off the whole of the deficiency by reducing the capital from £352,793 to £241,555 by writing off 1s. 6d. per share. The new capital will be divided into 1,585,126 shares of 3s. each and 16,828 shares of 4s. 6d. each.

**LOTHIAN COAL.**—A heavy shrinkage in profits is recorded by this colliery. Nett profits, after providing for war taxation, decreased from £89,700 to £59,300, and the dividend is reduced from 25 to 15 per cent., tax free. Last year £10,000 was placed to reserve, but on this occasion nothing was transferred to this fund, but the carry forward is raised from £20,100 to £32,800.

**BROKEN HILL PROPRIETARY BLOCK TEN.**—Operations during the half-year ended March 31 resulted in a nett profit of £27,872 against £28,613 in the previous six months and £21,136 in the six months ended March 31, 1917. The profit is arrived at after writing off £5,174 for plant depreciation. The sum of £10,000 has again been distributed in dividends, and there remains a credit balance to be carried forward of £101,063 against £83,190 brought in. Liquid assets in excess of liabilities amount to £105,822 against £93,428 six months previously.

**BROKEN HILL BLOCK 14 CO.**—During the half-year ended March 31 operations resulted in a nett profit of £5,417, which included a first dividend on the holding of King Island Scheelite Co.'s shares, amounting to £2,100. This compares with £2,329 in the previous six months. Liquid assets in excess of liabilities amount to £48,827.

**HUTTI (NIZAM'S).**—A serious falling off in output is recorded by this Indian gold mine for 1917, owing to failure to discover a satisfactory deposit of high-grade ore. Production decreased from £71,691 to £50,701, and the profit fell from £13,980 to £3,426. Shareholders who last year got 10 per cent. will receive no dividend this year, as the directors desire to conserve cash resources for the purpose of developing the bottom of the mine. The ore reserves have decreased from 31,450 tons to 18,760 tons.

**EDINBURGH COLLIERIES.**—The profit balance for 1917 was £51,512, as compared with £108,078. After writing off £25,000 for depreciation, it is proposed to pay a final dividend of 3¼ per cent., making 7½ per cent. for the year, tax free, and to carry forward £26,667 against £30,153. For 1916 the dividend was 17½ per cent.

**MOUNT BOPPY.**—This once prosperous mine has fallen upon lean times. Milling was discontinued early in February, 1917, and the result was a debit balance for the year of £10,070. Including the debit brought forward, a total debit of £16,880 is shown. The new shaft having been completed, milling was resumed in January last, and though a heavy strain has been placed on the company's capital resources, it is believed that profitable results will soon be obtained.

**DURBAN-ROODEPOORT GOLD.**—The report for 1917 states that the tonnage crushed amounted to 166,529 tons, and the nett profit was £15,471 against £23,657. Dividends amounting to 15 per cent. have been paid against 20 per cent., while the balance carried forward has been reduced from £20,798 to £17,229. The mine is now nearing its end, practically all payable blocks of ground having been worked out. For the remainder of the life of the mine all ore will be obtained from the reclamation of old pillars. It is estimated that about 50,000 tons will be procured from this source as from January 1 last.

**LAHAT TIN.**—In 1917 452 tons of tin ore were sold against 438 tons in 1916. But the amount realised was £59,335 against £47,558, equal to £131.27 per ton against £108.58 per ton. After providing for depreciation the nett profit was £7,750 larger at £25,089. The reserve gets £7,000, or £2,000 more than last year, and the shareholders get 3s. per share, or 2s. more, by the payment of a final dividend of 2½ per cent., leaving £3,633 against £3,544 to be carried forward.

**SCOTTISH AUSTRALIAN MINING.**—The profits for 1917 were £13,696 against £7,376. A final dividend of 2½ per cent. brings the distribution up to 5 per cent. against 3¼ per cent., while the carry forward is raised from £1,463 to £2,659.

## Tea, Oil and Rubber.

There has been a steady shrinkage in the rubber share market throughout the week, and for the first time in many months selling has been more prominent than the steady absorption of shares by speculative investors through evil and good report. Very possibly the swing of the pendulum will carry the movement too far—that almost invariably happens—and the solid, sound industry which has been established might well pray to be saved from its "friends." These enthusiasts would insist—and many of them are still vociferously arguing—that the price of rubber should be nearer 5s. than 3s., and that in a few months, or a year at the outside, there will be such a famine as may repeat the boom experience of 1909-10. These people are doing the industry a very serious disservice, because it is patent even to the most casual observer that the glut of production has

become really serious. It may be partly due to shortage of shipping facilities and the restrictions which have had to be imposed both here and in the United States, but that is only a very narrow view of the situation. Neither the United States nor ourselves are going to create an artificial famine in such an essential war commodity, and if we can afford to put an embargo on imports it is a safe inference that supplies are fully equal to requirements. In the meantime the trees themselves can be utilised (often to their advantage) for storage accommodation, and the "compulsory" curtailment of 20 per cent. in production (affecting about one-third of the total plantation output) will have to be carried much farther whether the companies like it or not. On the other hand, it must be remembered that whenever sufficient freight becomes available most of the older estates can increase their production enormously, and with young competitors coming into the field month by month they will probably be compelled to market their produce in self-defence. There are so many cross-currents at work that it is impossible to forecast the future with any confidence, but for the time being prices steadily recede. Standard crêpe is only about 2s. 2d. in London, and it is rs. 6d. or less in Singapore, but what the upshot may be we are quite willing to leave the future to decide.

## RUBBER RESULTS IN BRIEF.

	Output. Lbs.	Average Price.	All-in Cost.	Nett Profit.	Div. %	Carried Forward.
Ayer Kuning (F.M.S.) (Dec.)	825,100	2/4.70d.	1/0.38d.	57,000	20	37,200
Do. (Prev.)	724,450	2/8.60d.	1/0.34d.	61,100	30	28,330
Batang Malaka (Dec.)	318,000	2/4d.	1/0.9d.*	12,980	10	22,840
Do. (Prev.)	296,500	2/8d.	10.9d.*	18,920	15	17,650
Battagalla Estate (Dec.)	349,900	58.85c.	—	2,420	15	3,940
Do. (Prev.)	438,600	63.14c.	—	7,320	15	7,100
Bukit Panjong (Dec.)	532,460	2/2.02d.	1/1.60d.	21,600	15	20,310
Do. (Prev.)	492,600	2/5.52d.	1/0.45d.	35,200	25	19,410
Edinburgh Rubber (Dec.)	446,200	2/3.53d.	9.31d.	32,000	50	13,870
Do. (Prev.)	426,360	2/6.68d.	9.14d.	38,820	60	16,240
Gedong (Perak) (Oct.)	277,500	2/4.84d.	1/0.64d.	20,180	15	10,700
Do. (Prev.)	183,600	2/8.41d.	1/1.75d.	14,480	15	1,100
General Ceylon (Dec.)	1,085,500	1/10.75d.	10.76d.*	34,830	20	30,370
Do. (Prev.)	902,000	2/3.72d.	10.25d.*	67,320	25	38,500
Golconda Malay (Dec.)	596,100	2/1.94d.	10.63d.	38,300	35	6,980
Do. (Prev.)	585,450	2/6.67d.	10.12d.	50,100	45	7,840
Kajang (Dec.)	390,700	2/3.85d.	1/4.43d.	11,020	15	8,130
Do. (Prev.)	260,700	2/8.34d.	1/3.84d.	17,880	15	9,540
Kuala Selangor (Dec.)	631,000	2/1.4d.	8.5d.	44,840	133	11,180
Do. (Prev.)	623,300	2/6.5d.	9.3d.	50,980	150	17,200
Lavang Rubber & Tea (Dec.)	233,000	2/2.09d.	—	9,990	10	660
Do. (Prev.)	246,500	2/5.23d.	—	12,850	14	875
Langkat Sumatra (Dec.)	448,000	2/4d.	—	17,900	15	7,940
Do. (Prev.)	500,000	2/8.23d.	—	27,550	32	2,880
Riverside (Selangor) (Dec.)	372,000	2/1.68d.	1/0.58d.	21,290	20	6,220
Do. (Prev.)	405,320	2/5.65d.	11.57d.	31,470	35	1,160
Scottish Malay (Dec.)	613,850	2/1.27d.	10.13d.	39,985	40	20,700
Do. (Prev.)	539,000	2/6.45d.	10.50d.	45,500	60	3,120
South Perak (Nov.)	69,400	2/2.61d.	—	600	—	745
Do. (Prev.)	43,240	2/4.18d.	—	150	—	150
Sungei Batu (Dec.)	286,600	2/4.35d.	1/4.17d.	15,400	12	820
Do. (Prev.)	236,000	2.6.14d.	1/3.50d.	15,000	15	2,000
Sungei Rinching (Dec.)	308,000	2/1.29d.	1/5.06d.	10,800	15	910
Do. (Prev.)	184,240	2/5.42d.	1/6.96d.	7,290	15	1,420
Tenom (Borneo) (Dec.)	600,000	2/1.56d.	1/3.06d.	26,750	12	15,200
Do. (Prev.)	571,400	2/4.75d.	11.98d.	49,540	20	20,140
Windsor (F.M.S.) (Dec.)	404,200	2/4.39d.	1/3.18d.	22,680	20	3,100
Do. (Prev.)	276,200	2/4.59d.	1/4.10d.	15,050	17	3,220
Woodend (Ceylon) (Dec.)	256,880	1/11.72d.	10.63d.*	13,490	12	13,700
Do. (Prev.)	188,100	2/6.35d.	9.60d.*	15,810	27	9,200

\* Cost f.o.b.

LINGGI PLANTATIONS, LTD.—Year to December 31. Issued capital £115,000 in 2s. ordinary and £10,000 £1 preference shares. Reserves £443,800. Output 2,553,600 lbs., an increase of 375,000 lbs.; average price 2s. 3.73d., against 2s. 6.68d.; all-in cost 1s. 2.32d., against 1s. 0.50d., more than half the increase being due to freight and insurance. Net profit £143,140, a decrease of £20,000, and the amount brought in was only a trifle larger. Consequently the dividend is reduced from 140 per cent. to 116 2/3 per cent., of which 66 2/3 per cent. has been paid as interim, leaving £6,800 more at £26,000 to be carried forward. The planted area is now 8,648 acres, of which 6,760 were in bearing last year, and including the estate recently purchased at Lyang, the reserves amount to 10,700 acres. Originally the output for the current year was estimated at 3,000,000 lbs., but this has been cut down to 2,026,000 lbs. During last year the holding of rubber shares was considerably reduced, and the proceeds invested in War Loans, the profit of £22,000 realised being carried to reserve. It will be observed that the company is in an exceptionally strong financial position, and with its large reserve area it is exceptionally favourably situated.

LONDON ASIATIC RUBBER AND PRODUCE CO., LTD.—Year to December 31. Capital £160,000 in 2s. shares. Reserve £131,000. Output 1,569,000 lbs., increase 84,000 lbs.; average price 2s. 6.2cd., against 2s. 5.36d.; all-in cost 1s. 5.27d., against 1s. 2.24d. Gross receipts £190,600, increase £13,000; nett profit £91,930, decrease £6,000. At the end of 1916 £46,000 was carried forward, but excess duty for two years had to be deducted from this, and the nett amount brought in was £8,000 less at £12,250. Consequently the dividend is reduced from 45 per cent. to 40 per cent., and the balance forward is £40,300, subject to excess duty, which is estimated at £20,000. The planted area is 4,840 acres, and there are 1,950 acres in reserve, so that with its very substantial liquid resources the company is in a strong position. Output for the current year is estimated at only 1,250,000 lbs., and, of course, there must be a

relative increase in the cost of production, but this is a temporary phase which, we hope, will soon pass.

RUBBER ESTATES OF JOHORE, LTD.—Year to December 31. Capital £125,000 in £1 shares. Reserves £42,300. Output 682,500 lbs., decrease 40,000 lbs.; average price 2s. 5.77d., against 2s. 6.31d.; all-in cost 1s. 3.64d., against 1s. 0.90d. Nett profit £43,000, a decrease of £9,500, and as £6,000 less was brought in, the balance available is down £15,500. However, the dividend is maintained at 20 per cent., and the carry forward is reduced by the amount mentioned to £29,140. Excess duty for 1915 and 1916 amounted to £33,600, and for 1917 it is estimated at £19,000, so that it is well covered by the sum carried forward. The cultivated area is 1,912 acres, all of which, except about 100 acres, were planted between 1907 and 1909, but the estimated output for the current year is put at only 577,800 lbs. There are now 2,920 acres in reserve, 9,900 acres having been sold during the year for £44,250. It is hoped to plant 110 acres this year, and a further 300 acres will be felled for future planting. The company has plenty of liquid assets for this programme.

BILA (SUMATRA) RUBBER LANDS, LTD.—It would have been too much to expect that the plantation rubber industry could have been established without producing a certain percentage of "lame ducks," but the number has been much smaller than might have been anticipated. The directors of this company have taken the right course in facing the position boldly. The purchase price was £90,000, and development expenditure, less receipts, has brought it up to £150,400, while preliminary expenses stand at £8,650, and there were creditors at August 31 last for £40,700. War conditions have undoubtedly hampered, and the immediate prospects are far from bright. It has therefore been decided to reduce the capital from £200,000 to £96,000 by cancelling 16s. on the 130,000 shares issued, and to sub-divide the whole amount into 960,000 shares of 2s. each. As soon as possible proposals will be submitted for raising a sufficient sum to bring the planted area into bearing, and the shareholders will then be offered an opportunity of participating. It is a drastic scheme, but the directors, being satisfied that the reduction is not greater than is required by the present position, did well in avoiding any half-measures.

LANGEN (JAVA) RUBBER ESTATES CO., LTD.—Year to August 31. Capital £102,700 in £1 shares. Reserve £33,000. Output 774,400 lbs., increase 1,200 lbs.; average price, 2s. 9.77d., against 2s. 8.33d.; all-in cost, 1s. 3.96d., against 1s. 2.93d. Nett profit £60,080, an increase of £3,000, but excess duty for 1916 amounted to £34,500, and a similar provision is now made for 1917. After placing £7,000 (new) to reserve, the dividend is cut down from 22 1/2 per cent. to 15 per cent. (of which 10 per cent. has already been paid), and £3,000 more at £6,700 is carried forward. Output for the current year is estimated at 735,000 lbs., and the coconut crop at 300,000, against 330,000 harvested last year. Under the circumstances, we think the directors are prudent in reducing the dividend, as the company is very hard hit by the excess profits duty and Ned.-Indies war tax.

SAPUMALKANDE RUBBER CO., LTD.—Year to December 31. Capital £165,000 in £1 shares. Reserves £30,000. Rubber output 505,400 lbs., increase 103,000 lbs.; average price 2s. 3.64d., against 2s. 5.73d.; all-in cost 1s. 5.51d., against 1s. 7.23d. Tea output 191,800 lbs., decrease 72,000 lbs; average price 11.50d., against 11.96d.; all-in costs 1s. 3.02d., against 11.65d. Nett profit £14,680, a decrease of £3,500; and the dividend is reduced from 10 per cent. to 6 per cent., leaving £4,700 more at £6,350 to be carried forward. Output for the current year is estimated at 400,000 lbs. rubber and 143,500 lbs. tea. It will be noticed that there was a substantial loss on the tea crop last year.

NEW CROCODILE RIVER (SELANGOR) RUBBER CO., LTD.—Year to December 31. Capital £125,000 in 2s. shares. Reserves, £61,960. Output, 625,000 lbs., increase 90,000 lbs.; average price, 2s. 6.66d., against 2s. 8.62d.; all-in cost, 13.47d., against

## THE CAPE COPPER COMPANY, LIMITED.

NOTICE IS HEREBY GIVEN that a Meeting of the Directors of this Company held to-day, it was resolved—

"That an interim dividend of 3 per cent., less Income Tax, be and is hereby declared on the 6% Cumulative Preference Shares, payable on the 1st day of July, 1918, to the Shareholders on the Books of the Company on the 1st June, 1918, and that the Transfer Books be closed during the said 1st June, 1918."

Holders of Share Warrants to Bearer are informed that Preference Coupon No. 52 will be paid at the above rate on presentation at the Company's Office.

The Indian Mines have not, in consequence of delays arising from the War, reached the stage of production. The output of copper from the Mines in Cape Colony for the first six months of the current financial year was considerably reduced owing to difficulties of transport.

In the circumstances the Directors consider it undesirable to make any interim distribution on the Ordinary Shares.

By order of the Board,

P. J. FRANKS,

Secretary.

9, Queen Street Place,

London, E.C. 4.

29th May, 1918.

N.B.—Warrants for the Dividend will be sent by post to the Shareholders at their registered addresses.

11.56d. Nett profit £28,840, decrease £12,400. Final dividend, 5 per cent., making 10 per cent. for the year, against 20 per cent., and after placing £10,000 (against nil) to reserve, there remains £14,150 to be carried forward, subject to excess duty. For 1916 excess duty amounted to £15,200, but it will be substantially less in respect of the past year. The total planted area is 2,920 acres, of which 1,910 acres were in bearing last year, giving an average yield of 327 lbs. per acre, but some of the fields planted in 1907 gave the very satisfactory yield of over 540 lbs. No estimate is given of the output anticipated for the current year, but to the end of April it amounted to 191,000 lbs., a decrease of 5,000 lbs. as compared with the corresponding period.

DAMANSARA (SELANGOR) RUBBER CO., LTD.—Year to December 31. Capital £105,000 in £1 shares. Reserves £41,700. Output 861,150 lbs., increase 76,000 lbs.; average price in Singapore 18. 11. 12d., and in London 28. 3. 39d., against 28. 5. 69d. all round last year. No figure is given for costs, but for 1916 it was 11.05d. "all in." Nett profit £53,300, a decrease of £8,000. Three interim dividends, amounting to 40 per cent., have been paid, and there is to be no final dividend. For 1916 the distribution was 55 per cent., and £4,000 was placed to general reserve, while on this occasion £5,000 is placed to income-tax reserve, and the carry forward is increased by £5,000 to £7,540. Output for the current year is estimated at 690,000 lbs. The cultivated area is 2,466 acres, of which 2,170 acres were planted prior to 1913, and should now all be in bearing.

### What Balance Sheets Tell.

DE TREY AND CO., LTD.—No doubt largely owing to Army requirements, this dental company has made huge strides in the past two years. In 1916 profits showed an increase of £47,000, and last year they further increased £13,600 to £96,800. Income-tax required £3,000 more, but £9,000 more was brought in, and the total available is £19,000 up at £99,000. In addition to the dividend of 10 per cent., a bonus of 5 per cent. is to be paid this time, and, after placing £35,000, or £7,000 more, to reserves, the balance forward is reduced £3,000 to £10,720. The financial position looks very healthy.

H. H. AND S. BUDGETT AND CO., LTD.—In the year to March 2 nett profit amounted to £42,200, an increase of £12,000, and, with the balance brought forward, interest, &c., there is a total of £51,000 available. After providing double at £24,000 for excess duty, and again placing £5,000 to reserve, the ordinary shares are to get a bonus of 2½ per cent., in addition to the dividend of 12½ per cent., and the preference shares also receive a bonus of 2½ per cent., leaving £5,400, or only a trifle less, to be carried forward. The company is moderately capitalised, and the profits are equal to about 70 per cent. on the ordinary shares.

OTIS STEEL CO. (CLEVELAND, OHIO).—In 1916 the nett profit amounted to \$3,364,000, as compared with \$440,000 for 1915. Last year there was another big jump to \$5,695,000, after providing for excess profits tax. Accordingly, \$3,000,000 has been placed to various reserves, which now amount to over 6 millions, and, in addition to a dividend of 10 per cent. (paid quarterly), it is proposed to pay a bonus of like amount, leaving \$157,500, or \$120,000 more, to be carried forward. Moreover, \$2,697,000 bonds have been purchased and cancelled, leaving only \$303,000 outstanding, and \$665,000 has been set aside for the redemption of the preferred stock, of which there is \$2,655,000 outstanding. Of course, conditions have been extraordinarily favourable to undertakings of this description, and the company has enormously strengthened its position in the past two years.

LONDON AND SUBURBAN TRACTION CO., LTD.—This company holds blocks of shares in the Metropolitan, Electric, London United, and other tramways, valued in the books at £3,733,000, and in addition it has advanced £185,000. Most of these undertakings have been doing rather badly, owing to the increase in working expenses, and the London United is in a hopelessly waterlogged condition. Consequently revenue last year dropped £39,000 to £81,520, and the preference dividend has to be cut in half at 2½ per cent., while the carry forward is £1,000 smaller at £3,600.

CITY OF DUBLIN STEAM PACKET CO.—This company has just submitted its 180th half-yearly report (to February 28), so it is getting well on in years. But it has its hands full of troubles—with the Postmaster-General over the renewal of the mail contract, with the Shipping Controller over scatterbrained orders, with the Coal Controller for adding 2s. 6d. to contract price, and with German submarines. Nevertheless, profits have been well maintained, owing to the exceptionally heavy passenger traffic. Gross receipts amounted to £176,000, and the nett profit was £26,500, out of which the usual dividend at the rate of 5½ per cent. per annum is paid, and the balance forward is £1,000 higher at £6,500.

ARMY AND NAVY AUXILIARY CO-OPERATIVE SUPPLY, LTD.—In the year to February 28 trading profits and miscellaneous receipts amounted to £102,820, an increase of £4,500, while expenses were £4,000 less, but the amount brought in was £9,000 smaller, and the balance available is about the same at £51,280. Accordingly, the dividend of 10s. per share (50 per cent.) is repeated, and, after giving £500 more at £2,500 as a war bonus to the staff, the carry forward is £1,000 less at £7,450. The domestic squabble which has recently disturbed the calm

of the parent household is delicately referred to in the report. We are told that the question of amalgamation between the company and the Army and Navy Co-operative Society, Ltd., has been mooted, and should such a scheme be the general wish of the shareholders of both companies, the board is prepared to proceed at once with negotiations preliminary to putting forward recommendations for the consideration of the shareholders—which is very nice, but the terms of purchase may prove a stumbling-block.

BRITISH AND AFRICAN STEAM NAVIGATION CO., LTD.—The debentures of this company having all been redeemed and cancelled, the usual issue of the annual report and balance-sheet will be discontinued. The result of the working for the year ended December 31, 1917, is stated as follows:—Profits, £118,088; dividend, 6 per cent.; reserve fund, £30,000; carry forward, £60,370.

### PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1918, and May 25, 1918:—

	Estimate for the Year 1918-1919.	Total Receipts into the Exchequer from April 1, 1918, to May 25, 1918.	Total Receipts into the Exchequer from April 1, 1917, to May 26, 1917.
Balances in Exchequer on April 1—Bank of England ..	£ —	£ 19,361,578	£ 25,269,947
Bank of Ireland ..	—	1,668,452	1,225,912
		21,030,030	26,495,859
<b>REVENUE.</b>			
Customs .....	—	12,809,000	10,914,000
Excise .....	—	6,684,000	7,132,000
Estate, &c., Duties .....	—	4,454,000	5,032,000
Stamps .....	—	1,953,000	818,000
Land Tax .....	—	265,000	280,000
House Duty .....	—	—	—
Property and Income Tax and Super Tax .....	—	20,362,000	17,539,000
Excess Profits Duties, &c. ....	—	38,580,000	25,917,000
Land Value Duties .....	—	76,000	101,000
Post Office .....	—	4,000,000	3,900,000
Crown Lands .....	—	110,000	99,000
Receipts from Sundry Loans, &c. ....	—	895	500
Miscellaneous .....	—	1,147,634	715,453
Revenue .....	—	89,541,529	72,488,953
Total .....	—	110,571,559	98,924,812
<b>OTHER RECEIPTS.</b>			
Repayment of Advances for Bullion .....	—	870,000	419,000
For Treasury Bills (for supply) .....	—	617,979,000	278,260,000
For 5 per Cent. Exchequer Bonds, 1922 .....	—	—	29,323,000
For 3 per Cent. Exchequer Bonds, 1930 .....	—	799,500	—
For War Savings Certificates .....	—	14,800,000	6,400,000
For other Debt (War Loan Acts, 1914-1917) ..	—	96,623,037	55,785,229
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .....	—	—	116,750,000
For National War Bonds .....	—	*112,819,000	—
Temporary Advances—Ways and Means .....	—	127,028,440	100,605,000
Total .....	—	1,041,490,506	686,458,041

\*Excluding sales through joint stock and private banks not yet brought to account

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1918-19.	Total Issues out of the Exchequer to meet payments from April 1, 1918, to May 25, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1917, to May 26, 1917.
<b>EXPENDITURE.</b>			
Permanent Charge of Debt ..	£ —	£ 3,278,855	£ 3,433,784
Interest, &c., on War Debt ..	—	21,511,803	9,253,381
Payments to Local Taxation Accounts, &c. ....	—	450,380	450,380
Other Consolidated Fund Services .....	—	242,079	240,756
Supply Services .....	—	396,762,600	354,921,000
Expenditure .....	—	422,245,717	368,299,701
<b>OTHER ISSUES.</b>			
For Advances for Bullion .....	—	1,000,000	620,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1914 .....	—	84,909	84,909
Under Telegraph (Money) Act, 1913 .....	—	—	200,000
Under Post Office (London) Railway Act, 1913 .....	—	12,000	—
Under Housing Act, 1914 .....	—	106,300	175,400
For Treasury Bills for Supply .....	—	†598,411,000	179,906,000
For War Loans, Exchequer Bonds, &c., under Section 4 of Finance Act, 1917 .....	—	7,674,674	56,210
For War Expenditure Certificates under War Loan Act, 1916 .....	—	†28,600	—
For other Debt under the War Loan Acts, 1914 to 1917 .....	—	9,497,837	—
For Depreciation Fund under the Finance Act, 1917 .....	—	3,660,022	—
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	20,000	—
Temporary Advances repaid—Ways and Means .....	—	23,000,000	112,000,000
		1,065,741,059	661,662,220
<b>Balances in Exchequer—</b>			
Bank of England .....	1918. May 25. £ 14,262,450	1917. May 26. £ 23,055,253	
Bank of Ireland .....	1,486,997	1,740,568	
Total .....		15,749,447	24,795,821
		1,081,490,506	686,458,041

MEMO.—Treasury Bills outstanding on May 25, 1918. .... £922,336,000

\* Includes £186,000, the proceeds of which were not carried to the Exchequer within the period of the account, besides a part (not yet ascertained and brought to account) of the Bills tendered as subscriptions to National War Bonds.

† Includes part payment of Bills and Certificates tendered as subscriptions to National War Bonds.

## COMPANY MEETINGS.

## METROPOLITAN CARRIAGE, WAGON, AND FINANCE CO.

The annual meeting of the shareholders of the Metropolitan Carriage, Wagon, and Finance Co., Ltd., was held at Birmingham on Thursday, Mr. F. Dudley Docker, C.B., chairman, presiding.

The Chairman, in moving the adoption of the annual report and balance-sheet, which he thought the shareholders would consider satisfactory, went on to speak of the developments of the past and their hopes of the future. They had further developed the financial department by the acquisition of controlling interests in various allied commercial undertakings, and would ask the shareholders to sanction a considerable increase of the nominal capital of the company. This did not mean that they must make immediately, of necessity, a large issue of shares, but they felt that in the new world in which they would find themselves after the war every undertaking that wished to succeed must be big and must be self-contained, and that in such circumstances they should as far as possible be able to exercise some measure of control over anything that affected the foundation and structure of their industry. I told you last year, he continued, that we had embarked in electrical business, and that we had purchased from the Americans the control of the British Westinghouse Co. You will, I know, agree that the electrical trade is a "key industry," and to be successful it must be organised on broad and sound lines. In the past it has been almost entirely controlled by other nations, and that because there were too many competing interests in this country, each suffering from insufficient equipment. It is our intention to strain every nerve and use to the full the resources of brains and capital to build up this industry. We are certain it will not only be to the ultimate good of the shareholders, but a matter of considerable importance to the country itself. In pursuing this enterprise we feel that we are helping the whole of our national commerce, and as we are in a position to do so, we have no hesitation in asking you to be generous in your support, to take the broad view, and to study the national as well as our individual interest. I am convinced that upon electrical enterprise rests the fate of nearly every industry in the country, and I do not doubt that in various degrees our policy will have the support of the whole commercial world. After the war we shall have the keenest competition from Germany, and I have had some particulars taken out as to the amount of money spent on research in the past by our enemies, and I think I am right in saying that it is almost, if not quite, in excess of the whole of the dividends ever paid in this country by the whole of our electrical industries. It is our intention to have a research department that shall be second to none in the world. To strengthen the position we have entered into an alliance with Messrs. Vickers, who will share with us in our electrical work. In addition we have recently acquired large interests in the South Metropolitan Electric Light and Power Co. and the West Kent Power Co., both of which have areas ripe for development. At the outbreak of war the manufacture of glass bulbs for electric lamps had been almost exclusively done abroad. I am glad to say that in conjunction with the General Electric Co. we have agreed to purchase the British rights in special machines for making these glass bulbs, and we hope soon to have the first machine installed and at work, when Great Britain will be independent, as far as at any rate as the manufacture of these bulbs is concerned. We do not, however, seek to establish any monopoly, but will be ready to grant licences on favourable terms to any British firms. We have further entered into partnership with the Birmingham Small Arms Co. for the manufacture of certain munitions, another "key industry," for which goods, again, we were largely dependent upon other countries. We are also arranging to take over a further large manufacturing interest, which will develop the staple business of the company. In all this I want the shareholders to note that one of the chief objects of our developments has been to ensure self-support to this country in trade and business that in the past has been, in some degree, controlled by other nations.

You will remember that from time to time I have drawn the attention of the public to the imperative necessity of amalgamations and combinations, and I have been glad to see in recent times much progress in this direction. Some people have given voice to their fears that these amalgamations are merely a creation of trusts, which in time secure monopolies to the detriment of the public weal. I have no such fears, and, within reasonable limits, I am wholly in favour of combining competing interests, whether manufacturing, banking, baking, brewing, or mere benevolent and charitable institutions, or even Government Departments. I think the success of this company is a standing tribute to the wisdom of amalgamation carried out on sound lines. Two years ago I mentioned to you the formation of the Federation of British Industries. At that time I told you we had among its members a number of influential firms, but that we wanted a thousand. I am happy to tell you that we are well on the way to that thousand, as the latest return that I have seen shows that the membership, including trade associations, was between 800 and 900. I am glad to tell you that this federation is consulted by various Government Departments, and I believe, as time goes on, it will have great weight in all deliberations on trade affairs. I do hope that other firms will, sooner or later, and the sooner the better, become members, for, though we may have differences of opinion, we are all out for the one big thing, and that is the British side, and we can only accomplish results by being united and by

ventilating whatever grievances we may have one with the other before going out to battle. This federation should have far-reaching benefits for every member of the trading community.

To revert to the domestic affairs of our company, the figures in the balance-sheet disclose the extraordinary developments that have taken place since we added in 1912 "and Finance" to our name, and indicate to you, as they must to every one, that we cover an enormous field. You will see by our "cash at bank" that a large portion of our assets are liquid, and by our "investments" that we are both strong and have tangible resources. Our stock-in-trade and work in progress has increased. It is a very movable figure, and is to a large extent governed by circumstances. Our debtors are very much the same in amount as our creditors. We can set them off one against the other, and we shall still have a balance to the good. We raise our external reserve fund to £600,000, and we carry forward to next year's accounts a sum of £20,000 more than we did last year. I am glad—no, I am delighted—to tell you that a large number of our workpeople have become shareholders in the company, a policy which I am sure you will approve, and one which we hope to develop. I have many times in the past alluded to the necessity of maintaining on a sound basis the relations between employers and employed, and the formation of a genuine alliance of capital and labour. Our future—the nation's future—in the world's commerce depends upon it, and during the past year I have frequently written and spoken upon it. I have always insisted, and I reiterate it, that the three things necessary for a solution of all labour difficulties are good faith, mutual confidence, and common sense. Given these essentials, we can work out our own salvation. We want no interference, State or otherwise. Britishers, masters and men, don't like it. From the workman we trust to obtain diligence and perseverance while at work, in order that the maximum output can be maintained, and the employer, on his part, should regard his workpeople in the light of partners, and treat them as such. He must be ready to promote their welfare and their happiness, and to help them to increase their self-respect. I would like to remind you of the association that has been formed under the name of the National Alliance of Employers and Employed. It has grand opportunities, and of its efforts I have the greatest possible hope. We are preparing plans to take effect after the war for various developments in the direction of better housing and better accommodation for our workpeople. We are working out our scheme in conjunction with a committee of the men, and it will be ripe before very long. Our desire is that the men shall become owners of their houses on the most favourable terms, while the houses will be designed both for comfort and convenience.

Mr. Ludford C. Docker, one of the vice-chairmen, seconded, and the report was adopted.

A further resolution was carried declaring dividends of 2½ per cent. and 3 per cent. (less income-tax) on the "A" and "B" preference shares, making 5 per cent. and 6 per cent. respectively for the year, and a final dividend of 1s. per share for the six months ended March 31, 1918, together with a bonus of 1s. per share on the ordinary shares (both free of income-tax). The resolution also provided for the transfer of £100,000 to the reserve fund, and the carrying forward to the current year's account of the balance of £121,352.

By a subsequent resolution, which was carried without discussion, the capital was increased to £10,675,000 by the creation of 7,000,000 ordinary shares of £1 each.

## ALLIANCE ASSURANCE CO.

The annual general court of the Alliance Assurance Co., Ltd., was held on Wednesday at the head office of the company, Bartholomew Lane, Colonel Francis A. Lucas, the deputy chairman, presiding.

The Secretary (Mr. Sidney T. Smith) read the advertisement convening the meeting and the certificate of the auditor.

The Chairman said Mr. Charles Rothschild had asked him to apologise for his unavoidable absence; he wrote that his health was better, and that he hoped to be back among his colleagues before very long. Three others of the directors had been absent on war service during the year—namely, Lord Dalmeny, Lord Hartington, and Major Ellis. The last-named was severely wounded, but he had made a good recovery. The number of the staff who had given their services to the country now reached a total of 556, exclusive of a considerable number of youths engaged since the outbreak of war, who had to leave when they attained military age. No less than 73 had fallen, while a few more were missing or known to be prisoners. Since he last had the pleasure of addressing the shareholders several military distinctions had been gained by members of the staff. Captain Pollard, a son of one of the company's old officials, had won the V.C.; seven Military Crosses had also been gained, and three Military Medals, including one French Military Medal. The war continued to leave its impression on all departments of the company's business—in some cases in the direction of an increase of business, in others in the direction of a diminution. The causes which had operated against expansion in the life department continued, and they would have to wait for the conclusion of peace for any marked change. There were, however, hopeful signs that the public were showing an increased appreciation of the company's non-profit assurances, and also of its educational endowment assurances. The total of the claims attributable to the war amounted at the end of the year to £398,256 on Alliance account and to £519,215 in all Funds. The quinquennial valuation of the Provident Life Fund was made at the end of 1917, and in consequence of the heavy depreciation of securities they were unable to make a bonus

distribution. With regard to the fire account, the income for 1917, amounting to £1,516,104, showed an increase exceeding that of the previous year by £146,946. This might be attributed largely to the increase in the value of commodities, and was the more remarkable because many of the articles of which the Government assumed control were lost to the insurance market owing to the practice the Government followed of being its own insurer. Another contributing factor was that a large number of the company's policyholders had revised their insurances, particularly on buildings. It was hardly to be expected that the remarkable loss ratio of the Alliance in 1916 would be repeated in 1917, but he did not suppose that any of the shareholders would find any cause for complaint at the figure now reported—namely, £42 5s. 3d. per cent. of the premiums. The company did not suffer from the fire at Salonica, which involved large losses to some of the English companies. There was a slight reduction in the expense ratio. Though the total amount appearing in the several accounts under the headings of commission and expenses—with the exception of income-tax and excess profits duty, which they could not control—was somewhat larger than in 1916, its ratio to the total income (exclusive of interest) was appreciably smaller.

It had been found desirable to show the marine account in a different form from that adopted in recent years. It was really a reversion to the old practice of the Alliance Marine Co. when it was a separate business. It was found impossible to form reliable estimates of all the losses which might have occurred up to the end of the year, and therefore their accounts would be kept open for another year. They were carrying to profit and loss account from the profits of the years prior to 1917 what they regarded as a very moderate and conservative amount, and they had every hope that they would realise a further substantial amount from the marine account at the close of the present year. Their several accident accounts continued to yield satisfactory results. The restriction of petrol had resulted in some temporary falling off in their motor-car premiums. In the employers' liability section the passing of the War Additions Act had brought the company some additional premiums, although it had not been thought necessary to make any alteration in the premium charges for domestic servants. As a result of the trading during 1917 they had carried to profit and loss account £623,108. Taxation aggregated nearly a quarter of a million, in addition to the income-tax upon the income from investments. They were heavy burthens, but must be regarded as the company's contribution to the cost of victory, and as such they must be borne with equanimity. In addition to the company's contribution of £5,000,000 to the last War Loan, it had been the practice of the directors to invest in War Bonds almost regularly week by week all surplus funds that became available without waiting for any distribution of dividends. This they felt sure was the proper course to follow for companies such as theirs, as such funds became immediately available for Government expenditure, and if it were more generally followed the National Exchequer would benefit much more quickly than by waiting for the half-yearly distribution of dividends.

The report was unanimously adopted, and a dividend of 12s. per share, less income-tax, was declared, the balance of 7s. per share being payable on and after July 5 next.

At a subsequent extraordinary general court a resolution was unanimously passed making certain alterations in the laws and regulations to enable the company to use a seal abroad.

A cordial vote of thanks to the chairman, the directors, and the staff terminated the proceedings.

## R. WHITE AND SONS.

The 25th annual ordinary general meeting of R. White and Sons, Ltd., was held on Friday at Cannon Street Hotel, E.C., Mr. R. J. White, chairman and managing director of the company, presiding.

The Secretary (Mr. John J. Ball) having read the notice convening the meeting and the report of the auditors,

The Chairman said: I am pleased to be able to present to you at our 25th annual meeting a balance-sheet which shows a very favourable position. It is right to add, however, that the stress of carrying on the business during the year has not been lessened, but rather increased. The restrictions necessitated by war contingencies, the demands upon our men, of whom over 600 are in the Navy, the Army, and the Air Service, the rationing of our horses, and the enormous increase in the cost of all materials are some of the difficulties that have had to be dealt with. I am glad to say the turnover has increased without any material advance on last year's prices. Our policy is to keep those as low as possible, in order that non-alcoholic drinks of good quality may be within the reach of all. We have been able to continue contracts for the Navy and Army and Y.M.C.A. hut canteens, camps, and hospitals, and success has attended our efforts in the provision of light non-intoxicating beers specially suited to the needs of munition workers and of the general public. The vinegar branch of the business has also shown a satisfactory advance in trade. Our contribution to the national revenue in connection with the table water duty has largely increased, and this, coupled with the sugar tax and excess profits duty, has for the year exceeded £200,000. It has given your directors the greatest pleasure to be able to recommend the payment of the preference dividend, including the dividend in arrear up to the end of our last financial year, and also the payment of a dividend on the preferred ordinary shares. The ordinary shares are taking a dividend after a lapse of 16 years. You

will note it is 15 per cent., as provided for in the articles of association. May I, however, recall to your minds the fact that the ordinary share capital was formerly £500,000. This was written down in the reorganisation schemes of 1910 and 1914, and £90,000 was also surrendered to the preference shareholders in lieu of four years' or £60,000, unpaid dividends. The ordinary capital was thus finally reduced to £82,000, at which it now stands, so that the dividends of 15 per cent., amounting to £12,300, really represents less than 2½ per cent. on the original capital. The ordinary share dividend cannot be increased until 5 per cent. is paid on the cumulative preference shares and on the preferred ordinary shares and until the special reserve is built up to £250,000. In this special reserve the preference shareholders are interested to the extent of one-fifth in the event of the winding up of the company. You will note that the directors recommend the transference of £5,000 to that reserve, which will then amount to £55,905. Our nett profit is £39,408, as against £32,208 last year. You will notice that your directors have thought it prudent to transfer to a reserve fund the sum of £50,000 to meet any contingencies that may arise; and they trust you will agree that this is a wise provision. Debenture stocks amounting to £27,804 have been cancelled during the year, including those which had previously figured in the assets as investments. The trade for the current season continues to progress satisfactorily, and though the present has its difficulties and the future its uncertainties, we trust that we may be able to carry on successfully till times of peace enable trade to be conducted under normal and favourable conditions.

Mr. Joseph G. Colmer, C.M.G., deputy-chairman, seconded the resolution, which was carried unanimously.

## DIVIDENDS ANNOUNCED.

African Banking Corporation.—Interim 4s. per share, being at rate of 8 per cent. per annum for half-year to March 31, less tax, payable on July 1. A year ago 3s. 6d. per share was paid.

Antofagasta (Chili) and Bolivia Railway Co.—Final for 1917 of 7½ per cent. (less tax) on deferred, making 10 per cent. for year. In addition bonus of 2 per cent., payable in fully-paid deferred ordinary stock, is to be distributed to deferred ordinary and deferred ordinary stockholders without deduction of income-tax, in respect of profits for 1917.

Bank of New South Wales.—At rate of 10 per cent. per annum for quarter ended March 31; £75,000 to reserve, making it £2,950,000; £127,729 forward, against £114,828 a year ago, when dividend and allocation to reserve were the same.

Brush Electrical Engineering Co.—Six per cent. on ordinary stock for 1916 and 1917.

Cape Copper Co.—Interim 3 per cent., less tax, on 6 per cent. cumulative preference shares, payable on July 1.

Charterland and General Exploration and Finance Co.—Interim 5 per cent., less tax, payable on June 14.

Charles Kinloch and Co.—On ordinary shares of 7½ per cent., with bonus of 2½ per cent., equal to 2s. per share, for year to March 31, against 1s. a share a year ago.

Compania Sansinena de Carnes Congeladas.—Cash 10 per cent. and a share 40 per cent. for 1917. For 1916 cash was 12½ per cent., and share 12½ per cent.

Esperanza.—Interim 1s. per share, less tax, payable on June 22, same as year ago.

Wm. Fison and Co.—Interim at rate of 4 per cent. per annum on ordinary shares for half-year ended April 30, the same.

Hyderabad (Deccan) Co.—Interim 1s. per share, less tax, to be paid on June 24.

Imperial Bank of Persia.—Interim for half-year ended March 20, at 3s. per share, free of tax, payable on June 18.

Imperial Tobacco Co. of Canada.—Interim 1½ per cent., payable on June 27.

Law Union and Rock Insurance Co.—4s. per share, less tax, payable on May 31 for half-year.

Mexican Petroleum Co.—On common \$2 per share, payable July 10, as to one-half in cash and one-half in U.S. 4 per cent. Liberty bonds, fractions to be adjusted as nearly as possible.

Minna (Nigeria) Tin Co. (1914).—Interim 7½ per cent., less tax, payable June 22.

New Tamarugal Nitrate Co.—Interim 5 per cent. (or 1s. per share), less tax, payable on July 1, the same as year ago.

Oroville Dredging Co.—Interim (No. 17) 6d. per share, payable, less tax, at 6s. in the £ on June 24, same as year ago.

Pan-American Petroleum and Transport Co.—2½ per cent., payable one-half in cash and one-half in U.S. 4 per cent. Liberty bonds, fractions to be adjusted as nearly as possible.

Sungei Buloh Rubber.—Final 10 per cent., less tax, on account of 1917, making total of 40 per cent., less tax, for year, against 65 per cent.

Sungei Kapar Rubber.—Final for 1917 30 per cent., less tax, making 50 per cent. for year, against 70 per cent.; £15,364 forward, against £11,668 brought in.

United Serdang (Sumatra) Rubber Plantations.—Interim 10 per cent. (actual) for year ending August 31 next, payable on June 29. Tax will be deducted at rate of 5s. 5d. in pound. A year ago 20 per cent. interim (actual) was paid.

Mr. C. H. M. S. Bright has been appointed managing director of the Trust and Agency Co. of Australasia.

## INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.				GROSS TRAFFIC TO DATE.			
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.	Amount
Assam Bengal	Mar. 31	Rs. 1,77,986	+ 37,580	1	Rs. 37,48,621	+ 4,58,087	1	Rs. 37,48,621
Barsi	" 9	10,200	— 6,400	1	7,78,700	— 2,28,700	1	7,78,700
Bengal & N.W.	" 31	4,93,360	+ 1,88,016	1	1,09,42,272	+ 5,60,494	1	1,09,42,272
Bengal Nagpur	" 23	12,35,000	+ 55,000	1	5,46,00,155	+ 48,43,907	1	5,46,00,155
Bombay, Baroda	May 18	18,02,000	+ 1,16,000	1	1,23,84,000	+ 12,82,000	1	1,23,84,000
Burma	Mar. 31	6,32,276	+ 56,316	1	2,22,73,252	+ 47,132	1	2,22,73,252
Delhi Umballa	May 18	86,000	+ 17,321	1	6,14,485	+ 88,044	1	6,14,485
East Indian	" 18	26,93,000	+ 1,91,000	1	1,74,87,000	+ 11,03,000	1	1,74,87,000
Gt. Indian Penin.	" 18	24,95,700	+ 2,20,600	1	1,59,29,900	+ 4,91,802	1	1,59,29,900
Lucknow-Bareilly	Mar. 31	84,342	+ 14,735	1	14,41,276	+ 1,71,004	1	14,41,276
Madras and S.	" 31	12,50,000	— 11,425	1	2,75,11,870	+ 15,27,506	1	2,75,11,870
Mahratta	" 31	1,43,122	+ 15,262	1	34,20,203	+ 1,40,263	1	34,20,203
Nizam's Gd. (Broad)	" 23	75,022	— 3,986	1	21,21,775	+ 23,572	1	21,21,775
" (Metre)	" 23	75,022	— 3,986	1	21,21,775	+ 23,572	1	21,21,775
Rohilkund and	" 31	57,260	+ 8,486	1	12,21,435	+ 2,16,588	1	12,21,435
Kumaon	" 31	8,59,368	+ 1,148	1	1,69,27,820	+ 9,01,312	1	1,69,27,820
South Indian	" 31	8,59,368	+ 1,148	1	1,69,27,820	+ 9,01,312	1	1,69,27,820

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.	Amount
Dublin United	Apr. 5	£ 7,817	+ 1,914	1	£ 99,454	+ 19,435	1	£ 99,454
Hastings and Dist.	May 6	1,160	— 58	1	18,954	+ 2,274	1	18,954
Isle of Thanet	" 4	199	— 108	1	5,059	— 2,147	1	5,059
Lancashire United	" 23	4,327	+ 2,216	1	55,662	+ 17,189	1	55,662
Provincial	" 11	2,880	+ 540	1	78,698	+ 14,051	1	78,698
Yorks. (West. Rng.)	" 19	3,007	+ 1,104	1	48,863	+ 11,358	1	48,863

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.	Amount
Alabama Power	Apr. 5	£ 138,191	+ 31,575	2	£ 265,020	+ 51,718	2	£ 265,020
Anglo-Argentine	May 27	54,989	+ 3,560	1	1,162,429	+ 81,605	1	1,162,429
Auckland Electric	Apr. 12	23,209	+ 2,031	1	224,466	+ 9,880	1	224,466
Brazilian Traction	Mar. 3	M 3,925,000	— M 226,000	3	M 111,860,000	— M 852,000	3	M 111,860,000
Brisbane Elec. Inv.	Apr. 5	£ 35,530	+ 3,910	4	£ 137,569	+ 9,789	4	£ 137,569
British Columbia	Mar. 3	£ 129,658	+ 29,210	9	£ 1,032,557	+ 160,244	9	£ 1,032,557
B.A. Lacroze	Apr. 5	£ 1,643	+ 2,532	10	£ 388,064	+ 2,601	10	£ 388,064
Burmah Electric	May 25	Rs. 27,614	+ Rs. 3,945	—	Rs. 213,042	+ Rs. 4,945	—	Rs. 213,042
Calcutta	May 25	Rs. 70,877	+ Rs. 6,047	—	Rs. 371,476	+ Rs. 101,334	—	Rs. 371,476
Cartagena and	Apr. 5	£ 4,200	— 166	1	£ 17,558	+ 3,032	1	£ 17,558
Herreras	Apr. 5	£ 4,200	— 166	1	£ 17,558	+ 3,032	1	£ 17,558
Cordoba Light	Apr. 5	£ 4,200	— 166	1	£ 17,558	+ 3,032	1	£ 17,558
P. & T.	Feb. 12	£ 12,972	+ 1,076	11	£ 147,938	+ 435	11	£ 147,938
Hongkong	Mar. 16	£ 12,349	+ 228	1	£ 153,745	+ 2,605	1	£ 153,745
La Plata	Apr. 5	£ 1,169	+ 940	4	£ 19,972	+ 2,807	4	£ 19,972
Lima	May 15	£ 20,292	+ 1,603	4	£ 82,153	+ 14,554	4	£ 82,153
Madras Electric	May 15	Rs. 42,000	+ Rs. 7,728	4	Rs. 362,727	+ Rs. 52,350	4	Rs. 362,727
Manila Electric	Feb. 16	£ 168,000	+ 25,870	2	£ 335,000	+ 46,570	2	£ 335,000
Mexico	Nov. 5	£ 215,256	+ 108,669	2	£ 3,193,106	+ 197,227	2	£ 3,193,106
Rangoon	Apr. 5	£ 5,885	+ 849	1	£ 22,863	+ 2,363	1	£ 22,863
Singapore Electric	Mar. 9	£ 14,054	+ 1,600	1	£ 133,346	+ 2,266	1	£ 133,346
Toronto	Apr. 5	£ 531,725	+ 56,119	3	£ 1,442,834	+ 55,211	3	£ 1,442,834
United of Monte V.	Apr. 5	£ 33,704	+ 4,474	6	£ 206,037	+ 19,415	6	£ 206,037
Vera Cruz	Mar. 5	£ 47,700	+ 4,400	3	£ 131,900	+ 23,700	3	£ 131,900
Winnipeg	Apr. 5	£ 66,661	+ 16,980	3	£ 216,856	+ 33,817	3	£ 216,856

b 28 days. \* From Jan. 1. § Nett. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.	Amount
Alooyand Gandia	May 25	Ps. £ 10,500	— £ 500	1	Ps. £ 200,400	— Ps. £ 27,470	1	Ps. £ 200,400
Antofagasta (Chili)	" 26	58,755	+ 9,335	1	920,685	+ 123,390	1	920,685
Arauco	" 26	13,000	+ 2,000	1	52,000	+ 8,000	1	52,000
Argentine N.E.	May 25	10,400	+ 1,500	1	404,900	+ 70,198	1	404,900
Bilbao R. and Canta	Apr. 5	£ 5,453	+ 2,011	4	£ 15,083	+ 2,919	4	£ 15,083
Bolivar	" 5	13,000	+ 962	10	113,775	+ 14,630	10	113,775
Brazil	Mar. 3	M 4,878,000	+ M 716,203	1	M 14,506,000	+ M 2,997,660	1	M 14,506,000
Brazil Gt. Southern	Dec. 3	M 66,912	+ M 72,712	1	M 535,439	+ M 74,769	1	M 535,439
B. Ayres & Pacific	May 25	136,000	+ 62,000	10	4,467,000	+ 425,000	10	4,467,000
Do. Central	Apr. 5	36,405	+ 10,302	10	289,099	+ 46,182	10	289,099
Do. Gt. South'n	May 26	125,000	+ 26,000	10	5,170,705	+ 104,549	10	5,170,705
Do. Western	" 26	71,000	+ 26,000	10	2,511,000	+ 213,000	10	2,511,000
Central Argentine	" 25	150,000	+ 64,000	10	5,447,200	+ 623,100	10	5,447,200
C. Urug'ay of Mte V.	" 25	18,796	+ 6,778	8	869,485	+ 249,544	8	869,485
Do. East'n Ex.	" 25	5,469	+ 1,265	1	242,593	+ 10,599	1	242,593
Do. North'n Ex.	" 25	4,432	+ 2,193	1	157,097	+ 40,036	1	157,097
Do. West'n Ex.	" 25	1,931	+ 338	1	104,472	+ 19,305	1	104,472
Cordoba Central	Apr. 5	£ 37,400	+ 4,680	1	£ 148,400	+ 84,880	1	£ 148,400
Costa Rica	Apr. 5	£ 2,822	+ 2,074	1	£ 114,894	+ 96,608	1	£ 114,894
Cuban Central	May 18	£ 30,113	+ 1,966	1	£ 975,193	+ 169,531	1	£ 975,193
Dorada Extension	Apr. 5	£ 9,500	— 400	4	£ 33,400	+ 2,700	4	£ 33,400
Egyptian Delta	" 20	£ 8,074	+ 2,307	8	£ 16,562	+ 4,993	8	£ 16,562
Entre Rios	May 25	20,500	+ 7,000	1	761,100	+ 190,000	1	761,100
French Sante Fé	Feb. 12	£ 147,180	+ 33,260	2	£ 294,668	+ 108,973	2	£ 294,668
Gt. South. of Spain	May 18	Ps. £ 31,062	— Ps. £ 44,932	1	Ps. £ 598,077	— Ps. £ 136,100	1	Ps. £ 598,077
Gt. West. of Brazil	" 25	15,000	+ 4,300	1	367,400	+ 97,850	1	367,400
Havana Central	" 18	10,105	+ 2,380	1	413,910	+ 88,326	1	413,910
Inter. of C. Amer.	Apr. 5	£ 33,904	+ 4,254	1	£ 111,780	+ 23,330	1	£ 111,780
La Guaira and Car.	Apr. 5	£ 5,000	+ 2,500	1	£ 24,250	+ 10,750	1	£ 24,250
Leopoldina	May 25	34,017	+ 9,549	1	663,793	+ 185,666	1	663,793
Midland Uruguay	Apr. 5	£ 12,872	+ 1,800	10	£ 133,004	+ 2,844	10	£ 133,004
Mogiana	Feb. 12	M 1,793,000	+ M 195,924	1	M 3,948,300	+ M 669,999	1	M 3,948,300
N.W. of Uruguay	Apr. 5	£ 22,000	+ 6,107	10	£ 260,697	+ 17,004	10	£ 260,697
Nitrate	May 15	£ 33,858	+ 2,654	1	£ 274,948	+ 10,354	1	£ 274,948
Paraguay Central	Apr. 5	£ 3,230	+ 130	1	£ 136,520	+ 15,970	1	£ 136,520
Paulista	Feb. 12	M 2,740,000	+ M 994,536	2	M 5,700,000	+ M 180,795	2	M 5,700,000
Peruvian Corp.	Apr. 5	£ 1,079,880	+ 512,380	10	£ 10,402,440	+ 514,258	10	£ 10,402,440
Salvador	May 18	£ 2,167	+ 159	1	£ 99,220	+ 1,444	1	£ 99,220
State of Bahia S.W.	Apr. 5	M 40,000	— M 2,000	4	M 277,000	— M 35,000	4	M 277,000
S. Paulo (Brazilian)	May 26	£ 27,299	+ 3,072	1	£ 634,569	+ 167,356	1	£ 634,569
Sorocabana	Mar. 3	M 1,839,000	+ M 232,244	3	M 5,575,000	+ M 704,440	3	M 5,575,000
Taitai	Apr. 5	£ 25,282	+ 4,679	10	£ 249,960	+ 61,702	10	£ 249,960
United of Havana	May 25	66,033	+ 13,316	1	£ 2,748,940	+ 661,146	1	£ 2,748,940
West'n of Havana	" 25	13,170	+ 3,235	1	£ 437,226	+ 118,399	1	£ 437,226
Zafra and Huelva	Apr. 5	£ 14,738	+ 4,361	4	£ 50,650	+ 9,954	4	£ 50,650

\* Months. † From Jan. 1. † From July 1. c Nett. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.	Amount
Belra	Dec. * c	£ 49,448	— 1,842	3	£ 173,777	+ 6,532	3	£ 173,777
Canadian Northern	May 31	£ 866,300	+ 5,900	1	£ 37,208,600	+ 1,320,300	1	£ 37,208,600
Canadian Pacific	" 21	£ 2,847,000	+ 227,000	1	£ 54,788,000	+ 2,081,000	1	£ 54,788,000
Gr. Trk. Main Line	" 21	£ 254,139	+ 27,118	1	£ 3,880,372	+ 248,122	1	£ 3,880,372
Gr. Trk. Western	" 21	£ 52,418	+ 4,989	1	£ 716,281	+ 12,099	1	£ 716,281
Detroit G. H. & M.	" 21	£ 17,283	+ 1,189	1	£ 231,005	+ 21,974	1	£ 231,005
Gr. Trk. Prairie Se.	" 21	£ 17,365	+ 6,268	1	£ 68,450	+ 91,819	1	£ 68,450
Mashonaland	Jan. *	£ 52,822	+ 3,100	4	£ 226,599	+ 3,832	4	£ 226,599
Mid. of Westn. Aus.	Mar. *	£ 9,594	+ 1,636	9	£ 70,728	+ 2,301	9	£ 70,728
New Cape Central	Apr. 13	£ 2,313	+ 433	1	£ 35,347	+ 5,839	1	£ 35,347
Rhodesia	Feb. * c	£ 62,666	+ 17,737	5	£ 408,466	+ 10,000	5	£ 408,466

\* Months. † July 1. † Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME	NETT EARNINGS FOR MONTH.				NETT EARNINGS TO DATE.			
	Month.	Amount.	In. or Dec. on last year	No. of Mths.	Amount.	In. or Dec. on last year	No. of Mths.	
		Dols.	Dols.		Dols.			
Atchison T. & S. Fe	Jan.	1,912,000	-1,689,900	12	47,829,000	-1,248,000	12	
Atlantic Coast Line	"	1,075,000	-212,000	12	12,014,000	+ 607,000	12	
Baltimore & Ohio	"	1,852,000	-1,165,000	12	30,589,000	-3,445,000	12	
Canadian Northern	Apr.	541,300	-216,600	10	3,031,400	-5,231,000	10	
Canadian Pacific	"	3,455,000	-720,000	2	8,207,000	-4,333,000	2	
Chesapeake & Ohio	Feb.	627,000	-160,000	2	540,000	-1,394,000	2	
Chicago & N.W.	Jan.	b 785,000	-2,797,000	12	27,015,000	-3,634,000	12	
Chicago Burl. & Q.	Dec.	1,585,000	-2,276,000	12	32,867,000	-8,233,000	12	
Chicago G.W.	Feb.	151,000	-36,000	2	145,000	-357,000	2	
Chicago Mil. & S.P.	Jan.	b 628,000	-2,291,000	12	21,997,000	-9,360,000	12	
Chicago, Rock I.&P.	Feb.	271,000	-318,000	2	351,000	-1,636,000	2	
Colorado & Southern	Dec.	—	-11,000	11	50,200	-270,000	11	
Cuba	Feb.	451,796	-18,865	8	2,642,241	+ 817,795	8	
Delaware & Hud.	Jan.	3,600	-720,000	12	5,686,000	-2,124,000	12	
Denver & Rio Gran.	Feb.	341,000	-12,000	2	756,000	-204,000	2	
Erie	Dec.	597,000	+1,848,000	12	10,538,000	-5,277,000	12	
Gr. Tr. Main Line.	Apr.	144,600	-451,550	4	b 2,293,750	-2,846,600	4	
Grand Trunk Westn	"	b 228,350	-167,250	4	b 1,138,250	-1,117,750	4	
Detroit G. H. & Mil.	"	b 69,600	+ 6100	4	b 2,488,000	+11,800	4	
Gt. Northern	Dec.	1,165,000	-1,401,000	12	22,987,000	-6,779,000	12	
Illinois Central	Feb.	1,008,000	-238,000	2	531,000	+2,272,000	2	
Kansas City Southn	"	455,000	+59,000	2	824,000	-10,000	2	
Lehigh Valley	Jan.	b 985,000	-1,346,000	12	9,403,000	-2,876,000	12	
Louisville & Nashv.	Feb.	1,462,000	-25,000	2	2,084,000	-1,289,000	2	
Minn. S.P. (Soo)	Dec.	6126,000	-883,000	12	9,331,000	-3,648,000	12	
Miss. K. & Texas	Feb.	76,000	-112,000	2	201,000	-392,000	2	
Missouri Pacific	Nov.	1,690,000	+321,000	5	9,425,000	+1,920,000	5	
New York Cent.&H.	Feb.	705,000	-243,000	2	b 443,000	+5,019,000	2	
N. Y. N. Haven & H.	Dec.	207,000	-1,795,000	12	23,815,000	-2,245,000	12	
New York Ont. & W.	Apr.	21,000	-60,000	2	14,000	-185,000	2	
Norfolk & Western.	"	542,000	-833,000	2	765,000	-2,300,000	2	
Northern Pacific	"	862,000	-694,000	2	1,644,000	-2,139,000	2	
Pennsylvania East	"	—	—	—	—	—	—	—
and West Lines.	Mar.	2,527,000	-3,665,000	3	b10,018,000	-b20,860,000	3	
Phil. and Reading	Nov.	b 416,000	-1,939,000	11	14,877,000	-6,626,000	11	
Reading.	Feb.	131,541	+40,938	2	249,000	+80,230	2	
St. Louis & San F.	Dec.	1,225,000	-244,000	6	9,576,000	+632,000	6	
Seaboard Air Line.	"	673,000	-206,000	12	8,628,000	-24,000	12	
Southern	Feb.	1,772,000	+412,000	8	17,716,000	+1,667,000	8	
Southern Pacific	Jan.	—	-536,000	2	59,785,000	+7,953,000	2	
Union Pacific	"	—	-72,000	12	42,942,000	-2,115,000	12	
Wabash	Feb.	b 166,000	-8,000	2	b 482,000	-1,784,000	2	

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in Capital, Interest and Bonus if you buy National War Bonds, repayable in 1928, of the value of

	£5	£20	£50	£100	£200	£500	£1000	£5000
	you get	you get	you get	you get	you get	you get	you get	you get
1918 Oct. 1	*2/6	*10/-	*£1 5	*£2 10	*£5	*£12 10	*£25	*£125
1919 Ap. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
Oct. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
1920 Ap. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
Oct. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
1921 Ap. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
Oct. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
1922 Ap. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
Oct. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
1923 Ap. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
Oct. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
1924 Ap. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
Oct. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
1925 Ap. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
Oct. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
1926 Ap. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
Oct. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
1927 Ap. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
Oct. 1	2/6	10/-	£1 5	£2 10	£5	£12 10	£25	£125
1928 Ap. 1	£5 7 6	£21 10	£53 15	£107 10	£215	£537 10	£1075	£5375
<b>Total</b>	<b>£7.15</b> for your £5	<b>£31</b> for your £20	<b>£77.10</b> for your £50	<b>£155</b> for your £100	<b>£310</b> for your £200	<b>£775</b> for your £500	<b>£1550</b> for your £1000	<b>£7750</b> for your £5000

\* These figures show full six months interest from April 1. The first dividend on Bonds purchased after that date will naturally be calculated from actual date of purchase.

The table herewith refers to National War Bonds repayable on April 1, 1928, at a premium of £5 per £100 invested.

Instead of these, you can purchase War Bonds repayable on April 1, 1928, with a premium of £2 per £100 invested; or Bonds repayable on April 1, 1926, with a premium of £3 per £100 invested.

The interest on all three series is the same, 5 per cent. payable half-yearly.

Income Tax is not deducted when the dividend is sent you. No Income Tax whatever is payable on the premium or bonus you receive on redemption.

You can purchase Income Tax Compounded 4 per cent. National War Bonds at £101. 10s. These are not subject to Income Tax, but are subject to Super-Tax. They will be redeemed on 1st April, 1928, at £100.

You can use National War Bonds in payment of Excess Profits Tax, Estate Duty, or Munitions Levy. For any of these purposes National War Bonds will be accepted as the equivalent of cash at par value, plus any accrued but unpaid interest.

National War Bonds are guaranteed unconditionally—capital, interest and bonus—by the British State.

## From any Bank or Stockbroker.

# The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

Vol. XLI.—No. 1,066.]  
NEW SERIES.

[Registered as a  
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SATURDAY, JUNE 8, 1918.

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## THE NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.

Authorised Capital	£ 36,000,000
Paid Up Capital	5,476,884
Uncalled amt Reserve Liability	22,875,536
Reserve Fund	4,000,000

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Paid-up Capital	1,800,000
Reserve Fund	2,000,000

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ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.	
Paid-up Capital, £2,000,000; Reserve Fund, £2,000,000; together	£4,000,000
Reserve Liability of Proprietors .....	4,000,000
Total Capital and Reserves .....	£8,000,000

**HEAD OFFICE** - - - - - **71, CORNHILL, LONDON, E.C. 3.**

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

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Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	...	...	£1,500,000
Capital Issued	...	...	1,125,000
Capital Paid Up	...	...	562,500
Reserve Fund (Undivided Profits)	...	...	708,432

## Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS  
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On current accounts interest is allowed at 2 per cent. per annum on daily balances.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	..	..	Yen 48,000,000
Capital Paid Up	..	..	Yen 42,000,000
Reserve Fund	..	..	Yen 23,100,000

Head Office: YOKOHAMA.

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Bombay.	Honolulu.	Newchwang.	Shimonoseki.
Buenos Ayres.	Hong Kong.	New York.	Singapore.
Calcutta.	Kobe.	Osaka.	Sourabaya.
Changchun.	Los Angeles.	Peking.	Sydney.
Dairen (Dalny).	Lyons.	Rangoon.	Tientsin.
Fengtien (Mukden).	Manila.	San Francisco.	Tokyo.
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Harbin.		Shanghai.	Tsingtau.

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K. TATSUMI, Manager.

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Purchase of Stocks and Shares.

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INCORPORATED 1865. HEAD OFFICE: WINNIPEG.

PAID-UP CAPITAL	...	...	\$5,000,000
REST AND UNDIVIDED PROFITS	...	...	\$3,600,000
TOTAL ASSETS EXCEED	...	...	\$143,000,000

The Bank has over 300 Branches in Canada, and Agents in the principal cities in America. GENERAL BANKING BUSINESS CONDUCTED.

Deposits Received for fixed periods at favourable rates, which may be ascertained on application to

London Offices: 6, PRINCES STREET, E.C. 2, and 26, HAYMARKET, S.W.

New York Agency: 49, Wall Street.

## ALLIANCE BONDS CANCELLED

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THE CITY OF TOKYO ANNOUNCE that £80,000 Bonds of the above Loan have been purchased for the purpose of cancellation and the said Bonds are now cancelled.

## INSURANCE.

A GREAT NATIONAL  
DISTRIBUTION

THE

## PRUDENTIAL

Paid to its Policyholders in 1917 over  
£9,700,000

or over £31,000 for each Working Day.

ALLIANCE ASSURANCE  
COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C. 2.

ASSETS EXCEED £24,000,000.

Chairman:

The Hon. N. CHARLES ROTHSCHILD.

The operations of the Company embrace all branches of Insurance.

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ESTATE DUTY AND

CHILDREN'S EDUCATIONAL POLICIES

issued by the Company may  
be obtained on application  
to the Head Office as above,  
or to any of the Offices or  
Agencies of the Company.

O. MORGAN OWEN, General Manager.

## NOTICES.

## PROVINCE OF NATAL.

Borough of Durban Municipal Loan £360,000 4 per  
Cent. Five Year Bonds. Repayable 30th June, 1918.

The Durban Corporation have notified the Standard Bank of South Africa, Limited, that funds will be provided for the repayment of the above-mentioned Bonds on 30th June next.

The Bonds should be lodged on or after the 10th instant at the Stock, Share and Coupon Department of the Standard Bank of South Africa, Ltd., 27, Nicholas Lane, E.C., and must be left three clear days for examination. Special forms on which the Bonds must be listed may be obtained on application.

For The Standard Bank of South Africa, Ltd.,

FRANCIS SHIPTON, Manager.

10, Clements Lane, London, E.C. 4.

5th June, 1918.

SOCIEDAD ANONIMA MERCADO CIUDAD DE  
BUENOS AIRES (CITY OF BUENOS AIRES MARKET  
COMPANY, LIMITED.)ISSUE OF £120,000 SIX PER CENT. FIRST MORT-  
GAGE DEBENTURES OF £100 EACH.

NOTICE IS HEREBY GIVEN that the undermentioned Debentures amounting to £3,400 have been drawn by lot in the presence of Richard de Neufville, Esq. and E. Courtney Walker, Notary Public, for repayment on the 1st July, 1918.

132	137	138	213	215	232	301	303	441
445	482	487	524	526	554	582	602	605
616	627	654	683	720	758	870	919	935
1023	1029	1099	1123	1167	1174	1181		

The above Bonds (which must be left three clear days for examination) will be payable at Messrs. A. Rüffer and Sons, 39, Lombard Street, E.C.

# The Investors' Review.

Vol. XLI.—No. 1,066  
New Series.

SATURDAY, JUNE 8, 1918.

(Registered as a Newspaper) Price 6d.

## PUBLISHER'S NOTICES.

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Norfolk House, Norfolk Street,  
London, W.C.

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Gerrard 9132.

Telegraphic Address:  
"Unveiling, London."

The Editor cannot undertake to return rejected communications.

Letters from correspondents must, in every case be authenticated by the name and address of the writer.

The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and he cannot accept responsibility for statements made therein.

## ANSWERS TO QUERIES.

**One Reply to One Question—One Shilling.** Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

**Telegrams** advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

**Private letters** in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

## Towards the Bog of Financial Impotence.

It may be well that the Government has decided to proceed with the Luxury Tax by way of a separate Bill, for we have not yet had a definition of what a luxury is. All that has been arrived at is the drawing up of an elaborate scale of duties ranging from 2d. on articles valued at from 1s. to 2s. up to 10s. on purchases of £6. Beyond that 10s. will be levied upon purchases of the value of every completed sum of £3. There is to be a corresponding Customs luxury duty imposed on imports, but certain drawbacks and exemptions are mentioned so as to safeguard those who ought not to pay the tax: People staying in this country for a period not exceeding one month, for example, will not have to pay the Customs Luxury Tax on luxuries they have brought with them and mean to take away again, nor will articles imported by a dealer for sale be taxed. The ultimate buyer residing here will alone be liable to the duty. Perhaps it will be as well to give the scale here for reference. The chief value of the proposed tax, it seems to us, will be to the Civil Service. A splendidly wide field of employment will be opened up for the multitudes now swarming in all Government Departments.

—	Rate of Duty.	—	Rate of Duty.	—	Rate of Duty.
Between—	s. d.	Between—	s. d.	Between—	s. d.
1s. and 2s.	0 2	18s. and 21s.	3 0	72s. and 78s.	12 0
2s. and 3s.	0 4	21s. and 24s.	3 6	78s. and 84s.	13 0
3s. and 4s.	0 6	24s. and 27s.	4 0	84s. and 90s.	14 0
4s. and 5s.	0 8	27s. and 30s.	4 6	90s. and 96s.	15 0
5s. and 6s.	0 10	30s. and 33s.	5 0	96s. and 102s.	16 0
6s. and 7s.	1 0	33s. and 36s.	5 6	102s. and 108s.	17 0
7s. and 8s.	1 2	36s. and 39s.	6 0	108s. and 114s.	18 0
8s. and 9s.	1 4	39s. and 42s.	6 6	114s. and 120s.	19 0
9s. and 10s.	1 6	42s. and 48s.	7 0	10s. for every	
10s. and 11s.	1 8	48s. and 54s.	8 0	complete	
11s. and 12s.	1 10	54s. and 60s.	9 0	sum of £3	
12s. and 15s.	2 0	60s. and 66s.	10 0	beyond £6.	
15s. and 18s.	2 6	66s. and 72s.	11 0		

With this before them, the draughtsmen of the Bill will still require to exercise unusual skill and ingenuity to devise what is a luxury and what is not, and we begin to fear a little that all this ingenuity in striking the spender on every hand will tend to defeat the object aimed at, and to lessen, instead of increasing, the fertility of the revenue. After all, there is

only so much that the most thrifty can spare, and if the demand of the tax-collector goes beyond that limit, no matter what the ingenuity displayed in framing taxes, the result will surely be sterility. The income-tax is now quite as high as it can be if it is to leave the lower grades of those who have to pay it in full anything over to meet other taxes with. Those who smoke have to pay more, those who drink much more; clothes are dearer, every description of food is dearer; travelling is much dearer—and we are now assured by Sir Albert Stanley that the increase in railway fares is really taxation imposed without bothering about formalities—and although the spending power of the community is sustained and augmented for the time being by the enormous war expenditure, that cannot be counted on to last much beyond the end of the war. There will follow a reaction which must make itself conspicuous at the Treasury, sooner and more emphatically almost than anywhere else. Hundreds of thousands will then be face to face with want, and the present system of indirect taxation will be in peril. What is required to-day is a statesman whose grasp of the future, its risks, requirements and dangers, is sufficiently great, and whose courage in seeking out and applying sure remedies is sufficiently high to enable him to lay at least the foundation for a revenue so deep rooted that adversity, up to a point, may increase rather than diminish it; or, at least, supply an efficient stimulus to its increase.

Most of the new taxes which have been, or are being, imposed are taxes fertile only in the day of prosperity, whereas, above all, we want a revenue that will stand adversity. The only durable source of such a revenue, let it be reiterated continually, is the land. Something is being done to increase the yield of the soil in this country—a duty shamefully neglected for generations in our pride of empire—but nothing has been done to enlarge the Government's part in the proceeds.

The war may have to last yet another year, perhaps longer, the apathetic citizen says; therefore we need be in no haste. But it is not so. The imperative duty laid upon every individual in the kingdom is to do what in him lies to make the soil of these islands produce sufficient for the wants of the population, with something over, and the duty of those who govern is to make sure that the necessary share of this new real wealth finds its way to the Exchequer. What is the use of increasing the production of the soil

if the whole of the profits of that enlarged fertility goes to the private owner of the land? That waste stopped, and, whether he will or no, the present Chancellor of the Exchequer will have to turn his feet the other way and direct his revenue officers to other sources of income than 2d. in the 1s. on "luxuries" bought. Neither he nor his predecessors, for instance, have done anything to help the town dwellers; they have never even said a word about the weight, often a crushing weight, of local taxation. Yet in two directions, in England, at any rate, there is at hand an immense reservoir whence means could be drawn not only to lighten the load the citizen has to carry, but to set him free to contribute more largely towards the costs of the war.

This journal has often alluded to the wealth now immune. There is, for example, the exemption of untenanted houses from bearing any share of the local burdens. That is not just. The owners of these houses enjoy all the amenities provided by the local rates. In towns they enjoy the benefit of the lighting and drainage, of road maintenance everywhere, and the upkeep of what may be called the amenities of the district; but so long as a house remains untenanted, the owner goes scot free of all local charges. That ought not to be, any more than that waste land bought by speculative builders with a view to what they call "development"—the building of short-lease houses and creation of ground rents—should year after year in the same manner go entirely untouched by rates. In these two directions alone there is even now, and in spite of the allotment fever which has covered some of the "jerry builder" and other wastes with vegetables, a large source of revenue.

Then there is the short-lease infamy itself—for, legal though it be, no less severe epithet applies—which in the South of England, at least, is the most fertile source of wealth—and of robbery—the framers of our class land laws ever hit upon. One day the owners "living on the revenue of these legal frauds will assuredly suffer for the sins of their forbears, the inventors thereof. A needy population, rack rented, rates harried, will turn upon them and summarily "cut" the legal "barbed wire." We cannot sympathise with those who now hope for some redressal of the injustices to their private advantage, but we do say—and in saying it must be in harmony with the Prime Minister—that the exactions levied under this unjust land system on holders of leases at their expiration, and the fines extorted and enhancement of rents imposed on renewal, all of which now go to the ground landlord, ought to become the property of the State—or the bulk of the money—and to be directly payable into the Treasury. Here are sources of revenue durable and bound in time to increase. Moreover, as the fertility of the soil brings back prosperity to the community, a large share of the increased rents should become the property of the nation—a sure part of its revenue. But our Chancellors of the Exchequer have never even given it a thought, so far as we can judge, and from what they say, to any one of these treasures of wealth. By continuing to follow the macadamised financial highway along which our Treasury is now jogging in seeming content we shall presently reach the bog of impotence.

### Rubber Market Outlook.

For a long time past we have been advising extreme caution in regard to purchases of rubber shares, and it may be useful to take stock of the position. As a preliminary, we may state emphatically that we do not think there is anything wrong with the plantation industry, which has established itself on a thoroughly sound basis, and proved that it can make very handsome profits under normal conditions. It reached a point of very substantial development at a most opportune moment, coincident with the greatly extended use of motor traction, which would be almost impossible without the employment of rubber tyres, and it has always been confidently anticipated that when the price of the raw material can be brought down to a sufficiently

low level, it may be advantageously used for many other purposes—for flooring, paving, &c. We have always believed and maintained that the true interests of the industry would best be served by reducing the price of the commodity as rapidly as the increased production would permit, in order to stimulate the more extensive use of the article.

Of course, war requirements and the shortage of shipping make this ideal impossible of realisation for the time being, although events are shaping in the direction of forcing down the price to a point which is causing something like dismay in many quarters, and, as usual, the investing public will have to face very considerable losses. It is very natural and right that companies should try to get the best possible price for their produce, and from the narrow view of immediate self-interest they were probably justified in doing what they could to prevent a glut in the market and a slump in values. Unfortunately, we fear it is a fact that efforts have frequently been made to "rig" the market, and certainly it is true that there has been a very persistent propaganda with the object of persuading people that rubber ought to be worth, at one time or another, 3s.,

	July 27, 1914.	Highest.		Present Price.	Valuation at £100 per Acre.
		1916.	1917.		
Anglo-Dutch .....	13/6	21/	36/	26/3	19/
Anglo-Malay (2/)	3/	12/6	16/	11/9	6/
Bandar Sumatra .....	17/6	47/6	52/	37/6	48/9
Batang .....	1 1/2	53/6	70/6	50/	56/
Batu Caves .....	9 1/2	15 1/2	17 1/2	12 1/2	131/
Bukit Rajah .....	5	9 1/2	11	6 1/2	118/
Carey United .....	23/6	45/	52/	36/3	38/
Consolidated Malay (2/)	7/4 1/2	14/	15/9	10/3	8/9
Damansara .....	2 1/2	82/	5 1/2	70/	48/
Federated Selangor .....	4	7 1/2	8 1/2	6 1/2	100/
Golconda .....	1 1/2	70/	79/6	58/9	38/6
Golden Hope .....	1 1/2	65/	84/	61/	71/
Highlands and Lowlands .....	1 1/2	59/6	65/6	52/9	29/
Inch Kenneth .....	1 1/2	9 1/2	7 1/2	5 1/2	105/
Java Amalgamated .....	7 1/2	39/	40/	25/	41/6
Java Investment .....	7/	24/6	33/6	22/6	—
Kamuning (2/)	1 1/2	4/6	5/	3/6	2/10
Kepitigalla .....	7 1/2	24/	25/6	20/6	25/6
Kepong (2/)	8/	16/3	20/	15/	10/
Kuala Lumpur .....	2 1/2	95/	5 1/2	88/6	50/
Labu (2/)	3/	9/	12/	7/3	6/
Ledbury .....	1 1/2	62/6	3 1/2	47/6	40/
Linggi (2/)	13/	24/	31/6	22/	14/6
London Asiatic (2/)	5/9	8/6	10/	7/9	5/9
Lumut .....	19/	49/	50/6	37/6	32/
Malayalam .....	19/	33/3	45/	35/9	35/6
Pataling (2/)	1 1/2	36/3	46/6	33/6	16/3
Rubber Trust .....	7/3	26/9	34/3	23/	—
Seaport .....	1/2	26/3	33/3	23/6	21/
Singapore Para (2/)	1/6	4/3	5/3	3/9	3/
Straits Bertam (2/)	2/9	6/3	8/	5/9	6/6
Sungei Way .....	3	95/	5 1/2	92/6	69/
Taiping (2/)	1/10 1/2	4/3	5/	3/6	2/6
Tandjong .....	2	90/	5 1/2	75/	79/
Tebrau .....	20/	77/6	79/	57/6	60/
Telogoredjo .....	8	42/	55/	35/6	55/
Tempeh Java (2/)	1/6	3/3	3/3	2/3	2/4
United Serdang (2/)	7/	13/	12/9	8/9	8/6
United Sua Betong .....	6/3	62/6	78/	54/	71/6
Vallambrosa (2/)	9/6	19/9	27/	18/	13/3

4s., or 5s. per lb. Some of the effects are well illustrated in the adjoining table, which shows the prices of representative shares immediately before the war, the highest touched in 1916 and 1917, the present quotation, and the approximate share price at a flat valuation of £100 per acre. Most of the figures in the last column are taken from "Rubber Form at a Glance," compiled by Mr. H. K. Calder, and published by Effingham Wilson—a very useful handbook, but perhaps just a little too complicated for the average investor. We have omitted 1915 prices from the table, because although the general trend was upwards during most of the year, the big advance did not occur until 1916, and with only three exceptions there was a further substantial rise last year. Since then the reaction has made rapid progress, and buyers who got in near the top—there must be thousands all over the country—have to face very serious losses, as will be seen from the present level of quotations compared with those ruling a few months ago, when buying was most active.

Let us try to look at this business fairly and

squarely in the face. We know that on well-managed estates rubber can be produced at 9d. to 10d. per lb. Naturally it costs more on young estates which are only beginning to yield, but it may be taken as certain that any proposition which cannot work down to the average may have to fall out entirely. At present the margin between cost and average selling price is so large that it is possible for every kind of hopeless proposition to make a show for the time being, but that kind of thing cannot go on indefinitely. Take tea plantations as an example. In the early days they were regarded with just as much favour as the rubber share is to-day, but they had to come down to a purely commercial basis, where the gross profit seldom exceeds 50 per cent., and when all the bills are paid there is only 10 to 12 per cent. for the proprietors. Of course, several of the original rubber companies were started with such a small capital—just as the pioneers always do—that they cannot be taken as a fair criterion of the whole industry, and they are entitled to make their hundreds per cent. on their adventurers' shares.

That brings us on to the fundamental proposition, which is simply this: The original pioneers planted their estates at a cost of £10 to £12 per acre. Now that it has been discovered that jungle—previously worth shillings per square mile—can be turned to account, the price of land has gone up hundreds per cent. wherever there is a chance. Consequently the later companies have had to pay much more for their estates than the others did. All the same it is perfectly feasible at the present day to lay down a rubber plantation at a cost of £50 to £60 per acre, which will cover all expenses of development and upkeep till the fifth year, when production commences. The Americans have found that out, and they have been taking up suitable lands—of which there is practically an unlimited quantity—all over the proved areas in the Middle East. Perhaps the most significant factor in the rubber situation is that the statisticians, who profess to give all the information necessary to form a sound judgment on the position, studiously ignore what American enterprise has accomplished in opening up new estates. It is certain that if an estate can be developed at a cost of £50 or £60 per acre, capitalisation on a basis of £200 to £250 per acre must be regarded as excessive, although we do not mean to suggest that this is a definite clue to the value of any particular share. On the contrary, some of the shares which are on a basis of £200 or more seem to be better value than others at £80 to £100. But it is a rough sort of guide—always bearing in mind that there are millions of acres which can be brought into bearing at £50 or a little more. If you pay £250 for the same thing, the risk of ultimate loss must be very considerable, as adequate dividends cannot be paid on this figure if the price of the material falls much lower.

As to the immediate outlook, we cannot say that it is particularly promising. Imports into both this country and the United States are restricted by Government orders, and although it has generally been urged that the Central Powers will be huge purchasers of rubber after the war, it is doubtful whether they will have the money to pay for such materials to any great extent, however much they be in need of them. There will probably also be shipping and other difficulties, but we need not enter into speculative possibilities of that kind. It is sufficient to point out that stocks are accumulating in the East and that the price of rubber in Singapore is very much lower than it is in London. So far, the scheme for restricting output by 20 per cent. does not appear to have availed much in steadying the market, but quite the reverse. In any case, the smaller production means increased cost, and the margin of profit will, we fear, tend steadily to dwindle. While we should not recommend the wholesale selling of shares at the present level, we think it most likely that quotations will go lower, and prudent investors would, we think, be wise to lighten their holdings. The time has not yet come, at any rate, for those who bought near the top to begin to think of averaging.

## Passing Events.

A better show was made last week by the sale of National War Bonds of the Bank of England issue. They numbered 9,259, or 960 more than in the previous week, and the amount applied for was £5,062,000 more than in the previous week at £16,297,000. With this addition the totals have been brought up to 605,597 applications and £725,441,000, and of this amount £128,613,000 has been received within the current Budget year. In regard to other forms of debt contracted in the week ended May 25, the purchases of the Post Office issue of National War Bonds fell off 2,360 to 10,440, involving a decrease in the money received of £37,860, and bringing down the total of the week to £316,340. Add these figures to the previous to date totals relating to this series, and we get 1,170,894 applications for an aggregate of £29,216,000. The number of War Savings Certificates sold in the same week was 1,673,230, making the total to date 199,268,703. This translated into money is £1,286,296 for the week, and an aggregate of £153,187,817. Of that aggregate £15,300,000 has been paid over to the Treasury since April 1.

For the past week the aggregate expenditure was £160,555,000, and the contribution of the taxpayer to meet it was £10,938,000. These two amounts present a startling contrast, which is lessened, but not so very much lessened, by looking only at the actual expenditure, apart from the finance expenditure, as it may be called. This actual was last week £80,536,000, or almost eight times the amount of the actual revenue. On supply services the week's outgoings were £42,616,000, or £6,088,000 per day, but the week's outgoings included £37,901,000 of war debt interest, part of the £50,000,000 odd due on June 1, so the total mounted, and had added to it £500,000 spent as "depreciation fund" in the support of the market. Coming now to finance expenditure, £79,136,000 of new Treasury bills had to be paid off, and small repayments of War Loan and Exchequer bonds, amounting to £67,000 also repaid, together with £300,000 advanced to buy bullion, completed the formidable mass of £160,555,000. To obtain that money new supply Treasury bills to the amount of £92,233,000 had to be discounted, or £13,251,000 more than fell due to be repaid. Adding this to the amount of Treasury bills already outstanding we get a total floating debt of £1,005,587,000 in that form, the largest recorded since March 9. Then £500,000 was received from War Savings Certificates sold and £14,900,000 came from "other" war debt sources, doubtless from the United States. Also National War Bonds provided £15,754,000, but even with all these helps another £21,000,000 had to be raised in the form of temporary advances from the Bank. The total of these advances

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—which are really, much as Mr. Kitson avers, loans from the nation to the nation through the instrumentality of the Bank—deducting the amount repaid, has now reached £123,000,000, and seems destined to grow. Even all these aids and supplements were insufficient by £5,109,000 to cover the demands of the week, so that the Exchequer balances had to be drawn upon for this deficiency to that extent. They were thereby brought down to £10,640,000, and a year ago they were £16,645,000. Perhaps the reinvestment of the war dividends, and as much more as can be spared, will during the next two or three weeks change somewhat the appearance of the Treasury account. If not, then Mr. Bonar Law will have to bestir himself. We are reaching a critical hour in the war of credit just as in the war at the front. Of last week's revenue more than half, or £5,610,000, came from income-tax, super-tax, and excess profits, this last alone providing £3,551,000 of the entire tax and monopoly income of the week.

We never expected that the financial measures of the Government would stir up any formidable opposition, such as would prevent them from passing into law. The House of Commons is now sufficiently awake to the peril in which the kingdom and Empire stand to be capable of any factious criticism or prolonged opposition to anything the Government may propose. Therefore the postal rates were duly accepted, and are now in force, and on Tuesday afternoon the House accepted the twopenny stamp on cheques. We must imitate Parliament's docility, and all accept and do our best to maintain the revenue at the highest pitch. Perhaps in connection with the new postal rates it may be useful to put them down for future reference. There is now no halfpenny post. Postcards, whether for home or foreign use, cost a penny stamp, just as in France, and the lowest rate on letters is three-half-pence, but for that charge a weight of matter up to 4 ozs. may be sent. Beyond 4 ozs. the letter charge rises by a halfpenny for every 2 ozs., or fraction thereof. Then the postal rates for printed paper will be identical with the letter rate up to 4 ozs., and beyond that every increase of 2 ozs., or fraction thereof, in the weight will be charged an additional halfpenny. A book weighing just under  $\frac{3}{4}$  lb. would thus cost  $3\frac{1}{2}$ d. to transmit by post. In short, a halfpenny in the lb. has been added to the printed matter rate. The inland parcel rate is also changed to 6d. for any weight under 3 lbs., 9d. between 3 and 7 lbs., and a shilling between 7 and 11 lbs., the maximum weight. This is a simplification and in some ways a reduction. The three-halfpenny letter rate extends to all oversea countries where hitherto the letter postage has been a penny for 1 oz. The charge for the postage of newspapers is untouched.

Some objections were raised to the twopenny stamp on cheques, but when it came to a division, only 40 voted against it, while 205 supported the Government. The tax was therefore passed by a majority of 165, and we hope that the fears many expressed and feel regarding its fertility will all be agreeably falsified. It is impossible to form a reliable opinion, because in money matters no one can gauge the influence of even a trivial addition to the taxpayers' burdens such as the doubling of the cheque tax is. Mr. Law opined that it would have no effect on inflation of the currency and certainly cheques do not inflate it, although the credit behind them may. But the danger is that inflation may be intensified through economy in the use of the cheque and extravagance in the use of the Treasury note. However, we shall do the best we can to cherish hope.

We must humbly confess ourselves ignorant of Lord Southwark's eminence as an authority on coinage. Until he moved the second reading of the Coinage (Decimal System) Bill in the House of Lords last Tuesday we had no suspicion of his condition, and are not sure, even after having read his speech, or as much of

it as the newspapers gave, that he is a currency pundit. In declaring that "no Bill had ever been presented to either House of Parliament which had anything like the general approval accorded to this Bill by banking, commercial and professional organisations throughout the country," he was going beyond the facts. The country has never had any opportunity of pronouncing upon the fad. It is an esoteric kind of cult, much discussed in bank parlours, perhaps, too, at gatherings of dabbles in statistics and economics, and behind it unquestionably stands the large majority of expert Hebrew dealers in exchange to whom the decimal system, if adopted in this country, would be a boon in several ways, and not least, probably, in enabling them to secure larger profits in their business. But the general public, as Lord Hylton, speaking for the Government, sensibly pointed out, had never been consulted about it—least of all the wage-earner and his wife, the people most of all concerned. No evidence, his lordship added, had been brought forward by Lord Southwark to show that representatives of labour or retailers who would be seriously affected by the change, had ever been instructed or sounded upon it. It is all a matter of what might be called academic finance, although the adjective is not an apposite one, for the recognised academic authorities in this country have always treated financial affairs with the contempt of the supercilious bookworm.

Lord Hylton might have been stronger on another point. He said "it was doubtful whether for purposes of retail trade and the payment of wages, shillings and pence were not superior to decimal coinage." We do not think it doubtful at all. Our coinage is much more elastic in the matter of small change, and therefore much more fair to the poor than any decimal coinage yet known to the world. In what direction, then, would the benefit come to the public? We see none. There is always talk about the hindrance to foreign trade caused by our money, but, in spite of that alleged hindrance, our foreign trade was the largest in the world before the war, and our goods found, and find, large markets in all parts of the world. It was not want of a decimal coinage, but want of proper education and training which constituted the real difficulty our merchants had to encounter. If they had been taught arithmetic in a sensible fashion, and taught foreign languages, not as dead but as living, there would not have been any difficulty at all with differing moneys. But such difficulty as may exist would only be shifted, not removed, by changing our coinage, for you cannot make the value of our own or any other coinage rigid and invariable in every country. The actual rate of exchange has to be calculated whether you are dealing with pounds, shillings, and pence, or with florins, or dollars, or francs and decimals thereof, or krone and piastres. The whole agitation over the decimal system of coinage is thus a simulated affair. There is no real call for the change, nor any necessity for it, but it pleases old gentlemen who think they know something about finance to patter about it, and it occupies a certain amount of time, so that it may keep a few restless people out of mischief. Lord Leverhulme moved the rejection of the Bill, and the debate was adjourned without a division. In doing so he remarked that "a sovereign divided into a thousand mils had been correctly described as carrying the greatest inconvenience to the greatest number of people," and suggested that the decimal coinage should be founded on "the British halfpenny," which had been in use for over 12 centuries. That goes to the extreme of the grotesque, and is rather a humorous suggestion which we commend to the decimal coinage fanatics. Certainly the sovereign as a "monetary unit" or "standard of value" is quite impossible in a decimal coinage.

Last month's shipping output was cheering, and at 197,274 tons represents an average of 1,407,000 tons per annum. The maximum asked for by the Government was 3,000,000 tons per annum and the minimum

1,800,000, so that, although the May return is excellent, and the highest of any month of the past thirteen, it is still short of what is required. Nevertheless, the ship-builders deserve the commendation bestowed upon them by Lord Pirrie, Controller-General of Merchant Shipping. "It reflects with credit on the whole industry," he said, "and particularly on those firms engaged in the fitting-out of vessels." These seem to be working with a fine organisation and skill, and Lord Pirrie mentions one instance of a 5,000-ton steamer which was completed for service within 19 days of the launch. As the events in the United States prove, co-ordination and minute regulation of the work will have one influence in speeding up the output, and it must never be forgotten that all the time our shipyards are handicapped by the necessity of repairing ships that come into port damaged. With all our energy, however, and all the ability displayed in organising the industry, we should have been badly off for tonnage without the help of America. The shipyards there are going to teach us not a few valuable lessons in the way to speed up ship-building.

Rumours have been in circulation for some time past that the Shell Transport Co. was to follow the example of so many others in distributing a bonus by capitalising the major portion of its reserves. These are now confirmed by the announcement that it is proposed to issue three new shares in respect of every five held, and the bonus proves to be even more handsome than was generally anticipated. Recently the price of the shares has risen to the neighbourhood of 7, and when the distribution is made the holder will be in possession of eight shares worth, on the present basis,  $4\frac{3}{8}$  each. But these schemes are seldom put forward until the directors are reasonably certain that the dividend will not have to be cut down proportionately, and it is highly probable that the quotation will settle down somewhere round about 5. A year ago the company issued a million shares at par, in the proportion of one new share for every four held, and that operation also provided a substantial bonus, so that, with their handsome dividends of 7s. per share, tax free, the fortunate holders have done extremely well.

Nobel's Explosives Co., Ltd., could not submit accounts a year ago owing to the liability under the Munitions levy and excess profits duty not being ascertained. This has not even yet been adjusted, either for 1916 or 1917, but the directors have made a close estimate of the amount likely to be payable, and now submit accounts for the two years combined. These show that the trading profits amounted to £1,875,000, and, after providing £314,000 for income-tax and £103,000 for depreciation, there is a nett profit of £1,319,000. Last year a dividend and bonus of 20 per cent. was paid, and the dividend this time is again 20 per cent., tax free, while £500,000 is placed to reserve funds and the balance forward is £84,880, or a little more than was brought in from 1915. The results are quite up to the most sanguine expectations, the profit for 1915 having been £530,000, but some disappointment was caused in the market owing to the omission of any definite statement with regard to the much-discussed merger. All that is said is that the principles have been agreed by all the merging companies, but the accountants are still busy trying to determine the exchange value of the various shares, and the directors hope to be in a position to lay the scheme before the proprietors at an early date.

Lipton, Ltd., has again made striking progress in the year to March 10, and it is satisfactory to be told that while the actual rate per cent. of profit earned on the home trade has been lower than in the previous twelve months the larger volume of business has substantially increased the earnings. The export departments have been adversely affected by shipping and other restrictions, but the company's Eastern and Australasian trade has been greater. Accordingly we find that the trading profits amounted to the record figure of £544,300, an

increase of £102,000, following a gain of £148,000 a year ago, so that there has been an expansion of no less than a quarter of a million since 1915. Moreover, it has been found possible to reduce management expenses by £13,000, and the nett profit after writing off £44,000 for depreciation and setting aside £54,600 for deferred repairs amounts to £374,000, an increase of £115,000, but £15,000 less was brought in, and the available balance is just £100,000 higher at £441,000. Out of this £100,000 against £75,000 is placed to reserve fund, which now amounts to £350,000, and £15,000 is added to the pension fund. The ordinary dividend is raised from  $7\frac{1}{2}$  per cent. to  $12\frac{1}{2}$  per cent., and the balance forward is increased by £8,000 to £74,700, subject to excess duty. It is stated that the company's plantations in Ceylon have been maintained at their usual high state of efficiency, but in common with the general experience the crops have been less, and the prices realised for both tea and rubber were lower than in the previous year. Changes in the balance-sheet are comparatively trifling, but the company has £170,000 cash in hand and investments amounting to £150,000, so that the financial position is as strong as could be desired. It may be mentioned that the dividend is the highest paid in the history of the company, and it is evident that the overhauling of the management, which became necessary a few years ago, has proved entirely satisfactory.

As usual, the directors of J. Lyons and Co., Ltd., issue a very complete summary of the accounts in announcing the final dividend of 3s. per share, which again makes up the total distribution to 25 per cent. for the twelve months ended March 31. Nett profits amounted to £316,300, an increase of £48,000, but £8,000 less was brought in. Provision for depreciation requires £15,000 more at £120,800, and £40,000 against nil is carried to reserve, with the result that the balance forward is reduced by £15,000 to £6,800. Evidently the company has had a very successful year in spite of the difficulties caused by rationing and other restrictions, increased prices, expenses, &c. But the

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It is stated in the report of Elder Dempster and Co., Ltd., that the company's fleets were requisitioned in April last, since which date the steamers have been run for Government account. Nevertheless, profits amounted to the substantial sum of £366,900, and, after placing £50,000 to reserve fund (raising it to a round million), a final dividend of 6 per cent. is declared, making 10 per cent. for the year, and leaving £4,000 more at £83,630 to be carried forward. Owing to national requirements, the direct service of steamers between Canada and South Africa, which was established in 1903, has been temporarily abandoned, but the directors hope that the Government may shortly see their way to release sufficient tonnage to enable this important inter-Colonial service to be resumed.

Although the trading profit of the India General Navigation and Railway Co., Ltd., last year was £16,000 less at £160,000, the results, on the whole, may be regarded as entirely satisfactory. Depreciation required £7,000 less at £70,000, and while an additional grant of £5,000 was made to the provident fund, there was an equivalent saving in interest and exchange. Consequently the nett profit comes out at £65,760, a decrease of £7,000, but £5,000 more was brought in, and, as the insurance reserve required less, it is possible to repeat the dividend of 8 per cent. and still carry forward £2,000 more at £26,480. The branch railway did a little better with a nett profit of £23,960, against £22,550, and the dividend from the Sylhet Line Co. was increased from 9 per cent. to 14 per cent. During the year operations were hampered by further Government requisitions of the company's vessels, but the purchase of most of these has now been completed, and the company is able to set aside a reserve of £142,260 for fleet replacement. This brings the total reserves up to £352,000, and at all points the position of the business appears to be excellent.

Fellows Magneto Co., Ltd., which was formed some 18 months ago, has made a promising start, as shown in the accounts for the period to December 31. Trading profits amounted to £15,520, and, after writing off £2,150 for depreciation and a proportion of the preliminary expenses, there is a nett profit of £8,510, out of which it is proposed to pay a dividend of 9½ per cent. on the participating preferred shares and 15 per cent. on the ord., leaving £1,180 to be carried forward. The accounts show that the issued capital is £66,800, of which £16,625 has been expended on land and buildings, £17,690 on plant, and £33,500 on stocks. There is a balance of £3,770 cash in hand. Reference is made to the recommendation in Lord Burleigh's report that the importation of magnetos from enemy countries should be prohibited for at least five years after the war, and that those from elsewhere should be charged an *ad valorem* duty of 33½ per cent. Whether anything of this kind will be done remains to be seen, but it is satisfactory to know that the British industry is now firmly established.

A full statement regarding the East Rand Proprietary position was made at the meeting at Johannesburg by the chairman, Mr. E. A. Wallers, from which it is clear that the mine has reached the beginning of the end. He explained that the results generally of the operations for 1917 were infinitely worse than anything previously experienced, and described the position now as one of acute gravity. The report shows that 1,741,300 tons were crushed, yielding 21s. 11d. per ton, a decrease of 197,900 tons and of 2s. 6d. per ton respectively. Working costs rose to 19s. 9d. per ton, and the net working profit was £188,951, a decrease of £308,214 on 1916, the average being 2s. 2d. per ton, against 5s. 2d. Development results were again highly unsatisfactory, only 424,675 tons of payable ore being developed. Reserves of ore show a decrease of 1,468,000 tons to 2,732,000

tons, valued at 6.2 dwts. This decrease is accounted for by the excess of ore milled over that developed, and by ruling out 730,000 tons which cannot be profitably worked under existing conditions. The chairman dealt exhaustively with the factors that had been fatal to the carrying out of the policy of securing the future of the mine. The exploitation of the southern areas was dependent upon profitable milling operations being carried on during six or seven years which it would take to prove those areas, but all available areas have been examined, and it has been found impossible to replace the ore drawn from reserves to enable a monthly profit of £11,000 to be obtained. On the basis of milling 118,000 tons per month, the present ore reserve and an additional source of ore supply were expected to last till the end of 1919, when milling will probably cease. Owing to stoppage of development it is hoped that a profit of £10,000 a month may be maintained from August. At the end of 1919 there would be a deficit, after allowing for debenture redemption, £750,000, of £309,000, which could be easily met by the sale of plant, leaving a surplus. If the southern development scheme were to be proceeded with, altogether £1,200,000 would be required, for it would take nearly two years from the end of 1919 to reach the reef. To raise this sum would, as the chairman explained, be impossible in the face of the consistently poor values disclosed by development, and the very uncertain prospect of opening up a payable mine. It is an unfortunate end to a mine which 10 years ago gave promise of a long and prosperous life; but the explanation of its downfall is that the payable ore found in the upper levels has not persisted in depth, and that appears to be due to the curious geological features of the property.

### Whittling Away Earned Income-Tax Relief.

One feature of the Budget, of which we have not heard any discussion so far, is the huge reduction which is being gradually made in the income-tax favour shown to earned income, as compared with income which is unearned. The differentiation between these two kinds of income is one important element in our present taxation system, which is not due to the present Prime Minister's famous Budget of 1909-10. It had been introduced earlier than that by Mr. Asquith. It seems to rest on sound fact and principle. Indeed, it is interesting to know that the essential difference of the two classes of income had still earlier been referred to in the calm and important atmosphere of the judicial bench. What a man earns by brain or muscle dies with him. At least, the earning power cannot survive him, but it may go long before that. A sudden breakdown of mental or bodily health ends it. Nay, in some cases from their very nature the power cannot last long. Income from funded and invested wealth, on the other hand, runs on whether the owner lives or dies. Accordingly, it seems to us that the only cause for wonder is that the rebate of income-tax in favour of earned income was not introduced long before 1907.

And what we wish now to draw attention to is the fact that this rebate is being whittled away. At the present rate it will soon be non-existent. We do not wish to weary our readers and obscure our point by masses of figures, and, therefore, we shall confine ourselves to the illustration of an income of £1,000, and to the period since April, 1913:—

INCOME £1,000.

Year.	Tax, if Unearned.	Tax, if Earned.	Rebate to Earned Income.	Percentage of Rebate.
1913-14 ....	£58	£37	£21	36
1914-15 ....	£83	£50	£33	40
1915-16 ....	£150	£90	£60	40
1916-18 ....	£175	£125	£50	28½
1918-19 ....	£187	£150	£37	20

The first year dealt with above was the last pre-war year. The important column is, of course, the last, showing the percentage by which in the different years the unearned income rate has been modified to the disadvantage of earned income. The outstanding fact in the above table is that in the war years 1914-15 and 1915-16 the rebate was 40 per cent., while for this year it is proposed to be only one-half of that. Undoubtedly, earned income is being severely hit. If this year an earned income of £1,000 were taxed in the same proportion as in 1914-16, it would pay, not £150, but only £112, which would be a saving of £38. No doubt all the money is required, and the £150 may not be too large in itself, but—and it is only another way of saying the same thing—if the earned £1,000 is to pay £150, then the £1,000 unearned ought to pay, not £187, but £250, in order to preserve the 40 per cent. rebate in favour of earned income, as already established by the then Chancellor of the Exchequer in the war years 1914 and 1915. In any case, it is important that attention be drawn to the present tendency to fritter away the earned income relief.

## The Plight of the Two Mad Empires.

So absorbed is the public mind in the agony of war as now at its height on the strenuously contested battlefields of France and Flanders, that the mind refuses to pay attention to anything else. We are all apt in consequence to overlook many things which are surely symptomatic of the coming smash and dissolution in Central Europe. Regarding the Balkan cockpit and Russia, the news that is allowed to come out is for the most part coloured so as to look highly favourable to the German conqueror, as favourable as that revealed by the hysterical call for armed intervention in Russia, noticed in another column. But in spite of the diligence of the German disseminator of lies, we gather that all things are not quite as they seem in absorbed Austria and Hungary or in Russia. The Habsburg imposture is dying hard, but dying it is, and every now and then a flash of light which illuminates is thrown upon the condition into which the populations of the two doomed empires are falling. "Loaded food trains are continually looted" is a report from Switzerland, and should this crop season turn out to be as unfertile as the last three at least within the two empires, then famine promises to be master, and may even stop the fighting. Already the stricken populations are breaking out into revolt, not merely in Bohemia and in the Slav portions of the Austrian Empire, but within the Teutonic sections thereof as well.

Disaffection is paralysing the Austrian offensive; and everywhere in Russia the Germans are exhibiting their invariable characteristic, stupid, tactless rapacity. The municipal authorities of Warsaw, who claim the repayment of the forced loans taken by the Germans from the city, have been told to go to the so-called "Polish" Finance Minister, that is to say to go to a German functionary who can be relied on to repudiate all liabilities. Elsewhere in Russia the locust-devouring capacity of the Teuton is rapidly increasing the number of his enemies. Rumania, as we have already explained, is being turned inside out, emptied of its wealth, and all the sources of new wealth as much as possible laid hold of. And this is called making "peace."

But with it all the Prussian war fiend does not succeed in filling the mouths of his victims at home, and the ex-German Food Controller, Batocki, writing in the *Frankfurter Zeitung*, confesses that "German isolation from the world becomes ever more effective, and its effects are aggravated by the frequent unfavourable harvest weather in Germany and elsewhere," so that it is difficult to get enough to eat. "The temporary bridge which has been artificially constructed," he says, "is but small and tottering, and it spans a precipitous abyss of destruction." The phrase is worth remembering, for Germany is unquestionably on the edge of that abyss to-day, and all the swagger and all the rush of her legions with their artillery, flame-throwers, and gas will not long keep her out of it. So besotted has the German mind become, that it is incapable of comprehending where the war is leading it, and still thinks "force" lord of all; still looks round for the world admiration of its diabolical crimes; still talks of commanding its "peace"; still imagines that when the Junker diplomat palavers and imitates in his speech the sentiments of civilised peoples he is believed, and still dreams of a world all eager for German shoddy and other manufactures when the war is over. All that is required for success appears to be, in Hamburg's imagination, bagmen to scour the world, disguised as Englishmen, and incapable of being betrayed by their accent. The oddest fact is that numbers of people here appear to continue to admire the German for his astuteness.

## "Help Russia!"—and Lighten Pressure on Germany.

It is right and to be commended that the *Times* should keep before the eyes of the nation the needs and perils of Russia. In last Tuesday's issue there was an appeal setting forth the danger of German penetration in Russia, and emphasising the imperative mandate that Russia's condition laid upon the Allies to take active steps to intervene and save. The Allies are accused of stoicism by this writer, of a "stoicism approaching stupidity." The writer bemoans himself that all the attention is given to the Western offensive, and thinks we excuse our indifference by saying, "Russia betrayed us; let her go her own way." German success is alleged to be great in the propaganda whereby Russia will be drawn into subjection by the all-devouring Prussian. "In five years easily acquired concessions will give Germany a grip on Russian affairs which will be unshakable. In 10 years or earlier we shall see a Russian-German alliance again menacing the peace of the world at a dozen points." It is shrill, shrill and alarming. The appeal wound up with the statement that "the greatest question in the world to-day is whether Russia is to be abandoned or whether she is to be saved; whether Western ideals are to prevail in the country whose potential power will be the balance in history. It is not a question of years in which to decide. It is a matter now of months, if not of weeks."

This is rather wild. We can to some degree sympathise with the motives which seem to have inspired the writer to employ such strong language, but yet must protest. We remain unmoved by the appeal, because it so exaggerates the peril, and betrays strong hostility to the Allies. In the very same issue of the *Times* the insincerity of the remonstrance is shown up by its Peking correspondent, who tells us that while there is no pre-

sent necessity for intervention in Eastern Siberia, it is obvious that "intervention of a nature acceptable to the Russians would have far-reaching results."

He goes on to suggest the presence of a small Allied force as something for the Russians to rally round. It might thus secure control of Eastern Siberia, and speedily extend its influence over Western Siberia. Russians, he assures us, would greatly welcome a mixed Allied force sent, not to support any political party, but to assist in the restoration of order and the maintenance of security. At the same time, the educated Russians strongly deprecate occupation by any foreign Power, although all decent Russians in the Far East "are eager to see Russia again align herself with the Allies." They advance the reasonable plea that Allied assistance towards the restoring of order can best be rendered in the part of Russia furthest away from German power, a part to which the Allies have unrestricted access by sea.

These two contributors may be said to complement and neutralise each other, for the Peking man talks soberly, and discounts the feverish eagerness of the anonymous writer of the appeal for instant help. The Germans are not making way in Russia, as the alarmist would have us believe; their progress is not that of the conqueror marching with acceptance from triumph to triumph.

So far as the truth can be ascertained from what is permitted to escape from the country in the way of facts, the longer the German hordes, whether armed men or mere cunning bagmen, are suffered to work their will with the Russian people, the more will they be hated and the surer will be the adhesion of the Russian Slavs to the side of the Allies. Of that we have no doubt whatever, and regard it as a distinct help to the triumph of the West over the Prussian tyranny that Russians should to-day be under the German heel. It will enable them to understand Poland, and to sympathise with Alsace-Lorraine, and, above all, it will make them conscious of their own manhood.

That we should, nevertheless, in conjunction with America especially, contribute towards establishing a small rallying point of armed forces in Eastern Siberia with a view to helping the Russians is not an unreasonable suggestion. We hope it may receive due attention at Washington, for we can do little or nothing here at present. We should even be disposed to welcome Japanese help to the extent at any rate of the Navy of Japan guarding the Siberian ports on the Pacific, and perhaps garrisoning and policing some of these ports themselves. But it would probably excite the religious fears, to put it mildly, of the Russian common people were a contingent of Japanese troops to accompany the mixed Allied force suggested. Nor should that help be necessary. There are men enough in the United States and Canada to allow of a couple of divisions, well armed, whose presence would encourage the enlightened Russian to stand up for his liberties. Beyond some help in Siberia there is no imperative demand for haste, we are persuaded. The Germans themselves, as we said a week ago, are working for the Allies, stupidly diligent in ensuring their own defeat and ostracism there when the war ends, just as surely in Russia as in the West. As we follow them and note the eagerness with which they toil and plot to make sure that they shall be masters of all wealth and all souls, the feeling always arises in the mind, "These degraded creatures are accursed. Heaven has decreed their destruction."

Another aspect of that over-done shout in Tuesday's *Times* strikes one on second reading. It is so exaggerated in tone and speaks with such contempt of the Allies and assurance of German triumphs in Russia and in Turkey—in order, no doubt, to bring into extreme relief the dangers in Russia—that it forces one to regard it rather as a move in the German "peace offensive" than as a thoroughly genuine expression of solicitude for Allied interests in Russia. The simple-minded writer would seem to have been captured by some astute Teutonic missionary, and beguiled into inditing this perfervid outburst. The purpose seems obvious; if the Allies responded to it, it would serve most excellently to help Germany in the West, where her fate is now being settled. It would relieve them in the most opportune manner were we to weaken our forces now mustered against them there in order to send men to help Russia. There is, we hope, no danger of any such false step being taken, nevertheless we hope the conductors of the *Times* will be vigilant next time, because the Prussian "peace offensive," as it is grotesquely but not inappositely called, is getting to be in as desperate straits as their murderous one, and will manifest itself with increasingly feverish insistence in hundreds of unexpected ways from now onward to the end.

## OILFIELDS PRODUCTION.

Baku Russian Petroleum.—50,050 poods for week ended May 18.

Kern River Oilfields of California.—During May 130,675 barrels, or 18,668 tons, including 76,121 barrels from properties of St. Helens Petroleum Co.

Russian Petroleum.—Week ended April 20, 12,913 poods. Two weeks ended April 13, 18,715 poods. Three weeks ended April 27, May 4 and 11, 15,283 poods, 14,526 poods, and 17,182 poods respectively.

Trinidad Leaseholds.—During May, 14,600 tons.

United British Oilfields of Trinidad.—1,429 tons for week ended May 29.

## By-the-Way War Notes.

"The only thing that matters is final success. . . . We will never yield. That is the word of command of our Government. We will never yield at any moment. The Germans once more are staking everything on a *coup* which is meant to frighten us, so that we may abandon the struggle. For what was their great effort made on the Yser in 1914? In order to reach Calais, to separate us from the British, and to compel the latter to renounce the struggle." These are the words of M. Clemenceau quoted from his rousing speech delivered in the French Chamber on Tuesday. This eminent man differs from our eminent Prime Minister in that he faces the worst himself and bravely asks his countrymen to do it too. Both are men of irrepressible activities and great skill in handling audiences—in political strategy also—but Mr. George differs from M. Clemenceau in always putting the best face upon things. He tries to cheer us up by painting everything roseate, or nearly so, and while talking in generalities about the "difficulties of the task we have in hand," neutralises all such warnings by deftly seizing passing incidents of an encouraging sort to be flung at his audience to cheer them up, just for the moment.

There is nothing at all of this sort of camouflage in M. Clemenceau's address. He tells his countrymen frankly that they have to die rather than yield, and that the country has to be defended to the last, whatever comes. But yet he sounded one clear note of confidence: "The victory is to you," he said, "because the Germans, who are not so intelligent as they are told, have only one method—namely, to throw their whole weight into the venture and to push it to the end. We saw them on the Yser, at Verdun, near Amiens, near Dunkirk and Calais, and then in Champagne. They broke our lines, but did you think that you were going to make a war in which you would never retreat? The only thing that matters is final success." He dwelt ever upon the formidable nature of the assault, and emphasised, too much, perhaps, the fact that events in Russia gave the Prussians "a million additional men to throw on the Franco-British front," but none the less took care to cheer his countrymen with a description of the eager and efficient help now being given on the battle front by the Americans.

Altogether, it was a memorable address, which one could wish in pity that the Germans had sense enough to comprehend the significance of and take to heart. But they have no sense. Their raw, servile intellects have been run into one mould, and their only god is force. They have no conception of what the ordinary man feels and thinks, and cannot in the least understand why their exhibitions of brutality should not long ere now have brought the war to an end by the abject submission of foes intimidated. So, instead of taking warning from the array of civilised peoples against them, or from such words as those of M. Clemenceau, they are only stimulated to wilder and ever more abominable feats of brutality and gigantic crimes by their rage at having failed to cow us. Therefore we have to fight on and on, and never think of peace. There can be no peace between us and them of the old kind, with solemn covenants between potentates, for there will be no potentates in Germany with whom we would treat when this war ends. All have proclaimed themselves base and treacherous liars.

During the past week the enemy has not ceased his efforts to break through, and although he has had no success of a kind to encourage him to go on, on he still goes, because he must. He creeps forward here and there by kangaroo jumps, like the savage madman he is, but the Franco-British line has never been broken, and never will be. Apparently his object now is to "drive" towards Paris, and some amongst us seem to have already begun to fear that he may seize the city, their minds being influenced by the memory of the war of 1870-1, but the fear is quite groundless. Although all his host was to assemble before Paris, the Prussian could not besiege that city now, because the armies of the Allies are not broken and scattered as in 1870. No mighty determining host is now interned, as Bazaine and his splendid troops then were in Metz. There are to-day organised forces on every hand, forces, thanks to Foch's husbanding and the steady inflow of the American Army, rapidly becoming stronger in reserves than the enemy, and the utmost conceivable that the Prussian brute could do would be to rush in and hastily plunder and wreck the city he could not capture. But the way is not open for him even to do that, and we believe that he is conscious that his final discomfiture is at hand. The hearts in the "Fatherland" are failing, as is manifest by many symptoms. And some carrot is always necessary to dangle in front of the German donkey. The offensive which began in March was first stimulated by the romance of a captured Amiens and the destruction of French troops, in this way to be separated from the British. That baffled, the next wild boar dash was for Calais, the Channel ports, sure to be captured, the gun-fodder louts were told. That also failed, and now the German hordes are being told that Paris is their goal, that they are on their way thither, and will get there without fail. And they will be beaten again. They cannot get to Paris, even if they fling a million of their human pawns into the shambles; but sufficient progress is made by the masses of troops flung forward, now on this point, now on that, to encourage the delusion that success is coming, coming at the end of the day, or the week, or the month. So the murder goes on, and the goal cannot be reached, but our misinterpreters of events too often join in encouraging the foe by the gloom of their ideas and anticipations.

Why cannot people here realise what is so plain, what M. Clemenceau emphasised, that, under the masterly guidance of General Foch, the Franco-British troops have been fighting and holding back the enormous masses of enemy troops with a minimum of men? The Germans are said to have already used up or employed 50 divisions of their reserves. It is doubtful whether General Foch has called up 10 divisions of his reserves. Everywhere the enemy has been stayed by inferior numbers, in spite of the employment of every device for slaughtering the most diabolical cunning is able to evolve. That is one abiding reason why we never despair of the final result, even when the prospect looks darkest. Can we not realise what the heroism of the troops is? How the men deliberately elect in every crisis of the fighting to hold the post confided to them or perish? Read that story told by Mr. H. G. Perris, the special correspondent of the *Daily Chronicle* with the French Armies, of the French infantry regiment in the central part on the Chemin des Dames, or M. Clemenceau's story of "those Britons who were surrounded in a wood all night, and who next day found means of sending by carrier pigeon a message to say, 'You may come and find us. We shall hold out for half a day yet.'" These men, he added, make *la patrie* the Motherland. Submerged by a storm of fire and poison gas and by wave after wave of men, who now advance in true cowardly style under cover of smoke clouds, the battalion mentioned by Mr. Perris went down in a single morning, fighting a hopeless fight to the bitter end. A small number lived to cross the Aisne in the afternoon, and these had to continue the struggle for four days and nights practically without respite. Few are those even in this war who have survived such agony. But the men fight on, the heroes that they are, and they win.

We are not dealing with beings in any civilised sense human or even sensible, and it is a mistake to continue to accord to them the consideration we should do to a race of nobler quality, to the Spaniard or even to the Mexican. As a nation and race the Germans under Prussian tutelage have become mere trained savages, intensely ignorant in a sense, superhumanly vain, and so abject of spirit that their masters and leaders can force even the most reluctant amongst them to perform the most inconceivably vile actions of inhumanity, and rejoice over success in crime. Therefore, no machine of their invention should be neglected, and from earth, air and sea every instrument of destruction should be poured down upon them until they have had enough and desist from sheer exhaustion as they, in the end, must.

In spite of what M. Clemenceau said, we do not think the agony will last so very long now. It may be true that a million German fighting pawns, released from Russia, have come West to try and conquer us—to share in the destruction of their race, but Russia is not conquered, and cannot be left unheld down. The drain of German men goes on there, and on every other part of the Eastern front, and is helping to cripple the brutes in the West so that their offensive now begins to assume the aspect of the bluff of the despairing. Austria is falling to pieces, and the long tyrannised over races within the borders of the Habsburg Empire are more and more asserting themselves so that the power of Captain Karl and his Teutons to resume an effective offensive against Italy is vanishing, if it has not already vanished.

The best proof of all that the Hohenzollern gang of would-be world masters feel their chances slipping from them is found, perhaps, in the extravagant inventions they fall upon in obedience to their insane idea that the Allies can be intimidated. Hence those persistent air raids on Paris and the stupid bombardments of the city by that monster gun, over which the sinister "Kaiser" gloated. Hence the sudden appearance of large German submarines on the American coast. And hence the persistence in bombarding our hospitals. The idea is fanatically clung to that at a point the Allies will suddenly collapse and sue for peace. No such effect can be produced by insane brutalities of that kind, by any revelation of the utterness of German abandon. They but stiffen the spirit of resistance, and in that sense are a gain to us, because in the face of such abominations even the intrigues of the pacifists amongst us are paralysed. Nay, even our professional diplomats of the old school are silenced, and when the time comes these fossils may not be asked to take a share in arranging the peace. Can peace, indeed, be "arranged" on the old diplomatic lines with any German of the whole band? We hope not.

Friday Morning.—The Americans did not require the appearance of cruiser German submarines on their coasts to stimulate them for zeal in war. As Mr. Lansing told his countrymen, in a speech, "Prussia wickedly sought war and Prussia shall have war, more war, and more war, until the very thought of war is abhorrent to the Prussian mind." As an example of Prussian stupidity, however, the deeds of these submarines—two of them it is said—are opportune and give much encouragement. Recruiting has been stimulated by the news that 20,000 tons have been sunk, among the ships lost being the New York and Porto Rico Co.'s liner, *Carolina*, a vessel of over 5,000 tons. Thus the Prussians are busy writing in crime their own condemnation and are stimulating the Allies to strive to the utmost, and to the last man, to rid the world of a hideous nightmare.

Mr. Walter L. Martin, J.P., who has recently retired from the position of assistant manager of the Prudential Assurance Co., has been adopted as Liberal candidate for the new Parliamentary Division of Finchley.

## American Business Notes.

Assurances have been sent out from Washington calculated to allay apprehension here regarding the restrictions on exports to the United States. These have been framed on very proper lines. Luxuries are forbidden, but the barrier is chiefly directed against bread stuffs and lentils, beans, dried peas, and so forth, things that America sends here. The principle underlying the regulation of the import trade of America is that, barring the specially forbidden commodities, all goods will be allowed to enter when coming as a return cargo from European ports, or from a convenient port, or when loaded without delay. Thus, although glass, furs, cold tar distillates, manufactures of cotton, wool, vegetable fibres, and textile grasses, except jute, together with fruits, except pineapples and bananas, matches, fresh meats, nickel, oil cake, oilcloth and linoleum, artificial silk and manufactures thereof, soap, toys, &c., are on the shut-out list, they may all be imported if an empty ship is available, and can be loaded without delay. Return cargoes, in fact, are encouraged, but the following commodities are not allowed to enter any port of the United States from Great Britain or ports in Europe:—Breadstuffs, gelatine and manufactures thereof, expressed vegetable oils, malt liquors and other beverages (not including wine), candy, confectionery, beans, lentils, dried peas and other European vegetables, lime, talc, soapstone, shell fish, molybdenum, tobacco leaf, fish, animal oils, aloxite and boro-carbone borax, building cement, chloride of lime, cyanide of soda, dairy products, ferro-manganese and spiegeleisen, lead, magnesite, meat products, preserved meats, paraffin, pumice, starch, stone, and manufactures of stone.

The Shipping Board announces that the tonnage completed in May, comprising 43 steel ships and one wooden vessel, totalled 263,551 tons. This is the largest American shipbuilding output in history. The number of ships delivered in America since September is 170 vessels of 1,112,897 tons, the output during the last nine months being nearly three times greater than the best previous year—namely, 1901, when 402,136 tons of shipping were completed. In the last six days of May, the "record" week of the Board's efforts, 15 vessels, totalling 82,760 tons, were delivered.

Sir William White, the Canadian Finance Minister, is, the *Times* Ottawa correspondent says, already making preparations for the next Canadian War Loan to be issued in October or November. It is likely to be £300,000,000.

Canadian foreign trade was larger last year ended March 31 than in any other year in the Dominion's history. Its aggregate was £500,510,000, whereas in the year ended March 31, 1913, the total was only £210,000,000. There is thus an increase of £290,500,000. Between 1914 and 1918 exports of products of the mine rose from £11,808,000 to £14,752,000. Products of fisheries exported rose from £4,125,000 to £6,520,000, and animals and their produce jumped from £10,668,000 to £34,549,000, but the most cheering increase of all was in agricultural products, which were exported to the value of £39,644,000 in 1913-14 to £113,543,000 in the last fiscal year. This was a fine aggregate, but the actual expansion was greatest in manufactured articles, the export of which rose from £11,489,000 to £127,320,000 within the same four years. The particulars of imports are not yet given, but the Customs revenue last year amounted to £32,318,000, whereas four years before it was only £21,436,000, so that imports must have been good, for the revenue yielded by them has risen £10,882,000.

Canada is taking vigorous measures to stop extravagance, and the Government has passed an order prohibiting the import of many luxuries, with the object of righting the exchange and reducing the balance of trade against Canada with the United States. High-priced automobiles are included in the list, as well as jewellery and many fruits which can be raised in Canada, as well as in the United States, and the Minister of Trade and Commerce, Sir George Foster, in speaking to the laymen of the Methodist Conference, declared it to be "a crime to spend a cent on anything we can do without. We should wear clothes for three years which formerly we might cast aside in one year. Get them mended or darned if necessary. The gospel of thrift must sink into the Canadian people." It is all very true, and as wise as true.

## Insurance News.

Yet another office is to be absorbed by that enterprising undertaking, the Eagle, Star and British Insurance Co., which has just concluded a provisional agreement with the British Crown Assurance Corporation. Under the agreement the purchasers will acquire the whole assets of the British Crown Co., shareholders receiving for every three shares held one ordinary share of £3 fully paid in the Eagle, Star and British Dominions. Taking the market value of Eagle shares at £9, British Crown shareholders will increase the market value of their holding by 9s. 6d. for each share now held by the exchange, at the same time being relieved of the liability. For 1917 British Crown shareholders received a dividend of 5 per cent., less tax (the first since 1910), while the Eagle dividend was 12½ per cent., tax free, consequently the terms offered appear to be very attractive. The small company obtains the security of a powerful undertaking with an annual premium income exceeding 3½ millions, and with assets substantially over 13 millions. On the other hand, the purchasing company secures a strong representative board, which will form the Glasgow board of the amalgamated company, and a large extension of its existing connections in Scotland as an important adjunct to its own business. The British Crown was formed in Glasgow in 1907, and does a fire, personal accident, burglary and miscellaneous business; for 1917 its nett premiums were over £100,000.

During 1917 the Colonial Mutual Life Assurance Society of Australia earned a surplus in the ordinary branch of £125,282, against £136,031 in the previous year, and the bonus declared on a sliding scale ranged from 35s. to 17s. 6d. per cent., and 15s. per cent. on pure endowments. The total funds increased by £256,040 to £4,626,000, the total income being about £57,000 in excess of the income for 1916 at £850,000. In the accident department a bonus of 2 per cent. has again been declared, so that policyholders in this section of more than four years' duration have now had 8 per cent. in all added to the benefits payable to them under their policies.

An increase of £101,291 to £564,674 is shown in the premium income of the Iron Trades Employers' Insurance Association for 1917, and including £24,703 from dividends and interest the total income was £589,377—an increase of £105,810. The amount disbursed as compensation and in incidental expenses at £382,261 showed an increase of £114,493, the balance available on revenue account being £10,469 larger at £204,287. Reserve is credited with £50,000, or £10,000 less than in 1916, and from an available balance of £150,164 it is proposed to take a sufficient sum for the distribution of a bonus at the rate of 20 per cent. (against 15 per cent. in the previous year) among the members of the association. In 1916 the sum of £38,000 was set aside for depreciation of investments and reserve fund; the total reserves stand at £866,000.

A little book has been published by the Syren and Shipping, Ltd., entitled "Decimal Money Tables," and containing conversion tables for the reduction of English money from and into any foreign money. It is by A. M. Pooley, B.A., of Clare College, Cambridge, and is sold at 2s. 6d. nett. The publication is opportune, and the tables will be very useful to all who have dealings with foreign moneys. The author claims that his decimal exchange tables are unique in their simplicity, and that their use effects an enormous saving of time and labour in office work. We do not gather that the basis on which he has worked out the tables is the same as that of Mr. Robertson, but his method is simply and easily mastered and followed, as the example given shows, and the contents embrace tables of sterling into foreign moneys at the dollar, franc, &c., per £; sterling into foreign moneys at pence per unit, and a series of tables of sterling into foreign moneys quoted in pence per unit, eighths, sixteenths, and thirty-seconds of a penny. These tables begin at a penny and rise by penny steps to 60d. Then follows a ready reckoner in pence and tables to convert dollars, yen, milreis, and all other foreign moneys quoted at pence per dollar into sterling. Tables for calculating any foreign money into sterling follow and render the book pretty well complete. It must have involved an enormous amount of hard work.

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## The Investors' Review.

Money and Credit Notes.

BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on  
Thursday, April 5, 1917.)

Norfolk House, Friday Evening.

With the disbursement of the dividend money at the end of last week supplies of credit in the open market became superabundant. They have remained so throughout this week, for although the recipients may reinvest their dividend money it takes more than a week to get it sucked back again by the Treasury. Consequently, call loans have more often than not been 2 per cent. and never more than 3. Discount rates, however, remain as before, and the rate for seven-day loans is 3 per cent.

Changes in the Bank return tell us nothing, but the reduction in public deposits of £2,392,000 and of £3,365,000 in the other deposits has increased the proportion of reserve to liabilities by ¾ per cent. to 17½ per cent. Government securities have decreased £334,000, and other securities £4,028,000. The note circulation has expanded £804,000, but coin and bullion has increased by £343,000, hence the decrease of only £460,750 in the reserve.

Further meetings have taken place this week with the object of bringing the discount houses and overseas banks into line with the clearing banks in their decision to limit deposit notes in order to stimulate the demand for National War Bonds. The discount houses, as the result of a conference at the Bank of England, decided to reduce the rate of interest on deposits at notice from 3¼ to 3 per cent., the rate allowed by the banks, but the deposits of bankers and merchant bankers, which really are re-deposits of other people's money, will continue to carry 3¼ per cent. The British Overseas Banks' Association has also decided to recommend its member banks to reduce, at the request of the Bank of England, its deposit rate to 3 per cent., except as regards deposits which are renewed for not less than one year. A good deal of resentment exists among the overseas banks at not being invited to participate in the discussions which took place between the Treasury and the clearing banks prior to the decision to restrict deposit rates to 3 per cent., but afterwards being asked to adhere to that decision. They quite rightly claim that they should have been consulted before the decision, which affects their interests perhaps more closely than the clearing banks, was taken, and not after.

Pending the introduction of legislation to give effect to the recommendations of the Bank Amalgamations Committee, Lord Inchcape and Lord Colwyn have been appointed members of an advisory committee to advise the Government in respect of fresh schemes of amalgamation. Both of them are at present on the boards of important banks, a fact which ensures a sympathetic consideration for the legitimate claims of banking. It is understood that an important development of the activities of the big banks in extending the scope of their operations may shortly be completed which will strengthen the connections existing between British and Empire banks.

Underwriting arrangements have been made this week for an issue of £2,000,000 5 per cent. three-year notes of the Canadian Northern Railway. The issue is being made to

replace a similar amount of notes which mature on August 12, and which a month ago were changing hands on a 10 per cent. basis, owing apparently to a fear that the notes would not be met on maturity. How such an impression came to be made it is difficult to understand, in view of the fact that the railway is now the property of the Government. The new notes, which will be issued at 98½, are guaranteed as to principal and interest by the Canadian Government.

Most of the European neutral exchanges have moved against us this week. Amsterdam is 18½ points lower at 9.37½ fl. to the pound, and Stockholm at 13.85½ kr., Christiania at 15.00½ kr., and Copenhagen at 15.18½ kr. are also all appreciably lower, and therefore more expensive to buy. Sterling has been offered from Switzerland, and the pound sterling will now purchase only 18.75½ francs, or 39½ centimes less than last week. The Argentine dollar has declined ¾ to 51¾d., and the Uruguayan dollar has also become cheaper at 63¾d. on the news that the Government intends to purchase the Central Uruguay system, which will, of course, help to ease the exchange situation. The Chilean peso has risen further to 17½d., which is nearly double the rate current before the war. There is an impression that something ought to be done to raise a credit in Chile for the purpose of cheapening the cost of Chilean produce by reducing the price which has to be paid for her currency.

### SILVER.

There is nothing at all to say about silver, which remains at 48½d. per oz. Montagu's circular gives the stock of gold coin and bullion in India at 1,911 lacs. On May 31, the week before, it was 1,945 lacs.

### BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, June 5, 1918.

#### ISSUE DEPARTMENT.

	£		£
Notes Issued .. ..	21,660,405	Government Debt .. ..	11,015,100
		Other Securities .. ..	7,434,900
		Gold Coin and Bullion ..	63,210,405
		Silver Bullion .. ..	—
	£81,660,405		£81,660,405

#### BANKING DEPARTMENT.

	£		£
Proprietors' Capital ..	14,553,000	Government Securities ..	56,403,732
Reserve .. ..	3,217,787	Other Securities .. ..	101,558,003
Public Deposits (including		Notes .. ..	29,805,385
Exchequer, Savings		Gold and Silver Coin ..	584,097
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	38,663,800		
Other Deposits .. ..	131,905,032		
Seven Day and other Bills	11,598		
	£188,351,217		£188,351,217

Dated June 6, 1918.

E. M. HARVEY, Chief Cashier.

#### BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. June 6.		May 29, 1918.	June 5, 1918.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,182,288	Rest .. ..	3,186,394	3,217,787	31,393	—
47,998,697	Pub. Deposits ..	47,055,712	38,663,800	—	2,391,912
120,797,972	Other do. ..	135,269,961	131,905,032	—	3,364,929
36,299	7 Day Bills ..	8,903	11,598	2,695	—
	Assets.			Decrease.	Increase.
45,247,406	Gov. Securities.	56,737,732	56,403,732	334,000	—
106,749,030	Other do. ..	106,486,004	101,558,003	4,928,001	—
34,535,176	Total Reserve ..	30,850,234	30,389,482	460,752	—
				5,956,841	5,656,841
£		£	£	Increase.	Decrease.
38,965,745	Note Circulation	51,051,240	51,855,020	803,780	—
55,037,505	Coin and Bullion	63,451,474	63,794,502	343,028	—
20.5 p.c.	Proportion .. ..	17.5 p.c.	17.8 p.c.	.3 p.c.	—
5 ..	Bank Rate .. ..	5 ..	5 ..	—	—

#### LONDON BANKERS' CLEARING.

Date.			Increase.	Decrease.
	1918.	1917.	£	£
January	2,073,224,000	1,865,125,000	208,099,000	—
February	1,605,654,000	1,779,124,000	—	173,470,000
March	1,784,836,000	1,492,825,000	292,011,000	—
April	1,446,306,000	1,403,902,000	42,404,000	—
May	378,749,000	364,065,000	13,784,000	—
" 1	384,904,000	406,810,000	—	21,936,000
" 8	293,971,000	338,984,000	53,987,000	—
" 15	393,599,000	332,276,000	—	36,677,000
" 22	387,528,000	336,301,000	51,227,000	—
" 29	393,902,000	396,033,000	—	2,131,000
June	5			
Total ..	9,141,623,000	7,716,745,000	661,512,000	236,614,000

#### CURRENCY NOTES.

Return of Currency Notes for the week ended June 5, 1918.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes .. ..	3,819,206	3,259,034	179,398,777
10s. notes .. ..	1,204,406	1,519,982	39,746,279
Note certificates ..	120,000	350,000	28,860,000
Previous total .. ..	924,906,735	677,115,627	—
	930,049,700	682,044,614	248,005,056

Ratio of gold held against notes, this week, 13.00 p.c.; last week, 13.03 p.c.

### PUBLIC INCOME AND EXPENDITURE. (For 7 days ended June 1.)

REVENUE.	EXPENDITURE.
Customs .. .. .	National Debt Service ..
Excise .. .. .	Interest, &c., on War Debt ..
Estate, &c., Duties ..	Development & Road Impvt ..
Stamps .. .. .	Payments to Local Taxation ..
Land Tax and House Duty ..	Other Consolidated Fund ..
Property and Income Tax ..	Charges .. .. .
Excess Profits Tax ..	Supply Services .. .. .
Land Values .. .. .	Bullion Advances .. .. .
Post Office .. .. .	For Advance for Interest ..
Crown Lands .. .. .	on Exchequer Bonds under ..
Sundry Loans .. .. .	Capital Expenditure ..
Miscellaneous .. .. .	(Money) Act, 1904 .. ..
Bullion advances repaid ..	For Treasury Bills .. ..
For Treasury Bills for Supply ..	Other Debt under War Loan ..
5% Exchequer Bonds, 1930 ..	Acts, 1914-16 .. .. .
5% Exchequer Bonds, 1922 ..	For War Loan and Ex- ..
6% Exchequer Bonds, 1920 ..	chequer Bonds under ..
National War Bonds ..	Section 61 of Finance Act, ..
War Savings Certificates ..	1916, and Section 34, 1917 ..
4% War Loan, 1929-1942 ..	Under Telegraph (Money) ..
5% War Loan, 1929-1947 ..	Act, 1913 .. .. .
Other Debts created under ..	Under Post Office (Lon- ..
War Loan Act, 1915, and ..	don) Railway Act, 1913 ..
Finance Act, 1916 .. ..	Under Military Works Acts ..
Telegraph Money Act, 1913 ..	Under Housing Act, 1914 ..
Under Post Office Rly. Act, ..	Public Buildings Expendi- ..
1913 .. .. .	ture Act, 1903 .. .. .
Under Military Works Act, ..	Old Sinking Fund, 1907-8 ..
1897-1903 .. .. .	Sinking Fund, 1910-11 ..
Under Public Buildings ..	China Indemnity .. .. .
Under Housing Act .. ..	East African Loan .. ..
Repayment of Advance for ..	Conard Agreement Act ..
Interest on Exchequer ..	Expenditure Certificates ..
Bonds .. .. .	Depreciation Fund .. ..
China Indemnity .. ..	Suez Canal Drawn Shares ..
East Africa Loan repay- ..	Temp Advances Repaid ..
ments .. .. .	Increase in Exchequer ..
Suez Canal Drawn Shares ..	balances .. .. .
Ways and Means Advances ..	
Decrease in Exchequer ..	
balances .. .. .	
£160,554,588	£160,554,588

\*Excluding sales through banks which have not yet been brought to account  
FEDERAL RESERVE BANKS (U.S.) (dollar at 48s.)

	May 3, 1918.	Apr. 26, 1918.	May 4, 1917.
Gold coin and certificates ..	96,566,400	97,364,000	67,223,600
Gold Settlement Fund ..	87,554,200	87,895,400	43,782,000
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks ..	194,620,600	195,759,400	111,005,600
Gold with Federal Res. Agent ..	172,459,200	164,843,600	86,617,800
Gold Redemption Fund ..	4,908,200	4,797,000	533,800
Total gold reserves ..	371,988,000	365,400,000	198,157,200
Legal tender notes, silver, &c. ..	12,008,600	12,789,000	7,803,000
Total reserves ..	383,996,600	378,189,000	206,040,200
Bills discounted—Members ..	174,688,300	180,437,600	7,183,200
Bills bought in open market ..	59,405,800	60,479,800	16,774,200
Total bills on hand ..	234,094,200	240,917,400	23,957,400
U.S. Gov. long-term sec. ..	8,283,000	8,289,200	7,244,400
U.S. Gov. short term sec. ..	9,229,200	7,481,400	17,609,400
All other earning assets ..	507,400	544,400	2,981,400
Total earning assets ..	250,113,800	257,232,400	51,794,600
Due fm other Fed Res bks—n. ..	4,616,000	2,062,800	1,048,600
Uncollected items ..	79,937,000	75,706,200	36,927,800
Total deductns. fm gross dep. ..	75,553,000	77,769,000	37,976,400
5% Red. Fund ag Fed. Res. bks ..	107,400	105,600	80,000
All other resources ..	65,800	71,800	1,052,000
Total resources ..	700,604,600	713,367,800	296,911,200
Capital paid in ..	15,009,800	14,993,600	11,371,800
Surplus ..	226,800	226,800	—
Government deposits ..	14,777,600	26,133,600	21,573,600
Due to members—Res. account ..	294,903,600	299,483,200	148,628,600
Collection items ..	51,518,600	47,034,800	24,552,200
Other depts inc For Govt crds ..	18,318,600	16,378,000	—
Total gross deposits ..	379,512,400	389,0,9,600	194,754,400
F.R. notes in actual circulat'n ..	311,332,000	305,246,400	85,700,400
F.R. bk nts in circn—nett liab. ..	1,596,000	1,579,000	—
All other liab. in for Gov crds ..	1,927,600	2,23,400	5,114,600
Total liabilities ..	709,604,600	713,367,800	296,911,200
Gold res. ag nett deposit liab. ..	63.7%	62.9%	70.8%
Gold res ag F.R. nts in act circ ..	57.0%	56.6%	101.7%
Ratio of gold res to nett dep. ..			
and F.R. nts liabilities comb. ..	60.4%	59.3%	81.7%
Ratio of total res. to nett ..			
deposit and F.R. note liab- ..	62.4%	61.3%	85.0%

\* Difference between net amounts due from and net amounts due to other Federal Reserve Banks.

### NEW YORK ASSOCIATED BANKS AND TRUST COMPANIES (dollar at 48s.)

	June 1, 1918	May 25, 1918	May 18, 1918	June 2, 1917
Loans, Discounts, etc. ..	904,740,000	917,970,000	918,980,000	743,730,000
Cash in Vaults of Members ..	—	—	—	—
Fed. Res. Bk. ..	20,234,000	—	—	—
Aggregate Reserves ..	108,364,000	106,860,000	106,360,000	—
Excess Reserve ..	9,424,000	9,084,000	9,908,000	12,050,000
Nett Demand Deposits ..	744,810,000	—	—	724,744,000
Nett Time Deposits ..	32,556,000	—	—	37,176,000
U.S. Deposits Deducted ..	71,212,000	—	—	—
Circulation ..	74,2,000	7,324,400	7,307,200	5,836,000

### NETHERLANDS BANK (12 Florins to the £.)

	June 1, 1918	May 25, 1918	May 18, 1918	June 2, 1917
Gold and Silver ..	60,671,916	60,769,833	60,583,083	50,317,666
Bills and Advances ..	15,804,000	15,776,416	16,527,415	13,706,911
Note circulation ..	77,541,333	76,792,083	78,131,916	63,326,583
Deposits ..	4,916,500	5,994,916	4,938,333	4,094,583

### BANK OF FRANCE (25 francs to the £.)

	June 6, 1918	May 30, 1918	May 23, 1918	June 7, 1917
Gold in hand ..	133,866,440	133,812,600	133,785,120	129,790,440
Silver in hand ..	10,156,600	10,161,640	10,219,480	10,309,680
Bills discounted ..	55,966,240	44,824,203	43,152,683	19,746,240
Advances ..	37,471,520	37,177,040	37,507,000	45,270,247
Note circulation ..	1,120,487,840	1,093,734,830	1,083,925,520	787,195,880
Public deposits ..	2,187,360	1,842,560	2,619,880	3,017,640
Private deposits ..	154,435,040	133,593,320	126,485,720	105,628,000
Foreign Bills ..	346,680	145,640	334,520	78,240

Proportion between bullion and circulation 20.21 per cent., against 20.64 per cent. last week. Advances to the State £700,000,000 increase £28,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £18,944,840 decrease £59,240, and at the branches £24,240,320, decrease £73,880.

### BANK OF SPAIN (25 pesetas to the £.)

	May 25, 1918	May 18, 1918	May 11, 1918	May 26, 1917
Gold ..	82,434,917	82,104,675	82,081,411	57,703,990
Silver ..	28,347,212	28,271,188	28,152,710	30,294,800
Foreign Bills ..	3,833,394	3,889,666	3,880,170	3,683,381
Discounts and Short Bills ..	32,168,254	30,213,788	30,359,143	31,542,089
Treasury Account, &c. ..	25,329,553	25,464,641	25,121,538	25,386,836
Notes in Circulation ..	117,070,644	117,429,469	118,043,430	96,872,324
Current Accounts, Deposits ..	39,551,336	36,632,112	36,261,232	31,620,700
Dividends, Interests, &c. ..	1,755,270	2,200,328	1,376,714	1,398,356
Government Securities ..	2,069,026	2,175,319	2,456,340	8,474,747

### BANK OF SWEDEN (18 kroner to the £.)

	May 18, 1918.	May 11, 1918.	May 4, 1918.	May 19, 1917.
Gold ..	14,408,000	14,661,000	14,307,000	11,278,000
Balance abroad and Foreign Bills ..	7,211,000	7,407,000	7,600,000	7,005,000
Swedish and Foreign Govt. Securities ..	3,874,000	3,883,000	3,885,000	3,271,000
Discounts and Loans ..	13,294,000	13,443,000	13,502,000	8,751,000
Notes in circulation ..	33,650,000	33,659,000	34,292,000	23,444,000
Deposits at notice ..	5,844,000	5,446,000	4,925,000	7,069,000

### BANK OF NORWAY (18 kroner to the £.)

	May 22, 1918.	May 15, 1918	May 7, 1918.	May 22, 1917
Gold ..	6,618,000	6,618,000	6,731,000	7,162,000
Balance abroad and Foreign Bills ..	3,812,000	3,823,000	3,549,000	4,498,000
Govt't Securities ..	712,000	712,000	712,000	708,000
Discounts & Loans ..	17,771,000	18,058,000	18,489,000	12,652,000
Notes in Circulation ..	19,513,000	19,640,000	19,779,000	15,352,000
Deposits at notice ..	6,155,000	6,214,000	6,352,000	7,189,000

### SWISS NATIONAL BANK (25 francs to the £.)

	May 23, 1918.	May 15, 1918.	May 7, 1918.	May 23, 1917.
Gold and silver ..	17,316,888	17,307,276	17,289,952	15,767,508
Bills ..	10,873,444	11,041,712	12,022,916	6,141,556
Note circulation ..	26,873,776	27,248,168	27,944,152	19,871,584
Current and deposit accounts ..	4,110,464	4,058,496	4,181,088	3,834,444

### BANK OF ITALY (25 lire to the £.)

	April 30, 1918	April 20, 1918	Feb. 23, 1918.	April 20, 1917
Total cash ..	43,013,640	42,314,480	43,772,240	40,430,720
Inland Bills ..	28,732,360	29,285,500	29,816,360	22,141,400
Foreign Bills ..	884,120	884,200	897,360	892,720
Advances ..	26,187,000	24,580,320	24,284,400	14,655,840
Government securities ..	8,802,640	8,803,840	8,795,840	8,591,360
Circulation ..	190,108,280	285,995,640	267,249,200	158,067,120
Deposits at notice ..	35,145,240	34,878,760	33,864,520	19,142,360
Current accounts ..	22,829,280	24,957,840	20,190,520	11,783,560

### IMPERIAL BANK OF GERMANY (20 marks to the £.)

	May 31, 1918.	May 23, 1918.	May 15, 1918.	May 31, 1917.
Total Coin & Bullion ..	123,305,250	123,294,450	123,290,950	128,356,450
Treasury Notes ..	81,037,550	75,830,900	77,792,300	22,334,800
Bills discounted ..	727,238,600	700,022,350	727,310,450	468,225,300
Advances ..	348,100	375,950	300,400	486,500
Note circulation ..	600,134,400	585,012,350	590,193,500	414,257,700
Deposits ..	381,739,700	366,665,800	387,568,500	226,908,150

Clearing House return during March £459,815,355, against £420,879,905 in February.

### LONDON COURSE OF EXCHANGE.

Place.	Usance.	June 4, 1918.		June 6, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	9.37	9.42	9.30	9.35
Paris ..	Cable transfers ..	27.14	27.19	27.14	27.19
..	Three months' bills ..	27.54	27.59	27.54	27.59
Switzerland ..	Cable transfers ..	18.75	18.85	18.68	18.78
..	Three months' bills ..	19.10	19.20	19.03	19.13
Genoa, &c. ..	Cable transfers ..	43.50	43.60	43.80	43.95
Spain ..	Cable transfers ..	16.65	16.75	16.63	16.73
..	Three months' bills ..	66	67	66	67
Lisbon and Oporto ..	Cable transfers ..	30	32	30	32
Copenhagen ..	Cable transfers ..	15.18	15.28	15.17	15.27
Christiania ..	Cable transfers ..	15	15.10	15.00	15.10
Stockholm ..	Cable transfers ..	13.86	13.95	13.86	13.96

### OPEN MARKET DISCOUNT. Last week. This week

	Per cent.	Per cent.
Thirty and sixty day remitted ..	39	39
Three months ..	39	39
Four months ..	39	39
Six months ..	39	39
Three months fine inland bills ..	41	41
Four months ..	41	41
Six months ..	41	41

## BANK AND DEPOSIT RATES.

	Last week	This week
Bank of England minimum discount rate	Per cent.	Per cent.
.. .. .	5	5
.. .. . short loan rates	..	..
.. .. . Bankers' rate on deposits	..	..
.. .. . Bill brokers' deposit rate (rail)	3	3
.. .. . 7 and 14 days' notice	3 1/2	3 1/2
.. .. . Current rates for 7 day loans	3 1/2	3 1/2
.. .. . for call loans	3	3

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques	Francs to £1	25.22 1/2	27.1 1/2	27.10 1/2
Amsterdam, cheques	Florins to £1	12.107	9.48	9.39
Italy, sight	Lire to £1	25.22 1/2	43.42 1/2	44.30
Madrid, sight	Pesetas to £1	25.22 1/2	16.77 1/2	16.69 1/2
Lisbon, sight	Pence to milreis	533d.	32d.	31d.
Switzerland, sight	Francs to £1	25.22 1/2	19.08	18.88 1/2
Christiana, sight	Kroner to £1	18.159	15.09	15.03 1/2
Stockholm, sight	Kroner to £1	18.159	15.09	15.03 1/2
Copenhagen, sight	Kroner to £1	18.159	15.29	15.21 1/2
Petrograd, sight	Roubles to £10	94.57	nom.	nom.
Alexandria, sight	Piastres to £1	97 1/2	97 1/2	97 1/2
Bombay, T.T.	Sterling to rupee	1/4	1/5 1/2	1/5 1/2
Calcutta, T.T.	Sterling to rupee	1/4	1/5 1/2	1/5 1/2
Hong Kong, T.T.	Sterling to dollar	—	3/1 1/2	3/2
Shanghai, T.T.	Sterling to tael	—	4/6 1/2	4/6 1/2
Singapore, T.T.	Sterling to dollar	—	2/4 1/2	2/4 1/2
Yokohama, T.T.	Sterling to yen	24.58d.	2/8 1/2	2/8 1/2
New York, cable	Dollars to £1	4.86 1/2	4.70 1/2	4.70 1/2
Buenos Aires, T.T.	Pence to dollar	47.58d.	51 1/2	51d.
Valparaiso, 90 days	Pence to peso	—	17 1/2d.	17 1/2d.
Montevideo, T.T.	Pence to dollar	51d.	62 1/2d.	62 1/2d.
Rio de Janeiro, 90 days	Pence to milreis	16d.	13 1/2d.	13 1/2d.

## The Week's Stock Markets.

Members of the Stock Exchange take the hot-air campaign for the re-investment of War Loan dividends in War Bonds quite philosophically. It is money out of their pockets, but they do not mind that. Some of them think that the more or less excellent portrait of Mr. Lloyd George and his golden-treasury message in most of the daily papers are sufficient compensation. And a few have been heard to express the opinion that Dizzy, the G.O.M., and the late Lord Salisbury, didn't know their business—"not 'arf." What glorious opportunities they missed in regard to "Peace with Honour," Home Rule, and the barter of Heligoland to the Huns! There has been precious little else to think about except raging scandals, and whatever other defects the Stock Exchange may have at least it has a keen sense of humour. And so, with nothing else particularly to do, it has indulged more in mild persiflage than anything else. A little momentary excitement was created by the long-expected Shell bonus, and the Nobel report was conned carefully for hints as to the forthcoming merger, but for the rest things have been almost as dull as ditch-water, and there is little else to be said about them for the time being.

As a rule, when large disbursements of Government dividends are made, a considerable proportion comes into the Stock Exchange for reinvestment. On this occasion, when the almost record sum of £50,000,000 was distributed on June 1, the campaign for the reinvestment in National War Bonds of whatever surplus could be spared took all the wind out of the Stock Exchange sails. Consequently the active securities in the gilt-edged market have not been particularly well supported, and, indeed, the 5 per cents. have dropped back quite a substantial fraction. Colonial loans also were almost totally neglected, and in the Foreign division scarcely anything transpired. Brazilians and Peruvians showed a certain amount of strength, but Chinese issues were flat, and the usually favoured Japanese stocks were rather dull.

Home Railways have scarcely been mentioned at any point. One or two stocks have moved fractionally, but the changes had no real significance with regard to the attitude of the market, and it may be said that the whole position is absolutely stagnant for the time being. Americans were unaltered, except in the case of International Mercantile Marine, which has been going up point by point on the expectation that the bulk of the fleet will revert to the British flag. Canadian Pacific did not change hands half a dozen times, and Grand Trunks, also, were left alone, but the tone in this case was rather inclined to firmness. Mexicans had nothing to show in the way of business, and Argentines, after rather a dull opening, became quite firm, although the amount of dealings was very small indeed. Antofagastas fell back 2 points, and one or two of the other Foreign Railways usually prominent have been more or less on the down grade.

Bank shares had nothing to show, except in the case of one or two Indian and Australian issues, which are benefiting from the exceptional conditions which now prevail. Brewery shares were exceptionally in favour, Allsopps and Watney, Combes being prominently strong. Most of the others, however, were content to remain at the previous levels, which are fairly high, considering the uncertainty of the outlook. Iron and Steel shares were rather inclined to dullness, but Otis Steel, after falling 4 points, recovered sharply on the report, and in the end showed an advance of 6 1/2. National Explosives and Nobels were higher on the excellent report issued by the latter,

although the market was rather disappointed with the omission of any definite information as to the terms of the forthcoming

	Last Week.	This Week.		Last Week.	This Week.
Consols	56 1/2	56	N.S.W. 5%, 1921-3	99 1/2	97 1/2
War Loan	87 1/2	87 1/2	" 5%, 1920-2	100	100
" 4 1/2%	99 1/2	99 1/2	" 5% Debts	102 1/2	102 1/2
" 5% 1929-47	9 1/2	9 1/2	New Zealand 4%, 1909	87	87
" 4 1/2% 19-42	10 1/2	10 1/2	Queensland 4%, 1920-5	93	93
India 3%	5 1/2	5 1/2	S. Australian 5 1/2% 1922-7	99 1/2	99 1/2
Australian 5 1/2% 1920-23	70 1/2	70 1/2	Union of S. Africa 4 1/2%	93 1/2	93 1/2
Canada 4%, 1940-60	8 1/2	8 1/2	1920-5	93 1/2	93 1/2
" 4 1/2% 1920-5	94 1/2	94 1/2	Victoria 4 1/2% 1920-5	79	79 1/2
Argentine 5% 1886	9 1/2	9 1/2	French War Loan, 5%	77 1/2	77 1/2
Belgian 3%	63	63	Japan 4 1/2% (1st), 1905	9 1/2	9 1/2
Brazil, 1913	7 1/2	7 1/2	" 5% 1907	89	89
" 5%, 1914	85 1/2	85 1/2	Mexican 5%, 1899	54 1/2	54 1/2
Chinese 1896	94	93	Russia 4%	3 1/2	3 1/2
" 1912	81	81	" 4 1/2% 10-9	38 1/2	38 1/2
Egypt Unified 4%	88	88	" 5%, 1906	44	44
Caledonian defd.	9	9	London and N.-W.	89 1/2	90
Gt. Central pta.	3	3	London and S.-W. dfd.	22	22
" dfd.	6 1/2	6 1/2	Metropolitan	20 1/2	20 1/2
Gt. Eastern	35 1/2	35 1/2	Met. District	15	15 1/2
Gt. Northern dfd.	35 1/2	35 1/2	Midland dfd.	56	56 1/2
Gt. Western	84 1/2	84 1/2	Nth. British dfd.	13 1/2	13 1/2
LANCS. and Yorks.	65	65	Nth.-Eastern	94 1/2	94 1/2
London Brighton defd.	56	56	Sth.-Eastern dfd.	28	28
London Chatham ord.	84	84			
Canadian Pacific	15 1/2	15 1/2	Chesapeake	62	61
E. Indian Guar. 4 1/2% debts	84	84	Erie	19	19
Grand Trunk ord.	94	94	Southern	25 1/2	25
Do, 1st pf.	52 1/2	52 1/2			
Do, 3rd pf.	20 1/2	21 1/2			
Antofagasta dfd.	155	154	Leopoldina	39 1/2	38 1/2
B. A. & Pacific	42 1/2	42 1/2	Mexican ord.	19	18 1/2
B. A. Gt. Southern	67	67 1/2	San Paulo (Brazilian)	18 1/2	18 1/2
B. A. Western	66 1/2	66 1/2	United of Havana	7 1/2	7 1/2
Cent. Argentine ord.	58	57 1/2			
Anglo-South American	8 1/2	8 1/2	London & Brazilian	25	25
Bank of Australasia	120	20	London City & Midland	8	8
Bank of N.S. Wales	35 1/2	35	London County & West.	15 1/2	15 1/2
Barclay & Co. "A"	7 1/2	7 1/2	London Joint Stock	28 1/2	28 1/2
Do, "B"	12 1/2	12 1/2	Nat. Prov. (£100 pd)	25 1/2	25 1/2
Capital & Counties	27	25 1/2	Do, (£12 pd)	30	30
Chartered of India	76 1/2	76 1/2	Standard of S.A.	11 1/2	11 1/2
Hongkong & Shanghai	8 1/2	8 1/2	Union Discount	10 1/2	10 1/2
Lloyds	25	25			
Armstrong, Whitworth	41 1/2	41 1/2	Kynochs	40 1/2	41 1/2
Birmingham Small Arms	64 1/2	65 1/2	Mond Nickel ord.	38	38
Cammell-Laird	6 1/2	6 1/2	Nobel, £1	73 1/2	77 1/2
Cargo Fleet	26 1/2	26 1/2	South Durham Steel	7 1/2	46 1/2
Davis, D. & S.	11 1/2	11 1/2	Thornycroft	38 1/2	38 1/2
Dorman, Long	35 1/2	35 1/2	Vickers	41 1/2	42 1/2
Associated Cement	4	4	Forestal Land	47 1/2	46 1/2
Borax dfd.	36 1/2	38 1/2	Hudson's Bay	7 1/2	7 1/2
Bovril	21 1/2	21 1/2	Imperial Tobacco "C" pf.	32 1/2	32 1/2
British Amer. Tobacco pf.	18 1/2	18 1/2	Lever Bros. "C" pf.	21 1/2	21 1/2
British Aluminium	33 1/2	33 1/2	Lyons, J.	4 1/2	4 1/2
Bruih Oil & Cake	32 1/2	32 1/2	Marconi	38	38
Brunner, Mond	18 1/2	18 1/2	Maypole Dairy dfd.	15 1/2	15 1/2
Castner-Kellner	38 1/2	38 1/2	Pears, A. & F.	18	18
Eastern Telegraph	150 1/2	150 1/2	Underground Inc. Bds.	76 1/2	76 1/2
Esamians	11 1/2	11 1/2			
Cunard	48 1/2	48 1/2	Coats	52 1/2	52 1/2
Furness, Withy	65 1/2	65 1/2	Courtaulds	7 1/2	7 1/2
P. & O. dfd.	33 1/2	33 1/2	English Sewing Cotton	57 1/2	58 1/2
Royal Mail	126	126	Fine Cotton Spinners	32 1/2	32 1/2
			Harrods Stores	2 1/2	2 1/2
Anglo Argentine 1st Pf.	2 1/2	3	Dennis Bros	35 1/2	36 1/2
Brazil Traction	43	42	National Steam Car.	7 1/2	7 1/2
Da Raq	35 1/2	34 1/2	Rolls-Royce	18	18 1/2
Anglo-Egyptian "B"	35 1/2	39 1/2	Shell	6	6
Bulmah	6 1/2	7 1/2	Spies (100)	6 1/2	6 1/2
Lobitos	18 1/2	2	Trinidad Leaseholds	33 1/2	35 1/2
Mexican Eagle pf.	38 1/2	38 1/2	Ural Caspian	8 1/2	8 1/2
North Caucasian	18 1/2	18 1/2	Venezuelan	1 1/2	2
Roumanian Cons.	9 1/2	9 1/2			
Allagar 2/-	2 1/2	2 1/2	Pataling 2/-	34 1/2	33 1/2
Anglo-Dutch, £1	26 1/2	27 1/2	Perak 2/-	6 1/2	6 1/2
Anglo-Java Rub. 2/-	5 7 1/2	5 1/2	Port Dickson 2/-	3 1/2	3 1/2
Anglo-Malay 2/-	12 1/2	11 1/2	Rub. Estates Krian 2/-	3 1/2	3 1/2
Ayer Kuning £1	40	40 1/2	Rubber Trust £1	23 1/2	23 1/2
Brit. N. Borneo Trust £1	6 1/2	16 1/2	Sampang (Java) 2/-	2 1/2	2 1/2
Bukit Cloh 2/-	4 1/2	4 1/2	Seaport £1	25 1/2	23 1/2
Bukit Mertajam 2/-	4 1/2	3 1/2	Sengat 2/-	2 1/2	2 1/2
Bukit Sembawang 2/-	2 1/2	3 1/2	Seremban £1	26 1/2	27 1/2
Carey United £1	37 1/2	36 1/2	Sialang £1	56 1/2	55 1/2
Chersonese	3 1/2	3 1/2	Singapore Para 2/-	3 1/2	3 1/2
Chevi 2/-	5 1/2	4 1/2	Singapore United 2/-	2 1/2	2 1/2
Dalkeith 2/-	2 1/2	2 1/2	Straits Bertam 2/-	5 1/2	5 1/2
Grand Central £1	24 1/2	20 1/2	Sumatra Para 2/-	7 1/2	7 1/2
Highlands £1	52 1/2	53 1/2	Sungei Bahru £1	29 1/2	28 1/2
Java Investment £1	23 1/2	22 1/2	Taiping 2/-	3 1/2	3 1/2
Johor Rubber Lands £1	27 1/2	27 1/2	Tanjong £1	72 1/2	75 1/2
Kamunin 2/-	3 1/2	3 1/2	Tanjong Malim £1	3 1/2	27 1/2
Kinta Kellas 2/-	3 1/2	3 1/2	Tebrau £1	58 1/2	58 1/2
Labu 2/-	7 1/2	7 1/2	Telorejo £1	3 1/2	35 1/2
Langen Java £1	35 1/2	35 1/2	Tempeh 2/-	2 1/2	2 1/2
Linggi 2/-	21 1/2	22 1/2	United Serdang 2/-	9 1/2	8 1/2
London Asiatic 2/-	7 1/2	7 1/2	Val d'Or 2/-	3 1/2	3 1/2
Malayalam £1	3 1/2	3 1/2	Vallambrosa 2/-	18 1/2	18 1/2
Merlimau 2/-	5 1/2	5 1/2			
Bechuanaland Exp.	7 1/2	7 1/2	Kyshtim	8	8
Brakpan	4 1/2	7 1/2	Mashonaland Agency	6 1/2	6 1/2
Brook Hill Prop. (8/-)	3 1/2	7 1/2	Meyer & Charlton	4 1/2	4 1/2
Cam & Motor	12 1/2	12 1/2	Modder "B"	7 1/2	7 1/2
Central Mining (£12)	5 1/2	5 1/2	Do, Deep	7 1/2	7 1/2
Chartered	15 1/2	15 1/2	Mysore	28 1/2	28 1/2
City Deep	3	3 1/2	Nigerian Tin	1	1
Cons. Gold Fields	1 1/2	32 1/2	Pahang (3/-)	13 1/2	13 1/2
Cons. Langlaagte	17 1/2	17 1/2	R-and Mines (£5/-)	2 1/2	2 1/2
Crown Mines (10/-)	18 1/2	18 1/2	Renong	60 1/2	60 1/2
De Beers dfd. (£100)	13	13	Rio Tinto (£5)	2 1/2	2 1/2
East Pool (-/-)	28 1/2	29 1/2	Ru-so Asiatic	2 1/2	2 1/2
East Rand	4 1/2	2 1/2	South Africa (5/-)	2 1/2	2 1/2
Gould	18 1/2	18 1/2	Spring Mines	3 1/2	3 1/2
Geevor (10/-)	3 1/2	23 1/2	Tanayika	3 1/2	3 1/2
Gov. Areas Mod	3 1/2	3 1/2	Tanayika	3 1/2	3 1/2
Gt. Boulder (2/-)	11 1/2	11 1/2	Van Ryn Deep	33 1/2	33 1/2

merger which has been so much talked about. In the Land division, Hudson's Bays dropped back 1/2, and the Nitrate

market was weak. Shipping shares generally received increased support, and prominent among the advances were gains of 2 points in P. and O. deferred and a good fraction in Houlder and Prince Line. Among Miscellaneous industrials, Bradford Dyers, Cements, and Gamage were better, but Lipton's fell back a little in spite of the wonderfully excellent results shown in the report.

Oil shares received a great deal more attention than has been the case for a long time past, owing, doubtless, to the fact that the "Shell" bonus has directed attention to the possibilities of the market. Even some of the most speculative Russian and Rumanian concerns, whose future is extremely vague, have been picked up by bargain hunters who are prepared to wait for future developments. Rubber shares have been persistently weak, and prices have given way very severely, although at the close the tone was just a shade better. At the same time, the market has lost all confidence, and whereas recently buyers were scrambling to pick up what they regarded as bargains, now there are many people who would be only too glad to sell their holdings at the price they paid for them.

### LONDON PRODUCE MARKETS.

**SUGAR.**—Allocations were again chiefly of home refined goods, while following are official revised prices. Lyle's granulated, No. 3 crystals, whites, "K" quality, also yellow crystals, 57s. 9d. Tate's cubes, caster icing, and pulverised, 64s. 9d.; crushed

### CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING JUNE 7, 1918

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 25 8. 98 % polarisation	£ s. d.	£ s. d.	<b>Wool</b> —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	3 4 9	3 4 9	Australian	nom.	nom.
Crushed ..	3 4 9	2 17 9	Scoured Merino	nom.	nom.
Granulated ..	2 7 9	2 17 9	Scoured Cr'sabr'd	nom.	nom.
Lyle's granulated	2 17 9	2 17 9	Greasy Merino	nom.	nom.
Foreign granulated	nom.	nom.	Greasy Crossbred	nom.	nom.
first marks	nom.	nom.	New Zealand	nom.	nom.
f.o.b., spot	nom.	nom.	(scoured) Merino	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Greasy Crossbred	nom.	nom.
French Cubes	nom.	nom.	Cape snow white	nom.	nom.
prompt	nom.	nom.	<b>Indiarubber</b> p. 11		
Crystallised, West	2 17 9	2 17 9	Plantation, Spot	0 2 2	0 2 1½
India ..	nom.	nom.	Crepe ..		
Beet, 88% f.o.b.	nom.	nom.	<b>Coal</b> —per ton	nom.	nom.
<b>Tea</b> —per lb., duty	s. d. s. d.	s. d.	Durham, best	nom.	nom.
1/- lb.			Seconds ..	nom.	nom.
Indian Pekoe ..	1 4	1 4	East Hartlepool	nom.	nom.
Broken ..	1 4	1 4	Seconds ..	nom.	nom.
Orange ..	1 4	1 4	Steam's best	32 6	32 6
Broken ..	1 4	1 4	Seconds ..	29 6	28 6
Pekoe Souchong	1 4	1 4	<b>Lead</b> —per ton	£ s. d.	£ s. d.
Ceylon Pekoe ..	1 4	1 4	English Pig.	nom.	nom.
Broken ..	1 4	1 4	Foreign soft, net	£29½-£28½	£29½-£28½
Orange ..	1 4	1 4	<b>Quicksilver</b> —p		
Broken ..	1 4	1 4	bottle firsthand	nom.	nom.
Pekoe Souchong	1 4	1 4	<b>Tin</b> —per ton		
<b>Cocoa</b> —per cwt., duty 6d. per lb.	s. d. s. d.	s. d.	English Ingots	nom.	£334
Trinidad—per cwt.	86 0 90 0	86 0 90 0	No. bars	nom.	£335
Grenada ..	79 0 85 0	79 0 85 0	Standard cash	£350	£351
West Africa ..	55 0 65 0	55 0 65 0	Tin Plates, per bo	nom.	nom.
Ceylon Plantation	85 0 0 0	5 0 0 0	<b>Copper</b> —per ton		
Guayaquil ..	up to 90 0	up to 90 0	English, Tong	nom.	nom.
<b>Coffee</b> —per cwt., duty 42/- per cwt.			per ton ..	nom.	nom.
East India ..	110-0 135-0	110-0 135-0	Best Selected	£119-£123	£119-£123
Jamaica ..	8-0 160-0	8-0 160-0	Sheets ..	£149	£149
Costa Rica ..	110-0 137-0	110-0 137-0	Standard ..	£110-110½	£110-110½
<b>Provisions</b>			<b>Jute</b> —per ton		
Butter, per cwt.			Native firsts for	nom.	nom.
Australian finest	252/-	252/-	shipment	nom.	nom.
Argentine ..	252/-	252/-	<b>Oils</b> —		
Irish Creameries	nom.	nom.	Linseed per ton.	nom.	nom.
Dutch do ..	nom.	nom.	Rape, crude ..	£66	£66
Russian finest ..	nom.	nom.	Cotton Seed Oil ..	£60	£60
Paris baskets ..	nom.	nom.	Petroleum Oil, p	1/10½	1/10½
Danish finest ..	nom.	nom.	8 lbs.	1/10½	1/10½
Brittany rolls ..	nom.	nom.	Water White	1/11½	1/11½
doz. lb. ..	nom.	nom.	Oil Seeds, Linse		
<b>Bacon</b> —per cwt.			Calcutta—per ton		
Irish ..	188/-	188/-	Spt By agr'e-	ment.	£37 10
Continental ..	172/-	172/-	<b>Rape</b> .. ..	£29-10£30	£29-10£30
Canadian ..	169/- 72/-	169/- 72/-	<b>Iron</b> —per ton		
American ..	169/- 180/-	169/- 180/-	Cleveland Cash	nom.	nom.
<b>Hams</b> —per cwt.			<b>Tobacco</b> —du		
Irish ..	nom.	nom.	manufacture		
Canadian ..	162/- 165/-	162/- 165/-	8½-10½ per lb.	1 6-2 6	1 6-2 6
American ..	125/- 165/-	125/- 165/-	Virginia ..	1 0-1 6	1 0-1 6
<b>Cheese</b> —per cwt.			Kentucky leaf	nom.	nom.
Dutch ..	nom.	nom.	Latakia ..	6 6 6	6 6 6
Canadian ..	102/8-149/4	102/8-149/4	Havana ..	2/ upds	2/ upds.
English Cheddar	nom.	nom.	<b>Cigars</b> , duty 15 7		
Wilt's loaf ..	nom.	nom.	per lb. ..		
New Zealand ..	nom.	nom.	<b>Timber</b> —Wood.		
<b>Rice</b> —per cwt.			Pitch pine ..	300/- 400/-	300/- 400/-
Japan ..	41 3	41 3	10-dial 1000	380/- 700/-	380/- 700/-
Rangoon 2 stars ..	26 3	26 3	<b>Turpentine</b> —		
<b>Eggs</b> —per 120.			American Spot ..	118/-	118/-
English ..	40 0-41 0	39 0-41 0	<b>Copra</b> —per ton		
Irish ..	37 6-38 0	38 0-39 0	Malabar ..	46 0 0	46 0 0
Danish ..	nom.	nom.	Ceylon ..	46 0 0	46 0 0
<b>Spelter</b> —			F.M.S. Singapore	45 10 0	45 10 0
G.O.B. as to posi-			F.M. Straits ..	45 10 0	45 10 0
tion ..	£54 £50	£54 £50			
<b>Flour</b> —per sack.					
Country Straight					
Runs ex Mill ..	44/3	44/3			

granulated and white pieces, 57s. 9d.; pieces other than white, 55s. 6d. per cwt.

**COFFEE.**—Futures remain in the same dull state, and quotations quite nominal. Spot parcels, however, were in good request, and fully steady prices were secured at auctions, which were chiefly made up of Nairobi and Uganda. Nairobi, good middling, sold at 120s.; fair to fine bold, 109s. to 134s. 6d.; peas, 88s. 6d. to 101s. 6d. Uganda, bold common to fair palish, 90s. to 103s. 6d. Costa Rica, greyish, 132s. 6d. Some St. Paulo and Santos were also sold, quay terms.

**COCOA.**—Only retail sales occurred at graded prices, owing to restricted offerings.

**RICE** continues in good request, also beans.

**SPICE.**—Cloves quiet at 2s. 5d. for fair Zanzibar on spot. Pepper firmer, with sustained inquiries. Fair black Singapore, spot, quoted, 1s. 6d.; Tellicherry, sold, 1s. 6½d.; Aleppy, value, 1s. 6d.; white Singapore, spot, quoted, 2s. 8½d., with Muntok sold at 2s. 8d. to 2s. 8½d. Pimento, spot, sold, 5½d. Tapioca steady. Fair flake, spot, sellers, 8d. Penang seed pearl, 80s.; and fair medium, 75s. Broken cassia, spot, steady at 82s. 6d.

**SHELLAC.**—Only limited sales in spot parcels on the basis of 340s. to 345s., fair T.N.

**RUBBER** market dull, and prices moved in buyers' favour, though subsequently a steadier tone set in. Plantation crepe, spot and June, sold, 2s. 1½d. to 2s. 1d. and 2s. 2½d.; July, 2s. 2½d. to 2s. 1½d. and 2s. 2½d.; July-December, 2s. 3½d. to 2s. 2½d. and 2s. 3½d.; October-December, 2s. 3½d. to 2s. 3d. and 2s. 4½d. Ribbed smoked sheet, spot and June, 2s. 0½d. to 2s. and 2s. 1d.; July-December, 2s. 2½d. to 2s. 1½d. and 2s. 2½d. Fine hard Para, also soft fine, sellers, 3s. 1d. per lb.

**CORN** (Mark Lane).—Business moved quietly during the week, though prices ruled steady for all cereals. Native wheat quoted at 77s. 9d. per 504 lbs. Of imported grades, No. 1 Northern Manitoba held for 82s. 4½d.; No. 2 ditto, also hard winter, 80s. 9d.; Australian, 85s. 6d.; Indian, 87s. to 88s.; and La Plata, 82s. 6d. per 496 lbs., all landed. Flour: G.R. quoted 44s. 3d. per sack, ex mill, while imported makes range from 50s. 3d. to 51s. 3d. per 280 lbs., ex warehouse. Maize sparingly offered. American mixed, ex ship, 79s. 6d. to 79s. 9d.; and landed, 81s. 3d. Barley largely nominal. English milling, 62s. 9d. to 63s. 9d. per 448 lbs. Oats firm and scarce. English, 48s. 6d. per 336 lbs.; American white clipped, 61s. 6d. to 62s. 6d.; and Canadian Western No. 2, 63s. 6d. per 320 lbs., both quay terms.

**COTTON** (from our Manchester correspondent).—The market during the past week has been very firm, and prices have again tended to harden. Without business being of large dimensions a fairly healthy undercurrent of demand has been experienced, and numerous sellers have had the opportunity of booking more orders than they care to entertain at the present time. The excellent advices relating to the American cotton crop are being maintained, and the official Government report of 82.3 per cent., against 69.5 per cent. 12 months ago, is rather better than expected. There is nothing to complain about as to the news relating to the Egyptian growth. The Trade Union officials have got the Cotton Control Board to postpone the abolition of the rota system of "playing off" workpeople under the restriction of output scheme. Without there being any general flow of business in piece goods for our outlets abroad, a fair turnover has transpired in small lots. India has given a little more support in grey shirtings, and trade has again been done in light fabrics for Bombay. It is too early for anything definite to be said as to the Monsoon this season, but the progress of the rains is being watched very closely. News from China remains discouraging, and that part of the world is undoubtedly in a very disturbed state. Further operations of an encouraging extent have transpired for certain minor outlets of the Far East, such as Java, Singapore, and the Straits Settlements. Moderate lots have changed hands for South America in printing and bleaching cloths. Plenty of activity continues to show itself in home trade circles. It has been quite impossible to purchase American yarns in lots of quantity as supplies are not available. The scramble for stock lots continues very acute. Prices have continued to advance. It is being suggested that the time is not far distant when looms will have to stop as a result of the shortage of twist and weft. An encouraging turnover has transpired in Egyptian yarns in qualities suitable for Government cloths.

A return has been extracted from the Government setting forth the amount of paper consumed in the departments since the war began, and the figures incline the mind of the oppressed newspaper owner to thoughts of some bitterness. In the year 1914-15, that is to say the Government financial year ending on March 31, the consumption of paper in the Government departments was 19,700 tons. In the succeeding year it jumped to 31,000 tons, and in 1916-17 to 41,500 tons, while last year it was 55,000 tons. There is no call here to indulge in rhetoric, but some idea of how the paper flies may be got from a brief letter in Wednesday's *Times*. The writer of it says that he has two accounts of War Loan stock at the Bank of England marked "A" and "B" respectively, his last purchase being on March 4 last. In virtue of this position he received on June 1 eight separate dividend warrants, eight letters inciting him to reinvest the dividends, each letter having a note on it, "The need for saving of paper explains the small size of this letter," and eight separate envelopes. This looks like superfluity of zeal conducing to waste, and it is much the same in all the Government departments; but what else is there to expect when they swarm with people untrained to business and for whom it is impossible to find employment?

## PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1918, and June 1, 1918:—

	Estimate for the Year 1918-1919.	Total Receipts into the Exchequer from April 1, 1918, to June 1, 1918.	Total Receipts into the Exchequer from April 1, 1917, to June 2, 1917.
Balances in Exchequer on April 1—Bank of England ..	£ —	£ 19,361,578	£ 25,209,947
Bank of Ireland ..	—	1,668,452	1,225,912
		21,030,030	26,435,859
<b>REVENUE.</b>			
Customs .....	—	14,531,000	12,181,000
Excise .....	—	7,267,000	7,374,000
Estate, &c., Duties .....	—	4,993,000	5,657,000
Stamps .....	—	1,283,000	1,028,000
Land Tax .....	—	265,000	290,000
House Duty .....	—	—	—
Property and Income Tax and Super Tax .....	—	22,421,000	19,609,000
Excess Profits Duties, &c. ....	—	42,131,000	28,185,000
Land Value Duties .....	—	86,000	111,000
Post Office .....	—	4,600,000	4,500,000
Crown Lands .....	—	110,000	90,000
Receipts from Sundry Loans, &c. ....	—	895	9,453
Miscellaneous .....	—	2,791,616	796,086
Revenue .....	—	100,479,511	79,830,539
<b>Total .....</b>	—	<b>121,509,541</b>	<b>106,266,398</b>
<b>OTHER RECEIPTS.</b>			
Repayment of Advances for Bullion .....	—	950,000	510,000
For Treasury Bills (for supply) .....	—	710,212,000	312,736,000
For 5 per Cent. Exchequer Bonds, 1922 .....	—	—	37,825,000
For 3 per Cent. Exchequer Bonds, 1930 .....	—	799,500	—
For War Savings Certificates .....	—	15,300,000	6,900,000
For other Debt (War Loan Acts, 1914-1917) ..	—	111,523,322	87,264,767
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .....	—	—	127,250,000
For National War Bonds .....	—	*128,613,000	—
Temporary Advances—Ways and Means .....	—	148,028,440	144,105,000
<b>Total .....</b>	—	<b>1,236,935,803</b>	<b>816,857,165</b>

\*Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1918-19.	Total Issues out of the Exchequer to meet payments from April 1, 1918, to June 1, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1917, to June 2, 1917.
<b>EXPENDITURE.</b>	£	£	£
Permanent Charge of Debt ..	—	3,278,855	3,433,784
Interest, &c., on War Debt ..	—	59,412,520	41,387,599
Payments to Local Taxation Accounts, &c. ....	—	450,380	450,380
Other Consolidated Fund Services .....	—	261,415	251,123
Supply Services .....	—	439,378,900	424,235,300
<b>Expenditure .....</b>	—	<b>502,782,070</b>	<b>469,758,186</b>
<b>OTHER ISSUES.</b>			
For Advances for Bullion .....	—	1,300,000	680,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	84,909	84,909
Under Telegraph (Money) Act, 1913 .....	—	15,000	20,000
Under Post Office (London) Railway Act, 1913 .....	—	12,000	—
Under Housing Act, 1914 .....	—	106,300	175,400
For Treasury Bills for Supply .....	—	1677,547,000	206,937,000
For War Loans, Exchequer Bonds, &c., under Section 34 of Finance Act, 1917 .....	—	7,741,909	56,210
For War Expenditure Certificates under War Loan Act, 1916 .....	—	128,600	—
For other Debt under the War Loan Acts, 1914 to 1917 .....	—	9,497,837	—
For Depreciation Fund under the Finance Act, 1917 .....	—	4,160,022	—
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	20,000	—
Temporary Advances repaid—Ways and Means .....	—	23,000,000	122,500,000
		1,226,295,647	800,211,705
<b>Balances in Exchequer—</b>	1918. June 1.	1917. June 2.	
Bank of England .....	10,049,761	15,561,280	
Bank of Ireland .....	590,395	1,081,180	
<b>Total .....</b>		<b>1,236,935,803</b>	<b>816,857,165</b>

MEMO.—Treasury Bills outstanding on June 1, 1918. .... \*£1,005,587,000.

\* Includes £340,000, the proceeds of which were not carried to the Exchequer within the period of the account, besides a part (not yet ascertained and brought to account) of the Bills tendered as subscriptions to National War Bonds.

† Includes part payment of Bills and Certificates tendered as subscriptions to National War Bonds.

## The Week in Mines.

The German push has caused the Mining markets to behave cautiously this week, and with business consequently on a small scale, prices have shown a tendency to decline. On the whole, however, the effect has been very slight, and the tone improved towards the end of the week. Broken Hill shares have been moderately active and strong, and Mexican shares have been prominently firm.

## SOUTH AND WEST AFRICANS.

In the South African market East Rand has been sold on the chairman's statement at the meeting, and are 1s. lower at 3s., but the debentures have been inquired for up to 57½. New Kleinfonteins have been on offer on the quarterly report showing

a fall in the grade of ore developed, and are 2s. lower at 15s. On the other hand, New Modders at 23, Modder Deeps at 7½, Gold Fields at 32s. 3d., Brakpans at 4 23-32, and Van Kyn Deeps at 3½, are fractionally higher on the week. Lively scenes have marked the annual meetings at Johannesburg of some of the companies. At the Knight Central meeting a resolution was carried in favour of immediate liquidation, it being claimed that the assets were worth 8s. per share against a market value of 3s. The chairman promises an early report on the situation. At the Springs Mines meeting the board was charged with not obtaining a sufficient *quid pro quo* for the facilities to be offered to the Springs West Co., and a resolution was passed by 53 to 37 in favour of a cash dividend instead of the proposed Springs West scrip. A poll is being taken on this issue. As a result of the criticisms made at the meeting of the Wit Deep the opposition has obtained a couple of seats on the board. Among Rhodesian shares provincial investors have bought Chartered at over 15s., and Tanganyikas at 3 5-32, and Lonely Reefs at 34s. 9d. have met with support. The news that the Eileen Alannah mine is to be temporarily closed down owing partly to a machinery breakdown, is a reminder of the inevitable tendency of the rise in working costs. In the diamond group De Beers deferreds and preferreds have fallen ¼ to 12½, and Premier deferreds ¼ to 6½.

## COPPER AND MISCELLANEOUS.

Copper shares have been inclined to weaken. Mount Elliotts have fallen ¼ to 3¼ on news of a strike of workmen, Rio Tintos, however, have risen ½ to 66½. Broken Hill shares have been in good request, and with shares in rather short supply prices have risen appreciably. This has been the case particularly with Zinc Corporation issues; the ordinary has risen 2s. to 27s., and the preference about 5s. to 63s. It is now learned that the terms of the Imperial zinc contract, while giving the companies substantial benefits, will not enable them to make unduly large profits. Tin shares have been in some request, but price movements are unimportant. Mongus have risen to 16s. 6d. on the report, and Ropps at 24s. were favourably affected by the big increase in dividend.

Mexican shares have attracted attention on news that the Camp Bird has struck what appears to be the main vein at about 11,000 feet from the portal of the tunnel which was started in 1916. The ordinary has risen 1s. 6d. to 9s. 6d., and the preference 6d. to 14s. Santa Gertrudis at 14s. and Mexico of El Oro at 5½ are better.

## MINING NEWS.

**ZINC CORPORATION.**—The report for the year 1917 shows a further increase in profits, the total being £225,154, against £212,478. It is proposed to pay a final participating dividend of 2s. 6d. per share on both classes of shares, making 4s. on the ordinary and 8s. on the preference, or 6d. more than for 1916. Reserve account for redemption of wasting assets is credited with £15,000, and the carry forward is reduced from £25,970 to £7,220. As a result of the year's development programme, and after treating 134,618 tons of ore from the mine, the ore reserves at the close of the year showed an increase of 176,369 tons, and, exclusive of the zinc grade, were estimated at 1,887,000 tons, having an average grade of 14.3 per cent. lead, 2.6 ozs. silver, and 9.2 per cent. zinc. Tailings remaining in the dumps at December 31 were estimated at 951,350 tons. Owing to the lack of shipping, the Zinc Producers' Association were unable to dispose of more than a small quantity of zinc concentrates, and the bulk of that produced had, therefore, to be stacked at the mine. The proceedings in the claim against Messrs. Aron Hirsch and Sohn have now been finally decided in favour of the company in the courts in England and Australia.

**PRINCESS ESTATE.**—The accounts for 1917 show a profit of £11,850, and £25,495 is carried forward, against £9,174. The profit for 1916 was £7,008. No dividend has been paid since 1911. The tonnage milled was 261,600 tons, or 15,300 tons less than in 1916; the yield was 7d. higher at 25s. 6d., but as costs rose to the same extent, the profit ratio was the same as in 1916, namely, 6½d. per ton. Revenue totalled £334,373, against £345,025, and the total profit was £765 larger at £11,850. Reserves of ore have been increased by 27,000 tons to 503,000 tons, valued at 7.1 dwts.

**NEW KLEINFONTEIN.**—During 1917 the tonnage milled by this concern increased by 54,270 tons to 785,000 tons, which yielded £1,013,299, against £913,472. The yield per ton was 25s. 9d., against 24s. 11d.; working costs averaged 20s. 3d., against 19s. 5d., and the rate of profit was thus 5s. 6d., the same as for 1916. The working profit was £216,289, an increase of £13,350. A dividend of 5 per cent. was again paid during the year, but the carry forward is raised from £9,150 to £115,548, after writing off £26,332 in respect of shaft-sinking and £5,808 in respect of machinery, plant, &c. Owing to lack of labour, the plant was operated at only about 75 per cent. of its capacity. Reserves of ore have decreased from 2,943,994 tons to 2,214,000 tons, valued at 5.64 dwts. per ton, against 5.37 dwts. Development in the old Kleinfontein section should be entirely completed some time during 1920, and the supply of ore for reduction purposes from this section will gradually decrease until that year, when from 40 to 50 thousand tons per month will be available from this section, gradually becoming less in further periods. The general future of the mine will, therefore, depend upon the value of development in the Apex

section of the mine. The latest quarterly report rather points to a decrease in the ratio of payable ore now being developed.

**UTAH COPPER.**—The gross production of copper in 1917 was 204,855,118 lbs., against 196,752,631 lbs. in 1916. In addition, 51,112 ozs. of gold were obtained, and 498,820 ozs. of silver. The nett cost of production was 10.99 cents per lb., as against 6.95 cents. There was set up as a reserve for taxes \$5,015,000, which will more than meet the actual taxation, which was \$4,381,205. Nett operating income was \$23,910,777, and the total income applicable to dividends was \$28,695,495, or \$17.66 per share, against \$39,738,675, or \$24.46 per share in 1916. Quarterly dividends amounting to \$14 a share were paid, besides a Red Cross dividend of 50 cents per share, absorbing altogether \$23,555,105. The usual depreciation of plant, 5 per cent. of the total cost, was included in operating costs. The surplus remaining from operations was \$5,140,390, against \$19,655,063.

**BRITISH BROKEN HILL.**—The report for the half-year ended December 31 shows that the nett profit amounted to £93,678, against £40,553 in the previous six months. After deducting taxes, there remains £54,523. It is proposed to pay a final dividend of 2s. per share, tax free, making 3s. per share, against 1s. per share for the preceding half-year. On account of the current half-year a dividend of 2s. per share, tax free, is to be paid on July 2. There were produced during the half-year ended December 31 11,439 tons of lead concentrates and 9,530 tons of zinc concentrates. Costs averaged 32s. 2½d. per ton. Ore developed since the last estimate was made has slightly exceeded that extracted. At the close of 1917 the reserves stood at 1,054,100 tons, valued at 6.9 ozs. silver, 13.3 per cent. lead and 11.5 per cent. zinc, which compared with 1,053,250 tons at June 30, 1916.

**WAIHI GRAND JUNCTION.**—In 1917, 116,130 tons of ore were treated for a yield of £220,090, against 125,780 tons, which produced £222,736 in 1916. Sundry receipts amounted to £8,096, and the nett revenue from gold was £211,944, making a total of £220,040. After deducting £13,321 for depreciation, the profit comes out at £72,901, against £49,796. It is proposed to pay a final dividend of 5 per cent., free of tax, making 10 per cent. for the year, the same as for 1916, leaving £36,479, against £20,016, to be carried forward. The yield per ton of ore was 1s. 5d. higher at 39s. 9d. Reserves of ore show a decrease of 26,100 tons at 131,600 tons.

**LONELY REEF.**—The report for 1917 makes very satisfactory reading. Tonnage crushed was slightly less, but the grade of ore milled was considerably higher. There were crushed 57,870 tons, against 59,240 tons in 1916, but the yield was 75s. 6d. per ton, an increase of 16s. 8d. Costs rose from 36s. 7d. to 40s. 5d., and the total profit was £106,142, against £68,187. Shareholders have already received 25 per cent., less tax, against 20 per cent. for 1916, but a bonus of 5 per cent. is now declared, making 30 per cent. This bonus will be paid with the interim in August. After writing £17,335 off for depreciation, &c., there remains £24,355, against £16,573. Reserves of ore stand at 145,616 tons, against 145,300 tons, but the value is 1.37 dwts. lower at 18.6d. dwts. per ton. Two new levels, Nos. 18 and 19, have now been opened up.

## Tea, Oil and Rubber.

We are dealing more fully elsewhere with the rubber outlook, and need not go over the same ground here. This is the kind of stuff we get from the alleged experts:—"The pessimistic feeling noticeable last week appears to be wearing off, and the public are taking more interest in the market. Among those interested in the industry and in the share market a confidence as to the future is noticeable. . . . The buying of shares lately, although not on a large scale, has come from good quarters, and the improvement in the price of the commodity has to some extent stimulated business." Except to close observers it would be difficult to gather from this statement that quotations have been almost consistently on the down grade, although they close rather above the worst, or that the same people who were preaching rubber up to double the present price are gloriously elated because it has risen from 2s. 1¼d. to 2s. 2¼d.! Wonderful, is it not? And last week, while just under 400 tons were landed, nearly 750 tons were delivered. Hooray, hooray, consumption is almost double arrivals! H'm, stocks are 15,350 tons, against 9,130 tons a year ago, when they were not regarded as at a famine level.

**NORDANAL (JOHORE) RUBBER ESTATES, LTD.**—Year to December 31. Capital £280,000 in £1 shares. Reserve £35,000. Output 639,550 lbs., increase 33,000 lbs.; average price 2s. 5.85d., against 2s. 4.55d.; all-in cost 1.3.55d., against 1s. 1.79d.; nett profit £40,050, an increase of £600; but the dividend is reduced from 13 per cent. to 11 per cent., and the carry forward is increased by £9,000 to £14,300. For the current year the crop will be limited to 512,000 lbs. The cultivated area is 2,485 acres, of which 360 acres were planted in 1914 and the rest between 1904 and 1913. There are 1,760 acres in reserve, and output can be largely increased whenever it is considered desirable to do so.

**DJASINGA RUBBER AND PRODUCE CO., LTD.**—Year to June 30. Capital £360,000 in £1 shares. Total area of the estate, 41,350 acres, of which 6,538 acres are planted with rubber and tea. Output of rubber, 439,800 lbs., increase, 200,000 lbs.; average price, 2s. 9.27d., against 2s. 9.55d.; all-in cost, 1s. 6.57d., against 1s. 7.39d. Output of tea, 361,000 lbs., increase, 205,000 lbs.; average price, 7.23d., against 10.54d.; f.o.b. cost, 9.71d., against 1s. 6.74d., all-in. Nett profit, £22,690, increase £10,650, and with £3,150 brought in there is a total of £25,840, which it is proposed to carry forward subject to Ned. Indies-war and other taxes. A year ago a dividend of 3 per cent. was paid. There has been unavoidable delay in realising the company's produce owing to freight scarcity and other war conditions, but the estate should ultimately prove a fine one.

**UNITED SUMATRA RUBBER ESTATES, LTD.**—Year to December 31. Capital £110,000 in 2s. shares. Reserves £83,400. Output 997,100 lbs., an increase of 156,000 lbs.; average price 2s. 4½d., against 2s. 7.62d.; all-in cost 1s. 2d., against 1s. 0.73d. Copra yielded 6,860 piculs, an increase of 2,700 piculs, but the amount realised was only £6,150 out of a total revenue of £114,800. Estimate for the current year, 8,000 piculs. Nett profit £62,600, a decrease of £6,200, and after placing £6,000, or £1,000 more, to reserve, the dividend is reduced from 10d. to 7d. per share, leaving £3,000 more at £33,800 to be carried forward, subject to excess duty. This impost, adjusted to the end of 1916, amounted to £20,950. For the current year the rubber crop is estimated at 1,138,000 lbs., but this will be considerably reduced owing to the shortage of freight.

## DIVIDENDS ANNOUNCED.

**Assam Railways and Trading Co.**—On "A" stock 4 per cent. for half-year ended December 31, the same.

**Angela Nitrate Co.**—Final 15 per cent., less tax, making total of 25 per cent. for year, against 21½ per cent. for 1916.

**Brazilian Traction, Light and Power Co.**—Quarterly 1½ per cent. on preference shares, payable on July 1.

**Broken Hill South Silver Mining Co.**—6s. per share, payable June 28, same as a year ago.

**Bentley's Yorkshire Breweries.**—Interim at rate of 5 per cent. on ordinary. No interim was paid a year ago, but full dividend for year was 9 per cent.

**British South African Explosives Co.**—Past year 11 per cent. (subject to deduction of 1s. in pound for South African tax and 2s. 6d. in pound for British income-tax), same as for previous year.

**Brunner, Mond and Co.**—Ordinary for half-year ended March 31 of 6 per cent., less tax, making 11 per cent. on new capital for year; £250,000 is placed to reserve; forward £119,000. Since interim was paid shareholders have had three shares added to every two held.

**Carreras, Ltd.**—Interim on ordinary shares at rate of 8 per cent. per annum for half-year ended April 30, payable on June 19.

**Canadian Car and Foundry.**—3½ per cent. on account of arrears of preference dividends, payable July 15 next.

**Canadian General Electric Co.**—Quarterly 2 per cent. for three months to June 30, being at rate of 8 per cent. per annum, on common stock, payable on July 1, same as a year ago.

**Dundee Coal Co.**—10 per cent.

**Ebbw Vale Steel and Iron and Coal.**—15 per cent. on ordinary shares for year ended March 31 last, same as for previous year.

**East Indian Railway Co.**—£1 7s. per cent on deferred annuity capital and deferred annuity capital Class D, for company's share of surplus profits for half-year ended March 31, in addition to guaranteed interest of £2 per cent. for half-year ending July 31, 1918. Total return for 12 months ended March 31 £6 16s. per cent., against £6 14s. per cent. for previous year.

**Great Indian Peninsula Railway Co.**—35s. out of surplus profit for year ended March 31, to be paid in addition to guaranteed interest, making a total of £3 5s. for half-year, less tax.

**Godfrey Phillips, Ltd.**—Final of 2½ per cent. on ordinary shares for 1917, making 12½ per cent. for year; forward £79,146, subject to excess profits duty.

**Galaha Ceylon Tea Estates and Agency Co.**—On preference shares for half-year ending June 30, at rate of 6 per cent., will be paid on July 1, less tax at 5s. 6d. in the £.

**Irvine's Shipbuilding and Dry Docks Co.**—Interim at rate of 8 per cent. per annum for half-year ending June 30 on preference shares.

**Lungla (Sylhet) Tea Co.**—Final preference 3 per cent., less tax, for 1917, to be paid on July 1.

**Lahat Mines.**—Final 2½ per cent. (less tax) for 1917, and an interim of 7½ per cent. (less tax) for current year's profits, both

to be paid on June 20; income-tax at rate of 5s. in the pound will be deducted.

Molsons Bank, Montreal.—2½ per cent., being at rate of 11 per cent. per annum, for current quarter, payable by the London County Westminster and Parr's Bank, 41, Lothbury, E.C., on July 2, same as a year ago.

Mining Corporation of Canada. Dividend and bonus amounting to 18½ cents per share (less tax) for three months ending June 30.

Merchants' Marine Insurance Co.—Interim 2s. 6d. per share, free of tax, for half year ending June 30; dividend is payable on July 1.

Manchester Dry Docks.—Interim 10s. per share, free of tax.

Mexico Mines of El Oro.—(No. 28) of 4s. per share, payable free of tax, on June 27, same as a year ago.

Nippon Yusen Kaisha.—50 per cent. for six months ended March 31, same as for previous half-year.

Newcastle Breweries.—Interim 2½ per cent. on ordinary shares for half-year ended April 30, to be paid on July 1, same as a year ago.

Ropp Tin.—At rate of 75 per cent. (3s. a share), less tax. For 1916 25 per cent.

Sun Life Assurance Society.—Half-year's dividend at rate of 3s. 9d. per share, payable on July 1, free of tax, same as a year ago.

Trust and Loan Company of Canada.—At rate of 15 per cent. per annum for half-year ended March 31. For year to March 31, 1917, 10 per cent.

Tandjong Rubber Co.—Interim of 5 per cent. (actual) for year ending June 30, 1918, payable on June 25. Tax will be deducted at rate of 5s. 3d. in the £.

Trust Union.—On ordinary shares at rate of 7 per cent. per annum for half-year to May 15, making 6 per cent. for year, against 5 per cent.

United River Plate Telephone Co.—Final 5 per cent. on ordinary share capital, making 8 per cent. for 1917, free of tax, same as for 1916; forward, £17,307, against £6,990.

United Tobacco Companies.—Interim 5 per cent., free of British income-tax, payable on June 29.

Western Telegraph Co.—Third quarterly interim, 3s. per share, free of tax, for year ending June 30, being at rate of 46 per cent. per annum, same as a year ago

### When the War Will End?

Absolute knowledge I have none  
But my aunt says her woman's sister's son  
Heard a policeman on his beat  
Say to a labourer in the street  
That he had a letter just last week  
Written in the finest Greek  
From a Chinese coolie in Timbuctoo  
Who said the negroes in Cuba knew  
Of a coloured man in a Texas Town  
Who got it straight from a circus clown  
That a man in Klondike heard the news  
From a gang of South American Jews  
About somebody in Borneo  
Who heard a man who claimed to know  
Of a swell society female fake  
Whose mother-in-law will undertake  
To prove that her seventh husband's niece  
Had stated in a printed piece  
That she has a son who has a friend  
Who knows when the war is going to end.

—From the *North China Herald*.

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### The Unteachable Beast.

It is amusing to note the temper of mind which still dominates in Germany—or, at any rate, which is permitted to manifest itself there as "public opinion"—and a few scattered expressions of views and bounderisms may be worth chronicling. The egregious Herr Dernburg, for instance, who came into prominence soon after the war began as a suborner and Prussian spy in the United States, has been delivering himself about his particular idea of a "league of nations" to be constituted after the war—of course, with Germany atop. He quite supports it, and being a Jew has intelligence enough to comprehend some of its purposes, but he gives it as his opinion that the coming peace must include as one of its most important points "the reopening and permanent keeping open of the market and raw material areas for the Central Powers, who also for many years past have shown an overseas bias—in a word, the freedom of the seas must be secured." And does the man imagine the Prussians to be securing that freedom by endeavouring to destroy their neighbours and by, in the process, sacrificing their own manhood by the million, filling the world with loathing the while? Apparently he thinks that the destruction of shipping by the submarine piracy will secure liberty for the Central Powers to trade as before when the war is over. Yet he must know better, being a Jew. During last year he boasts that in ships and cargoes alone the Central Powers destroyed the equivalent of over £1,000,000,000 of property, and he asserts that the scarcity of shipping will not be made good "even by the re-entry of the British and German mercantile marines" as ocean carriers. What does the man mean by "re-entry"? The British mercantile marine has never been out of the seas; it is supreme there still in spite of the hideous crimes of the German submarine. And as for the German one, the seamen of the world, in their chivalry and comradeship, will, he may rest assured, see to it that it does not get back to roam the ocean and compete with the rest of the world.

From another point of view we have the vapourings of Admiral von Tirpitz, who declares that Germany still lives, and although he disclaims the desire to "dominate the world"—which seems to indicate that some glimmer of sense may have entered his head—he roundly insists that Belgium must remain German, and treats Great Britain as the bugbear enemy all in the usual fashion of the demented and the false seeming patriot, and man of blood and iron. The Deputy of Elberfeld, too, Herr Bacmeister, in the same arrogant strain, asserts that if England remains equal to Germany in power, England's merchant submarine might become a weapon against the naval submarine, and Germany would then be robbed in the event of a future quarrel of "her last means of picking England's backbone." The raving creature is unable to conceive any human relationship except that of the robber and the robbed. It is war, war always with such. Another Deputy hailing from Dortmund declared that he was pleased to think that "the Lichnowskis were no longer in the first line of German diplomacy," and that the danger threatening the German people "would be overcome only when the hand of peace held out by England had been rejected." And that "Germans should only make peace with England when it suits them," the bold rostrum buccaneer. So it goes on—a babel of mad ravings as of creatures in the strait-waistcoat cell of a madhouse. And away at the front mankind is consumed in the most abominable war that ever afflicted nations. And Germany, Prussia hounded, labours with all its remaining strength to obliterate itself for ever from among the ranks of civilised nations. What is to be done with these people when their murderous furies have consumed them? They must be left to the vengeance of Heaven.

### COMPANY RESULTS IN BRIEF.

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re-serves.	Divi-dend.	Carried For-ward.
	£	£	£	%	£
Aberdeen Steam Trawling and Fishing....(Apr.)	—	29,070	35,000	20	7,320
Do. ....(Prev.)	—	29,000	30,000	20	7,420
Fortuna Nitrate Co. (Dec.)	11,520	9,920	120,000	—	3,880
Do. ....(Prev.)	67,980	45,320	120,000	10	13,810
John Rowell & Son. (Mar.)	82,740	19,040	74,540	15	7,940
Do. ....(Prev.)	45,050	14,410	67,640	10	7,870
Metropolitan Assn... (Mar.)	27,290	7,260	750	5	110
Do. ....(Prev.)	27,000	7,260	750	5	50
Newport - Abercarn Black Vein Steam Coal Co. (Mar.)	—	36,770	53,500	20	60,490
Do. ....(Prev.)	—	60,330	53,500	20	49,590
Oldfields ....(Jan.)	—	1,660	—	6	—
Do. ....(Prev.)	—	990	—	3	—
Singleton and Cole..(Jan.)	15,460	14,710	9,000	10	3,450
Do. ....(Prev.)	15,720	14,950	7,500	11	2,230
The Riverside Orange Co. (Sept.)	65,720	10,820	—	—	—
Do. ....(Prev.)	64,810	9,480	—	—	—
Thos. Brown & Sons. (Jan.)	—	44,180	114,300	5	—
Do. ....(Prev.)	—	45,340	95,200	5	—
Wm. McIlroy.....(Feb.)	—	31,270	25,920	—	32,960
Do. ....(Prev.)	—	15,167	20,000	—	18,410

\* Loss.

## Answers to Correspondents.

"A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.

Deposits against future queries may be lodged with the Publisher.

H. J.—They are probably going higher, but you might begin to sell.

Joseph C.—(1) Should be quite good, but dear enough. (2) Fair of the kind, but do not pay sufficient to cover the risks.

Single.—No.

S. S. S.—(1) Fair if bought at not more than par. (2) Should be all right at current price. Business managed with great pluck and skill. (3) Not so sure about this. The management seems to have let itself be elbowed aside.

Mons.—Hold a little, as they are likely to rise further. You can then sell part, if you do not wish to clear. Company is doing well.

J. R.—Better left alone.

M. D. F.—The bonds are quite good, but high. Sell, and put the money into National Bonds.

East Ham.—(1) and (2) We see no reason to sell; both are strong financially, and give a good return even at present prices. (3) Quite good, but fairly fully priced. The redemption date is a long way off. Might be sold. (4) Safe, but cannot rise appreciably.

G. H. W.—Both will probably improve, as they must be doing well. As an investment (2) seems the more attractive.

D. L. R.—Length of life is rather obscure, but they seem worth keeping for the present.

F. G. J.—Having held so long, we do not think you should sell now. Position should improve again after the war.

## What Balance Sheets Tell.

EASTMAN KODAK CO. (OF NEW JERSEY).—It is not surprising to find that profits fell off last year, the total being three millions less at \$14,540,000, but this was almost exactly offset by the larger amount brought in. Nevertheless the directors cut down the extra dividends (in addition to the regular 10 per cent.) from 60 per cent. to 20 per cent., and add five millions to the amount carried forward, raising the total surplus to \$26,980,000. The information supplied is meagre, and perhaps the actual earnings were really higher than in 1916, as it is stated that \$4,750,000 was charged off for taxes, while nothing was said about that item a year ago, and we notice that \$4,000,000 has been set aside as provision for excess duty and income-tax. Buildings, plant, and investments have increased four millions to \$20,413,000, and cash is up two millions at \$12,734,000, so the position seems almost unnecessarily strong. At the same time the severe cut in the dividend must be a bitter disappointment to many of the shareholders, and we cannot believe it is justified even under war conditions.

SMITHFIELD AND ARGENTINE MEAT CO., LTD.—At first sight it looks as though the profits for the year 1917 had fallen off, but we are not sure that this is actually the case. At any rate, after providing for excess duty they amounted to the handsome sum of £129,700, or £7,000 less than in 1916, and £56,000 less was brought in. A year ago, however, £93,500 had to be deducted for excess duty in respect of 1915, and the amount actually available is £7,000 up at £128,350. The whole of the capital of £625,000 is now paid up, and the dividend and bonus of 15 per cent., tax free, requires £93,750, against £48,750 in 1916, so that after again placing £20,000 to reserves the carry forward is £8,000 lower at £14,600. Expenses of the new issue in 1916, amounting to £20,240, have been written off share premium account. Creditors have increased £700,000 to £1,160,000, but the bank overdraft has been reduced by £50,000 to £140,000. Buildings, plant, &c., are up £73,000 at £321,000, stores £370,000 at £642,000, live stock and products £325,000 at £640,000, and debtors £126,000 at £357,000. Under the circumstances it is not surprising that it is proposed to increase the capital by the issue of half a million in 7 per cent. preference shares of £1 each.

Brunner Mond Dividend.—It will be remembered that towards the end of last year the directors of this company decided to capitalise the reserves, and a distribution was made of three new shares in respect of every two held. Consequently, the dividend of 6 per cent. (actual) just announced is equivalent to 15 per cent. on the old capital, and brings the return up to the 27½ per cent. which has been paid for many years past. It would appear that the profits were larger than ever as, although the carry forward is reduced by nearly £100,000, the reserve fund gets £250,000, as against £100,000 placed to suspense account a year ago.

## COMPANY MEETINGS.

### ROYAL MAIL STEAM PACKET CO.

SIR OWEN PHILIPPS ON THE GOVERNMENT AND THE SHIPPING INDUSTRY.

FOREIGN COMPETITION.

"SOUND FINANCIAL POSITION" OF THE COMPANY.

The annual general meeting of the proprietors of the Royal Mail Steam Packet Co. was held on Wednesday at the City Terminus Hotel, Cannon Street, Sir Owen Philipps, G.C.M.G., M.P., the chairman, presiding.

The Secretary (Mr. A. H. Bennett) having read the notice calling the meeting and the auditors' report,

The Chairman, who was received with cheers, said: Ladies and gentlemen,—I should like, first, to express the regret of myself and, I am sure, of every shareholder in the company for the reason of the absence of our deputy-chairman, Mr. Alfred S. Williams. I regret to say that he underwent a severe operation a few days ago, and I am sure it is the wish of us all that he will have a speedy and complete recovery. (Hear, hear.) The outstanding fact in the seventy-ninth annual report is that since last I addressed you our business has come more completely under Government control for the purposes of war. A large proportion of our fleet is engaged in direct war service under the Admiralty, as armed merchant cruisers, transports, hospital ships, &c. The whole of the remainder is now under requisition by the Ministry of Shipping. The earnings of the latter are for Government account, the company only receiving hire-money at Blue-book rates for the use of the ships. Comparison of results with past years would be futile, and my customary review of our position is necessarily circumscribed by the present abnormal conditions.

#### THE ACCOUNTS—THE DIVIDENDS.

The accounts set out clearly the position of the company. In my view, these reveal a thoroughly sound financial position, as the fleet and investments are worth at present more—and considerably more in some cases—than the figure at which they stand in our books. The size and scope of the company's business may be judged by the fact that our ordinary, preference, and debenture stock and reserves now amount to over ten and a-half millions sterling.

During the last 20 years the average dividend paid by this company on its ordinary stock has been at the rate of 3½ per cent. per annum; for the last 10 years, the annual dividend averaged 4½ per cent.; whilst for the last four years the average dividend has been just over 5 per cent. It is only for the past two years that we have been able to recommend a dividend at the rate of 7 per cent. per annum, less income-tax. This return upon capital invested—considering the uncertainties inherent in the nature of the shipping business—can hardly be said to justify the criticism that has been levelled against ship-owners from time to time as to undue profits, although, as is well known, some tramp steamers earned very large profits before they were requisitioned by the Government. In carrying on a regular liner business, our aim is to earn a reasonable and steady return upon our capital, whilst endeavouring to meet the requirements of the country's overseas trade and to maintain and strengthen our position as one of the great British mail and passenger lines.

#### THE FLEET—STANDARD SHIPS.

The company would have had a considerably larger fleet now than at the commencement of the war, had it not been for the action of the British Government in deciding some time ago that standard ships should be built and paid for by the Government, instead of allowing the great companies to take up their fair proportion of new tonnage, and thus help to relieve the strain on the Treasury at a time when we all are urged, and rightly urged, to save every pound to put into National War Bonds to enable the Empire to finance the war.

It has been suggested that the Government should take advantage of the present high prices of vessels to sell some or all of the standard ships they have recently built, or which are in course of construction for their account, to British shipowners, in order that they may make good in some measure the gaps which war losses have caused in their fleets. I consider that this policy is well worthy of serious consideration by the Government.

#### SOUTH AMERICAN SERVICES—AN IMPORTANT JOINT ACQUISITION.

Though the stress of war requirements has heavily handicapped us, we have been able, throughout the past year, to afford fairly regular opportunities for the conveyance of mails, passengers, and cargo to and from South America. Our refrigerated vessels continue to render great assistance to the Allied cause in bringing large quantities of meat from the Argentine for the British, French, and Italian armies, as well as for civilian needs at home. Argentina is also aiding this country by means of the arrangement I referred to last year whereby their entire surplus wheat crop has been acquired by the British Government on mutually advantageous terms, involving the minimum of financial dislocation.

The Royal Mail and its associated companies, in conjunction with certain leading French and Italian shipping interests, have acquired a large holding in the Argentine Navigation Co. (Nicholas Mihanovich), Ltd. This is an important concern, with an extensive organisation for linking up the South Ameri-

can ports by means of coasting vessels, river craft, tugs, lighters, &c. I believe the resultant closer co-operation between the Royal Mail and its associated steamship lines and the Argentine Navigation Co. will prove of great mutual advantage; and after the war I look forward to the business of the Argentine Navigation Co. being largely developed and extended.

#### WEST INDIAN SERVICES.

Our regular mail, passenger, and cargo services to and from West Indian ports have been inevitably curtailed. There are many signs, however, that favourable developments are possible in the commercial outlook of the British West Indian colonies, as the war is bringing home to our people the importance of making the British Empire self-supporting in the matter of sugar production. The fact that the West Indies are situated on the new sea routes brought into being by the opening of the Panama Canal should also tend to stimulate West Indian trade. It is gratifying to know that the British Government is alive to these possibilities, as evidenced by the recent appointment of Mr. A. J. Pavitt as British Trades Commissioner to the West Indies under the new Foreign Office and Board of Trade Department of Overseas Trade, which is ably presided over by Sir Arthur Steel-Maitland. As soon as circumstances permit, our Government may possibly consider it advisable to go still further in the direction of recognising the growing importance of the British West Indian colonies by arranging to pay an adequate subsidy for the maintenance of a suitable mail service between this country and the West Indies. (Hear, hear.)

The increasing close co-operation between Canada and the British West Indies in business matters has also an important bearing upon the commercial future of the islands. I am glad to say we have been able to maintain regular, though somewhat reduced, facilities for mails, passengers, and cargo between Canada and West Indian ports.

#### THE SUBMARINE CAMPAIGN: BRITISH AND GERMAN LOSSES.

Early this year, when the output of new tonnage fell so alarmingly, it was at last realised by the public how gravely the whole Allied cause was menaced by the continued sinking of ships, week by week and month by month, and that the new cargo vessels promised by British and American statesmen were not at that time being constructed nearly fast enough to replace losses. An important statement on this subject was issued by the Cabinet as a White Paper, giving a good deal of instructive information as to tonnage losses and shipbuilding output since the commencement of the war. From this statement it is apparent that, taking into account—as regards the United Kingdom, the Allies, and neutrals—our combined shipbuilding output and the tonnage of enemy ships captured and brought into Allied service, on the one side, and the total war and marine losses, on the other, we have the following results—namely, by the end of 1915, we were just over a million tons to the good—that is to say, one million tons more than on the outbreak of war. By the end of 1916 this increase had dwindled to 230,000 tons, and by the end of 1917—after three-and-a-half years of war—we were over 2,500,000 tons to the bad.

At the commencement of the war Germany owned 5,134,720 tons of mercantile ships of 100 tons and over. At the present time it is estimated (as we know exactly what ships we have taken and what we have sunk) that they own 2,500,000 tons, equivalent to a loss of half their tonnage during the war.

#### SHIPBUILDING: THE NEED OF A GREATER OUT-TURN.

It seems clear that we are holding the submarine campaign in check with increasing success, but we are not yet within measurable distance of its complete elimination as a serious menace. It therefore behoves us to look in the direction of a greater out-turn from the shipbuilding yards in this country, the United States of America, and Canada, in order to reach the point where production will balance losses, and we may begin to make good the losses of the past year. In addressing you year by year I have emphasised repeatedly during the war the seriousness of the position of this country as regards the need for more mercantile ships. This is now intensified by the demands upon shipping to transport the American Army and its equipment across the Atlantic, and to feed and maintain it in France. By dint of much perseverance the Government have at last been prevailed upon to publish fuller particulars concerning the tonnage of vessels lost; but, seeing that the main object of publishing a more complete statement of the facts was to administer a stimulus to the national and American effort for the production of mercantile ships, I cannot help feeling that shorter intervals in issuing the tonnage losses would have a very stimulating effect on the production of new vessels. (Hear, hear.)

Our shipbuilding yards are, after all, not the least important of our "fronts," and it is well to keep that fact in view. In this matter of shipbuilding, the country is to be congratulated upon having secured the services of Lord Pirrie as Controller-General of Mercantile Shipbuilding. I believe that the influence of his practical experience and great energy has already made itself felt in the right direction, whilst I feel certain that under his guidance the next half-year will reveal satisfactory progress in the national output of mercantile vessels. In this connection, I hope before long to see in operation a system of much greater publicity for the results of shipbuilding effort, such as I have advocated on many occasions both in

Parliament and outside. I see the idea has been taken up in America, where, by means of graphic charts, the workers can see at a glance what each yard is producing. By encouraging friendly competition between yard and yard, river and river, district and district, effort is stimulated, and the best and speediest results will be obtained.

#### GOVERNMENT CONTROL OF SHIPPING.

It is evident that at the end of the war there will be for a time a great demand for ships, and exceedingly keen competition for their services. No doubt, a certain amount of Government control over shipping may be necessary for a very brief period in order to ensure essential supplies, but it is much to be hoped that, as foreshadowed recently by Mr. Addison, the Minister of Reconstruction, this Government control may be relaxed at the earliest possible moment after the conclusion of peace. Many highly important overseas trades have had to be temporarily abandoned by British shipping companies owing to the exigencies of war. It is essential in the national interests that these regular steamship services should be resumed as promptly as possible if we are to hold our own in the future as a maritime Power. The sphere of Government control should be limited to enforcing proper rules and regulations in regard to the construction of ships, their seaworthiness, equipment, manning, &c., and to securing, as far as practicable, fair play for British shipping in competition with foreign nations—more especially where foreign shipping is, either directly or indirectly, State-aided.

#### STATE OWNERSHIP AND OUR MARITIME TRADE.

My views on the subject of State ownership are by now fairly well known, and I do not propose to enter fully into the pros and cons of the matter on the present occasion. In my opinion, no British industry is less adapted to State ownership than shipping. It has been created and built up by successive generations of strenuous and enterprising men, and it is difficult to conceive that the world-wide ramifications of our maritime trade could possibly be upheld and expanded by Government officials, however able and efficient in their own sphere. At the end of this war the British mercantile marine, which has proved its absolute indispensability to the nation in these days of peril, will be faced with an unprecedented position. Its tonnage has been depleted, and what remains will require considerable overhaul after the strain of running under pressure of war conditions. British shipping companies have had to meet exceedingly heavy taxation, and all working costs have increased enormously. On the other hand, in amount of tonnage and in financial resources, foreign shipping will be equipped as never before, to contest our former supremacy as the world's ocean carrier.

Internal industrial undertakings, such as railways, coal, gas, and electrical companies, which, from their nature, are practical monopolies, may be suitable for State or municipal ownership. In the case of an industry so highly specialised as shipping, however, with such widespread ramifications and interests all over the world, open to universal competition, I am convinced that by taking it out of the hands of those who have won for it the high position it has occupied hitherto, and placing it in the hands of a Government Department, the nation would be running a grave risk of losing that maritime supremacy which, whether in war or peace, is essential to the maintenance of our position as a world-Power.

#### THE ROYAL NAVY AND THE MERCANTILE MARINE GERMAN DISAPPOINTMENTS.

When addressing you last year, at the time when the unrestricted U-boat warfare had reached its zenith, I ventured to predict that, grave as the position then was, the British Navy and its gallant personnel would be equal to the difficult and heavy task imposed upon them, and that this campaign of ruthless piracy, on which the enemy had based high hopes of early victory, would prove not least among the disappointments suffered in this war by the rulers and people of Germany. I think I may safely say that this prediction has been fulfilled. Both in offensive and in defensive measures, the British Navy—nobly assisted by the Navies of our Allies—has won our admiration and gratitude. It is officially stated that since the commencement of this year enemy submarines are being sunk faster than they can be built. The expeditions against Zeebrugge and Ostend are thrilling examples of the courage and daring of the British sailor. (Cheers.) The Navy has been no less active in the defensive sphere, and the convoying of mercantile vessels, in which we are so closely interested, has been developed with increasingly successful results.

In equal degree our gratitude and admiration are due to their "brothers in courage and brothers in devotion to duty," as the First Sea Lord recently and justly described the officers and men of the mercantile marine. (Hear, hear.) By their persistence and courage in face of perils unknown in any former age, they have maintained our lines of communication with the fighting forces and preserved this country and our Allies from isolation and famine. (Cheers.)

#### THE STAFF AND THE WAR.

With few exceptions, all our men of military age and fitness are serving in the Navy or Army, and, as mentioned in the report, many have won honourable distinctions, whilst some have made the supreme sacrifice for their King and Country.

Upon those who remain a larger share of work and responsibility has fallen, and the court of directors desire once again to express, through me, their appreciation of the good work of the general managers and of the members of our staffs at home and abroad who are carrying on in these difficult times. (Hear, hear.)

For some years my colleagues and I have devoted a good deal of attention to making provision for the members of the sea and shore staffs of the Royal Mail and its associated companies when, after long and faithful service, they reach the period of retirement. With this end in view the company and four of its associated companies have founded in recent years superannuation associations, with funds vested in trustees, so as to be absolutely secure, and managed by joint committees representing directors and staff. I think you may be interested to know that at the present time in these five associations we have a membership of 3,856, which includes members of office staffs, at home and abroad, captains, officers, engineers, pursers, and chief stewards. The total invested funds now amount to £863,000, and the total gross income this year from the investments is estimated at £43,000. Some provision is also made for old age in the case of other employees after periods of long service, and for their widows and dependents in the event of death. I look forward within the next few years, if all goes well, to increasing this provision very considerably. Large companies are not only, in many cases, the best employers of labour, but they also make more provision for their old employees than is often possible in the case of smaller companies or private firms. If the public were aware of what many large companies have done, and are doing, for their employees, which it is not possible for small companies to do, much of the criticism of large companies would, I feel certain, cease to be made.

#### LIVERPOOL STAFF DINING ROOMS.

As there are over 600 members of the office staffs in Liverpool of this company and its associated companies, we have arranged, in conjunction with the other companies, to obtain the lease of suitable premises situated at the top of the Royal Liver Building in Liverpool. These will shortly be opened as staff dining rooms, where the members of our staff will have the convenience of a wholesome mid-day meal at very moderate cost.

#### ROYAL MAIL BUILDING AT BUENOS AIRES.

The large and handsome office building which we have completed at Buenos Aires since the war is not only the headquarters in Argentina of the Royal Mail, Lamport and Holt, and Nelson Lines, but it has also the honour to accommodate his Majesty's Minister to the Argentine, and his Majesty's Consul-General. You will, therefore, agree with me that it has been appropriately named the "Edificio Británico."

#### THE FUTURE: THE DIRECTORS' POLICY.

Now, what of the future? Nothing is more difficult under normal circumstances than intelligently to forecast the outlook for the British shipping trade, but never in any period in our history has it been more difficult to do so than now. Undoubtedly high freights will continue for a time after the war, but, personally, I see no grounds to warrant what appears to be a very general belief, that the conclusion of peace will be followed by many years of great prosperity for British shipping. I can, however, assure you that, whatever the future may have in store, the policy of your directors will continue to be to carry on this old-established company on the same lines as in the past, and not only to endeavour to meet all reasonable requirements both of the travelling public and of the merchants and shippers who give us their support, but to seek to ensure that the Royal Mail shall be in the future what it has been in the past, and that is one of the great arteries of British overseas trade and commerce. (Cheers.)

I now formally move "That the report of the directors and the accounts and balance-sheet submitted to this meeting be and the same are hereby received and adopted, and that a dividend of 2½ per cent., less income-tax (making, with the interim dividend, 5 per cent. for the year), be and the same is hereby declared on the preference stock, and that a dividend of 5 per cent., less income-tax (making, with the interim dividend, 7 per cent. for the year), be and the same is hereby declared on the ordinary stock."

Sir Joseph Savory, Bt., seconded the motion, which was at once unanimously agreed to; and the retiring directors, Mr. Edward Norton, Mr. James Cameron-Head, and the Duke of Abercorn, and the auditors, Sir Richard Pennefather, C.B., and Mr. C. Lee Nichols, F.C.A., were re-elected.

Mr. T. Melville proposed a cordial vote of thanks to the chairman, the directors, the general managers, and the staff ashore and afloat. He congratulated the chairman and his colleagues on the far-sighted policy which had been adopted by them, and which had brought the company to its present success, and remarked that they were all extremely pleased at the honour which had recently been conferred on the chairman by the King. (Cheers.)

Mr. H. H. Matthews seconded the motion, which was carried unanimously.

The Chairman, in acknowledging the vote, said that he would convey it not only to the general managers, but to all the staff, both at sea and ashore, especially those at sea, who would appreciate, as he did, the kindness of the proprietors.

The proceedings then terminated.

## NIRPUZHA RUBBER ESTATES

An extraordinary general meeting of the Nirpuzha Rubber Estates, Ltd., was held on Friday at 23, Suffolk Street, Pall Mall, S.W., Mr. G. St. Lawrence Mowbray, chairman of the company, presiding.

Mr. D. P. Hartnell, representing the secretaries (The Indo-Malay and Colonial Agency, Ltd.), having read the notice calling the meeting,

The Chairman said: When I addressed you at the annual meeting held on December 31, some reference was made to the litigation between this company and the vendors of the Hingra Estate, which had arisen out of the extraordinarily heavy expenditure on the property after the date that the purchase contract had been entered into with them. Our efforts to obtain for you what we regarded as satisfactory accounts of the outlay incurred proved fruitless, and upon legal advice we took the only course, as we were told, which was likely to compel the vendors to produce to us proper vouchers for their expenditure, and evidence that the expenditure had been justly and properly incurred. It appeared that the Government of Ceylon had required the immediate construction of new coolie lines and a hospital on the Hingra Estate, and they had cost together about £2,500, while the estate working expenses had also much exceeded the estimate. It was admitted at the trial of the action that we had not been consulted with regard to these matters, nor had we been kept fully informed of them, though we were called upon to pay the expenditure in due course. The result of the action was to some extent a foregone conclusion, because an order was made—as we knew it would be—for the specific performance of the contract and the completion of the purchase of the estate, but the judge in making that order went somewhat further, and referred the question of the disputed estate accounts to the decision of an official referee of the High Court. That gave us what we had always contended for—the fullest opportunity of discussing the different items of expenditure in detail, and of contesting the validity of any of them if we felt it necessary to do so. The judge suggested at the hearing of the action that it was one for a settlement. Efforts were made to that end, but unfortunately they proved abortive. Subsequently further negotiations were in progress for the purpose of arriving at a basis of settlement which would include not only the completion of the purchase of the estates which the Court had ordered, but a settlement of the whole question of the disputed accounts. While those negotiations were going on the Hingra Company's solicitors presented a petition for the compulsory winding-up of your company. A winding-up petition has, in the ordinary way, to be advertised in the newspapers, which was, of course, done in this case. The consequence of the publication was to cause a very great deal of annoyance to the company, and it also gave certain people a chance to spread reports of a very unjustifiable nature about the position of the company, and about the character and reputation of some, at any rate, of your directors. Neither the petition itself nor the other circumstances I have just alluded to, deterred us from pursuing the course which we, as the custodians of your assets, it was our duty to do, and the outcome has been that the Hingra Company finally agreed to a settlement upon your terms, which very satisfactorily disposed of all the points that were in dispute between us. They have accepted an amount which is very much below their original demands, and the actual figures, after making the necessary allowances and adjustments, show that we have effected a saving for you in round figures of about £4,000. The conclusion of this litigation has placed us in a position to deal with the Hingra estate, and circumstances have enabled us to carry into effect a project which we have always had in our minds since the time when we first entered into this purchase contract. It has always seemed to us that eventually we might find the Nirpuzha estate alone would become of such importance that the disposal of Hingra to another or subsidiary company would be an advantageous course. We did not, however, anticipate that the rubber crops on Nirpuzha estate would increase as rapidly as the actual figures for last year has shown. Against an estimate of 35,000 lbs. of rubber for last season the actual yield was 52,264 lbs., and with the enlarged area that we have in bearing this season we anticipate a crop of about 80,000 lbs. From the Hingra property a crop is expected for the ensuing season of about 70,000 lbs., and bearing in mind the very serious difficulties of financing rubber estates which now prevails, it became evident that the two estates would be in a much stronger financial position by the adoption of such a proposal as we are placing before you to-day for the sale of the Hingra property to the Lafayette Company. The Nirpuzha Company, after completing the purchase of the Hingra estate, would possess two properties. They are both producing large crops; they are both yielding a profit. The effect of selling the Hingra estate will be that we shall get back our cash expenditure in connection with it, and shall have about £12,000 in hand available for working and developing Nirpuzha alone, which should enable us to extend the planted area to at least 1,600 acres, which is more than the present planted acreage of Nirpuzha and Hingra combined. In addition we shall hold shares for £35,000 in the Lafayette Company, and that company will have ample funds for carrying on and increasing the planted area of the Ceylon Estate. If in the future we decide to sell part of that holding and to utilise the proceeds in further planting operations on Nirpuzha, where we have a very large reserve of some 3,000 acres of land at present, it is possible that we could extend our planted area to considerably over 2,000

acres, and the additional area brought into cultivation would naturally in course of time mean a considerable reduction in the cost of producing our rubber. I propose: "That the contract for the sale of the Hingra Estate produced at this meeting be, and the same is hereby, ratified and confirmed."

Mr. Norton-Dawson seconded the resolution, and it was carried unanimously.

### DE TREY AND CO.

The sixth annual general meeting of De Trey and Co., Ltd., was held on Tuesday at the offices, 13 and 14, Denman Street, Piccadilly Circus, Mr. C. De Trey (chairman and managing director) presiding.

The Secretary (Mr. George Dawson) having read the notice convening the meeting and the certificate of the auditors,

The Chairman moved the adoption of the report. Dealing with the accounts, he said that with reference to the losses arising out of the war, every item in the company's assets about which there could be any doubt had been written off. With the addition of the amount for the year under review, they would have transferred to various reserve accounts out of the profit the sum of £117,000 in six years. They had to congratulate themselves on their investments in the Dentists' Supply Co., the dividend from which had substantially increased their profit for the year; the same might be said of all their other investments. The directors trusted that this happy state of affairs would continue, and thus mitigate the export trade outlook, which was at present somewhat uncertain. It was a pleasure to be able to recommend the shareholders to declare a dividend of 10 per cent., together with a bonus of 1s. per share, on the ordinary shares. It was well, however, to sound a note of warning as to the future. The directors had purposely made a larger distribution in the form of a bonus, because 10 per cent. was the rate of dividend at which they had always aimed, and which they would do their best to maintain. Including the present distribution, the ordinary shares had received an average of about 10 per cent. per annum since the formation of the company. Up to the present they had been able to maintain and even increase the turnover and the profit, even in spite of great difficulties. Of late these difficulties had been growing. The company's business was not confined to Great Britain alone, their export trade being accountable for a large part of their turnover, and difficulties of shipping, regulations, and restrictions of every description, and shortness of labour, had all contributed to hamper their enterprise in some measure. Their progress during the current year would depend in the main on the manner in which difficulties might be overcome, and on the extent to which facilities to export facilities would be liberally afforded to them, as any reduction of their trade with neutrals would only have the effect of allowing the enemy to benefit to that extent by the substitution of his goods. The dental industry, in Germany in particular, was exceptionally active in neutral markets at the present moment, and it would be a great pity if, through our inability to ship the goods, we were to lose our hold on markets which had always shown a distinct preference for British and American goods. As a matter of fact, the restrictions which war conditions had brought about had been the cause of the cancellation of important orders from old customers in neutral countries, who hitherto would not have looked at German goods, but, through force of circumstances, were now compelled to do so. The enemy had access to the raw materials, so that they were able to manufacture to-day the most important dental lines just as well as before the war, and if this country lost the neutral trade now, it would be very difficult to recapture it. The home and allied trade had been quite satisfactory, owing to the gradually increasing knowledge on the part of the general public of the advantages and facilities of competent dentistry and to military requirements. Hundreds of thousands of soldiers were to-day benefiting from dental treatment, and the relief afforded would not be forgotten when they returned to civil life. For the first five months of the current year the company's trade had been satisfactory.

Mr. E. J. M. Clapham seconded the resolution, which was adopted unanimously, without discussion.

### INVESTMENT TRUST CORPORATION.

The thirtieth annual general meeting of the shareholders of the Investment Trust Corporation, Ltd., was held, on Thursday, at the offices, Gresham House, Old Broad Street, under the presidency of Mr. Robert Fleming, the chairman of the corporation.

The Secretary (Mr. Hildred Carlisle) having read the notice convening the meeting and the auditors' report,

The Chairman said: The year now reported on is one during which this terrible war has continued its devastating course. That course has two principal effects in the case of our company. On the one hand, through war pressure here and there our revenue has fallen off, our opportunities for making profits from new business are also much reduced, and through large investments in our Government Loans our current revenue is reduced also; on the other hand, we continue to witness from the pressure of Government borrowings a general decline in the price of securities. In our case that decline is accentuated through the largeness of our American holdings, which have fallen greatly in market price through United States Government borrowings. As I said a year ago, our investment of £1,000,000 in Government bonds, representing 25 per cent. more than our total ordinary capital, was bound to affect our revenue

for the year now under report, and that is the main cause of the somewhat smaller revenue of the present year. In addition to this investment in Government bonds, we have deposited with the Treasury securities of the face value of \$5,652,300 and £104,751, so that we really have in the hands of the Government more than the whole £2,000,000 preferred and deferred capital of the company. United States taxation has so far not hit us hard, but I see the President's policy is that more of the cost of the war must be borne by taxation. This may affect us, but it is sound policy, and will place the United States in a position to resume normal taxation sooner than any other belligerent. The realisations of securities during the year have resulted in a nett profit of £22,645, which we have applied in reduction of the aggregate value of our holdings under the heading of "Contingent Fund." Heretofore it has been our practice to apply such profits in reducing the book cost of specific securities. Such application may in the ultimate result prove to have been uncalled for—that, indeed, in the past has proved to be the case in several instances—and so we have decided rather to form this contingent fund, which can be added to from profits or reduced should any capital loss occur without disturbing the book cost of any one security until such security is finally disposed of. What may happen financially if this war goes on indefinitely it is, of course, impossible to predict. Meantime, in view of the comparative steadiness of our revenue in the past three trying years, the calculation we usually make for the ensuing year is probably fairly reliable, and that estimate shows that subject to conditions to which I have referred there should be as great a revenue available for dividend as there is for the year now under report.

Mr. Henry Augustus Vernet seconded the motion, which was unanimously agreed to.

### BRITISH BANK OF NORTHERN COMMERCE.

The sixth annual meeting of the shareholders of the British Bank of Northern Commerce, Ltd., was held on Wednesday at 41, 43, 47, Bishopsgate, E.C., Mr. H. Bendixson, the vice-chairman, presiding.

The Chairman said:—The business of our bank continues to show steady and very satisfactory expansion, as you will see from a comparison of the figures now and a year ago. Our paid-up capital and reserve remain as before—a total of £1,125,000. Current deposit and other accounts show the large total of £22,754,517, as against £9,408,026 a year ago. This is a very remarkable growth and undoubtedly a proof of the confidence reposed in our institution. The bulk of this money continues to be represented by balances held here for our Scandinavian clients, and as long as the war lasts and exchanges continue adverse to this country, such deposits are more likely to grow than to diminish. The number of our clients has also increased very largely during the year. We have always to bear in mind the probability that these large foreign balances will be much reduced when normal times again permit neutrals to trade freely—hence it is incumbent on us to keep the bulk of our assets as liquid as possible—but, on the other hand, the large number of our active accounts are a guarantee that we shall always retain a large proportion of such balances as an inevitable result of a growing and active business. Our general banking business, on the other hand, as represented by collections, acceptances, and general advances, shows no such expansion—in fact the opposite, but this was inevitable in view of the restrictions caused by the war on neutral trade. The Scandinavian countries suffer more in this respect than any other neutrals, except perhaps Holland. And we are further suffering from the collapse of trade with Russia. We had a good and rapidly growing business with that country. As illustrating the foregoing remarks, you will notice that our acceptances have shrunk to only £66,424, as against £196,000 last year and £574,000 the year before, when our business had not reached anything like its present importance. We are therefore justified in looking forward to a great expansion of this item in years of peace. Our guarantees—£822,451—are in every case supported by counter guarantees of first-class banks abroad. If you will now turn to the assets side, you will first notice that our cash in hand and money at call or at short notice totals £9,038,528. We hold, further, in our portfolio, bills—mostly British Treasury bills—to an amount of £12,203,323, making a total of over £21,000,000 in absolutely liquid form. Our investments are £1,316,505, against £482,277 the previous year; the increase is represented entirely by British Government securities. Loans and advances are £1,395,057, a small increase. The profit and loss account shows a nett profit of £74,463, arrived at after payment of all expenses, making provision for rebate on bills, bad and doubtful debts, and depreciation on investments and foreign currency. We trust that you will agree with us that this result can be looked upon as satisfactory.

Mr. H. Hunter seconded the resolution, which was carried unanimously.

We are glad to see that the Allies have again intimated their intention to secure the establishment of an independent Poland. It may seem that the moment is not particularly well chosen to reiterate that intention, but that is a mistake. The more Poland is encouraged to hope for effective assistance in re-establishing her independence, the more will the action of the Poles tend to paralyse the German intrigues within Russia and to encourage the Russians themselves to resist.

## THE SUEZ CANAL.

(Compagnie Universelle du Canal Maritime de Suez.)

In their report to the shareholders at the annual meeting of the Suez Canal Co., in Paris, the Council of Administration observe that the war has borne more heavily on the activity of the Canal in 1917 than in the preceding year. Already a year ago they say we had indicated to you the new and profound depression which the submarine war *à outrance* inflicted on our traffic. The rapidity of this decline was happily somewhat attenuated during the final month of last year. For a moment we feared we should have to tell you of results still less satisfactory than those we are now able to present to you, but in spite of this amelioration of our first forecasts, we still have to record a diminution of nearly 4,000,000 tons, or exactly 3,956,429 tons, in the traffic of the Canal, which attained a total of only 8,369,000 tons nett.

The increases in the tariff commenced in 1917 have to a certain extent compensated the effects of the decline in our traffic. We may remind you that the navigation toll, which was raised by 1 fr. during the year 1916, has been again raised by 1.25 fr. in 1917, in two instalments. A first advance of 50 centimes came into force from January 1, and the second, the more important since it amounted to 75 centimes, was put in operation on July 1. In all, therefore, the increase is 2.25 fr., which has raised the transit dues to 8.50 fr., or an augmentation of 36 per cent. on the pre-war rate.

These surtaxes in all have produced £626,500 of supplementary receipts for 1917, but that still leaves a diminution of £600,000 in the total income compared with 1916.

In the matter of raising the dues the Council has not confined itself to the measures just mentioned. It also decided to suppress the special tariff by which ships in ballast have benefited since 1884. The reasons which had prompted the granting of this advantage at the time no longer exist. The war has swept them away, and the withdrawal of this rebate, which was not less than 2.50 fr. per ton, has taken effect from January 1 last. It will have a marked influence on the receipts of the current year.

As the shareholders know, in the proposals regarding the dividend, the Council always take careful account of the results shown by the current year's traffic. Now it is satisfactory to be able to say that there is at present a sensible amelioration in our receipts. It would, however, be rash to rely on a proportionate increase continuing to the end of the year. More than ever prudence dictates that we should not discount the immediate future, so the Council limit themselves to proposing a dividend based on the results of 1917, fortified by the balance brought forward from 1916. Thus a gross distribution of 77.108 fr., or 65 fr. nett, is recommended.

We maintain our unshakable confidence in the more distant future, which should not only bring back your revenue to pre-war figures, but even give you adequate compensations for the sacrifices that events at present impose upon you.

## FINANCE AND GENERAL INVENTORY.

The total receipts for 1917 were £2,880,760, and showed a diminution of £681,010. The diminution of £656,320 ascribable to transit receipts represents the greater part of this difference, and most of the balance is due to a falling off in the profit on exchange.

Expenses totalled £1,485,952, and showed an increase of £143,324 on the figures of the previous year. The increase arose almost exclusively from the growth of general charges, which were £136,880, nearly all the consequence of loans contracted by us in 1916, and explained in our last report. Outside these general charges the increase in our expenses does not exceed £6,440 on those of 1916. This is the actual amount by which our working expenses have grown, and such a result, obtained in spite of the formidable rise in the prices of all materials, has only been attained at the price of the exercise of a very energetic economy on the part of all the services, and it is fitting that we should commend and emphasise their special vigilance. The suppression in our accounts of all assignments to amortisation funds has reduced to the extent of £40,000 the total of working expenses, and the absence of any new additions, as also of all important writings off in our inventory, joined to the good condition of our stocks and material, amply justify this measure.

As regards the general inventory, the cost price of the Canal stands in the books at £28,925,280, and shows an increase of £437,540 on the figure of December 31, 1916. This increase represents the expenses and accessory charges which have been debited during the year to the account of works of amelioration. The total value of the assets, fixed and mobile, is £3,931,863, and shows an increase of £81,220 on the year. For the most part this increase is a consequence of the higher value of our various stores, resulting from the general rise in prices. The disposable or realisable assets, which at December 31, 1916, totalled £5,773,000, were at December 31 last £4,502,710, a sum which includes £1,967,315, the capital value of French 5 per Cent. Rentes held by the company. Sinking funds at December 31 last amounted to £3,097,336, or an increase of £51,200, and the insurance and accident funds, the statutory and extraordinary reserves remain respectively as before at £72,882, £1,620,731, and £260,000. As already stated, the balance left to carry forward is £159,090.

## TRANSIT AND NAVIGATION.

Last year 2,353 ships traversed the Canal, representing a total nett tonnage of 8,368,918 tons. Compared with 1916, this shows a diminution of 757 transits, and 3,965,429 tons, or 32.10 per cent. In comparison with 1913, the last normal year, the diminution is 2,732 transits and 11,664,966 tons, or 58.23 per cent., but if we eliminate from the results of 1913 the portion belonging to enemy nations, we find that in the flags now using the Canal the traffic shows a diminution of only 47.01 per cent.

During the year 1917 the special movement through the Canal of Government ships and of ships freighted, and whose dues have been paid, by the Governments, has risen to 1,402, representing 4,607,279 tons. This consequently forms more than half the total traffic of the year, or exactly 55.05 per cent.

In 1916 State-owned or controlled navigation comprised 3,693,763 tons, or 29.97 per cent. of the total transits of the year. This special portion of the traffic consequently grows more and more considerable every year, both absolutely and relatively. That is due to the fact that Government-controlled commercial traffic more and more takes the place of free. While before the war commercial navigation was absolutely distinct from State navigation, that is no longer the case. It is therefore no longer possible to state with the former precision what is the portion of the Canal traffic assignable to sources purely commercial.

The nett average tonnage of vessels passing the Canal last year was 3,557 tons, a diminution of about 400 tons on 1916. There is nothing to be surprised at in that fact. In the present extreme need of tonnage, every possible resource is called into use, and many small ships which were formerly of small profit value for long voyages are now employed equally with the large. It is even found that in the regions infested by submarines small vessels, less easily hit, are often preferred to large.

The diminution in the number of large ships signifies a decrease in the ships of great draught, and only one vessel traversed the Canal in 1917 drawing the authorised maximum of 35½ feet, while in 1913 the number of passages made by ships drawing about 32 feet, that is to say of ships taking advantage of the increases in depth accorded in recent years, was about 5 per cent. of the total. Last year the proportion was only 1.6 per cent.

The mean duration of the transit has fallen from 19 hours 12 minutes in 1916, to 18 hours and 10 minutes in 1917, but it still remains much longer than it was before the war, when it scarcely exceeded 16 hours, but the present relatively high figure is always due to stoppages imposed by the naval and military authorities.

## WORKS.

The high price of materials, notably coal, more than ever imperilled the management of the Council to reduce the works undertaken to the utmost possible extent, and the compression exercised had only for limit the maintenance of the Canal in good condition and the best possible employment of both personnel and materials. So for 1917 the total cost of the dredgings and embankments, whether for the maintenance or improvement of the Canal, has again been reduced by 8 per cent. compared with 1916. Compared with 1914, the diminution is 57 per cent. This enormous reduction has been secured without compromising either the present or the future. The company continues to benefit by the considerable improvements effected in the days of prosperity. We estimate that at the prices then ruling the dredgings of the past year would cost five or six times as much as before the war, yet the price of coal had not risen to £8 per ton. It now exceeds £12. These figures give some idea of the enormous economies which the wise policy followed in the past in consenting always at suitable times to large outlays for future benefit have secured for us.

## THE GENERAL SITUATION.

It would be vain to attempt to forecast the immediate traffic future of the Canal. It depends on too many elements which are at present involved in great uncertainty. We therefore confine ourselves to pointing out that the movement of the first months of 1918 is superior to that of the corresponding period of last year. Some indications seem to presage the gradual return to the Canal of ships which the submarine menace had driven away. Have we, then, known the worst, and after the decline, more and more accentuated, which the first years of the war have caused, are we at the beginning of a veritable recovery in the traffic? If we cannot affirm it to be so, at least it is permitted to hope. Our confidence, we repeat, rests absolutely in the future which will be ours from the day when peace has been attained.

Sundry changes in the personnel of the Canal are notified, and mention is made of the loss by death of several colleagues, viz., one of the English directors, Mr. Hughes, and two of the vice-presidents, Messrs. J. Charles-Roux and Voisin Rev. The new French members elected are Messrs. Paul Cambon, the well-known and much esteemed French Ambassador in London, Count Nalèche, of the *Journal des Débats*, and M. Eugène Motte, a name revered in Northern France. Four members whose term had expired came up for re-election, viz., Sir William Garstin, the Right Hon. Lord Inchcape, Mr. André Lebon, and Count Charles de Lesseps.

## INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE		
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Assam Bengal ..	Mar. 31	Rs. 1,77,926	+ 37,580	1	37,48,721	+ 4,58,877
Barsi ..	" 9	10,200	+ 6,400	1	7,78,700	+ 2,78,700
Bengal & N.W. ..	" 31	4,93,360	+ 1,88,016	1	1,09,42,272	+ 5,60,494
Bengal Nagpur ..	" 23	12,35,000	+ 55,000	1	5,46,00,155	+ 48,43,907
Bombay, Baroda ..	May 25	17,15,000	+ 27,000	1	1,40,99,000	+ 13,09,000
Burma ..	Mar. 31	6,32,276	+ 56,316	1	2,22,73,252	+ 47,132
Delhi Umballa ..	May 25	76,900	+ 1,203	1	6,91,385	+ 86,835
East Indian ..	" 25	26,26,000	+ 1,07,000	1	2,01,13,000	+ 12,10,000
Gt. Indian Penin. ..	" 25	24,53,700	+ 2,16,000	1	1,83,83,600	+ 7,07,802
Luoknow-Bareilly ..	Mar. 31	84,342	+ 14,735	1	14,41,276	+ 1,71,004
Madras and S. ..	" 31	12,50,000	+ 11,425	1	2,75,11,870	+ 15,27,506
Nizam's Gd. (Broad) ..	" 31	3,43,683	+ 100,278	1	37,61,976	+ 1,29,365
Nizam's (Metre) ..	" 31	1,59,000	+ 39,473	1	22,80,775	+ 12,813
Rohilkhand and ..	" 31	57,260	+ 8,486	1	12,21,435	+ 2,16,588
Kumaon ..	" 31	8,59,368	+ 1,148	1	1,69,27,820	+ 9,61,312
South Indian ..	" 31	8,59,368	+ 1,148	1	1,69,27,820	+ 9,61,312

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Dublin United ..	Apr. 5	£ 7,817	+ £ 1,914	1	£ 99,454	+ £ 19,435
Hastings and Dist. ..	May 6	1,160	+ 58	1	18,974	+ 2,274
Isle of Thanet ..	" 25	413	+ 91	1	6,525	+ 2,161
Lancashire United ..	" 29	3,822	+ 849	1	59,800	+ 18,108
Provincial ..	" 11	2,880	+ 540	1	78,648	+ 14,051
Yorks. (Wst. Rdng.) ..	" 19	3,007	+ 1,104	1	48,863	+ 11,358

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Alabama Power ..	Apr. 1	£ 138,191	+ £ 31,575	2	£ 265,020	+ £ 51,718
Anglo-Argentine ..	June 3	55,495	+ 3,730	1	1,217,924	+ 85,335
Auckland Electric ..	Apr. 12	23,209	+ 2,031	a	224,466	+ 9,880
Brazilian Traction ..	" 1	M4,091,000	+ M36,000	a	M1527,700	+ M814,000
Brisbane Elec. Inv. ..	" 8	35,530	+ 3,910	a	137,569	+ 9,789
British Columbia ..	" 8	129,997	+ 32,909	10	1,162,554	+ 193,153
B.A. Lacroze ..	" 1	41,643	+ 2,532	10	388,064	+ 2,601
Burmah Electric ..	" 6	Rs. 27,614	+ Rs. 3,915	1	213,042	+ Rs. 4,945
Calcutta ..	June 1	Rs. 70,548	+ Rs. 5,981	*	Rs. 144,024	+ Rs. 107,315
Carthage and ..	" 1	5,027	+ 706	"	22,585	+ 3,738
Herreras ..	May 6	12,972	+ 1,076	11	147,938	+ 435
Cordoba Light ..	Apr. 6	£ 13,111	+ £ 31	1	£ 191,668	+ £ 2,605
P. & T. ..	" 6	5,169	+ 940	4	19,972	+ 2,807
Hongkong ..	" 6	20,292	+ 1,603	4	82,153	+ 14,554
La Plata ..	" 6	20,292	+ 1,603	4	82,153	+ 14,554
Lima ..	" 6	20,292	+ 1,603	4	82,153	+ 14,554
Madras Electric ..	May 31	Rs. 41,152	+ Rs. 7,747	2	Rs. 403,879	+ Rs. 60,197
Manila Electric ..	Feb. 1	168,000	+ 25,870	2	335,000	+ 46,570
Mexico ..	Nov. 1	£ 215,256	+ £ 108,669	*	£ 3,193,106	+ £ 197,227
Rangoon ..	Apr. 1	5,885	+ 849	*	22,863	+ 2,363
Singapore Electric ..	" 6	£ 13,751	+ £ 307	*	£ 187,999	+ £ 1,742
Toronto ..	" 6	£ 500,728	+ £ 20,285	4	£ 1,943,352	+ £ 76,96
United of Monte V. ..	May 1	32,301	+ 3,585	7	238,338	+ 23,000
Vera Cruz ..	Mar. 1	47,700	+ 4,400	3	131,900	+ 23,700
Winnipeg ..	Apr. 1	£ 65,739	+ £ 5,676	4	£ 282,595	+ £ 39,493

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Alcoyand Gandia ..	June 1	Ps. 6,700	+ £ 3,800	1	Ps. 207,100	+ Ps. 31,270
Antofagasta (Chili) ..	May 26	52,755	+ 9,335	1	920,681	+ 123,390
Arauco ..	Apr. 1	13,000	+ 2,000	1	52,000	+ 8,000
Argentine N.E. ..	June 1	11,400	+ 600	1	416,300	+ 70,798
Bilbao R. and Cant. ..	Apr. 1	5,433	+ 2,011	4	15,033	+ 2,919
Bolivar ..	" 1	13,000	+ 962	10	113,775	+ 14,630
Brazil ..	Mar. 1	M4,878,000	+ M716,203	1	M14,506,000	+ M2499,766
Brazil Gt. Southern ..	Dec. 1	Mis. 66,912	+ M22,712	1	M538,439	+ M74,769
B. Ayres & Pacific ..	June 1	133,000	+ 59,000	1	4,600,000	+ 484,000
Do. Central ..	Apr. 1	36,405	+ 10,302	10	289,039	+ 40,182
Do. Gt. South'n ..	June 2	128,000	+ 28,000	10	5,208,705	+ 76,549
Do. Western ..	" 2	73,000	+ 30,000	10	2,584,000	+ 241,000
Central Argentine ..	" 1	151,000	+ 66,000	10	5,598,200	+ 689,100
C. Ur. g'ay of Mts V. ..	" 1	80,578	+ 5,888	10	890,063	+ 255,437
Do. East'n Ex. ..	" 1	6,283	+ 1,46	10	248,876	+ 12,059
Do. North'n Ex. ..	" 1	4,325	+ 802	10	161,442	+ 40,836
Do. West'n Ex. ..	" 1	2,223	+ 425	10	106,695	+ 19,730
Cordoba Central ..	" 1	41,000	+ 6,460	10	1,521,400	+ 91,340
Costa Rica ..	Apr. 1	3,399	+ 2,585	10	121,652	+ 101,276
Cuban Central ..	May 25	26,147	+ 1,805	10	1,001,340	+ 171,396
Dorada Extension ..	Apr. 1	9,500	+ 400	4	33,400	+ 2,700
Egyptian Delta ..	" 30	7,920	+ 1,997	8	24,482	+ 6,990
Entre Rios ..	June 1	18,000	+ 4,500	1	779,100	+ 194,500
French Sante Fé ..	Mar. 1	155,760	+ 45,329	1	1,521,400	+ 91,340
Gt. South. of Spain ..	May 25	Ps. 27,045	+ Ps. 75,485	1	Ps. 625,122	+ Ps. 139,095
Gt. West. of Brazil ..	June 1	14,300	+ 3,900	1	381,700	+ 101,750
Havana Central ..	May 18	10,105	+ 2,380	1	413,910	+ 88,326
Inter. of C. Amer. ..	Apr. 1	33,904	+ 4,754	1	111,780	+ 23,330
La Guaira and Car. ..	" 1	5,000	+ 8,500	1	24,250	+ 10,750
Leopoldina ..	June 1	32,080	+ 5,267	10	695,073	+ 190,873
Midland Uruguay ..	Apr. 1	12,872	+ 1,800	10	133,074	+ 2,844
Mogiana ..	Mar. 1	M1,629,000	+ M46,737	1	M5,577,000	+ M101,673
N.W. of Uruguay ..	Apr. 1	£ 22,000	+ £ 6,710	10	£ 200,697	+ £ 17,004
Nitrate ..	May 31	37,933	+ 8,579	1	312,881	+ 24,933
Paraguay Central ..	June 1	3,320	+ 260	1	139,840	+ 15,710
Paulista ..	Mar. 1	M2,052,000	+ M185,572	3	M7,752,000	+ M199,524
Peruvian Corp. ..	May 1	S1,022,120	+ S119,340	11	S114,24,560	+ S120,888
Salvador ..	May 25	1,900	+ 668	1	101,420	+ 2,382
State of Bahia S.W. ..	Apr. 1	M40,000	+ M2,000	4	M277,000	+ M55,000
S. Paulo (Brazilian) ..	May 26	27,299	+ 3,672	1	634,569	+ 167,356
Sorocabana ..	Mar. 1	M1,839,000	+ M232,244	3	M5,575,000	+ M704,446
Taitai ..	Apr. 1	25,281	+ 4,679	10	249,960	+ 61,702
United of Havana ..	June 1	68,911	+ 23,833	1	2,817,851	+ 687,979
West'n of Havana ..	" 1	9,886	+ 1,274	1	447,112	+ 117,25
Zafra and Huelva ..	Apr. 1	14,738	+ 4,361	4	50,650	+ 9,954

\* Months. † From Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.
Beira ..	Dec. 1	£ 49,448	+ £ 1,842	3	£ 173,777	+ £ 6,532
Canadian Northern ..	May 31	1,210,900	+ 86,900	1	838,419,500	+ 812,23,400
Canadian Pacific ..	" 31	8,435,000	+ 771,000	1	59,145,000	+ 1345,000
Gr. Trk. Main Line ..	" 31	332,719	+ 25,149	1	4,213,091	+ 273,271
Gr. Trk. Western ..	" 31	70,508	+ 9,701	1	78,789	+ 14,802
Detroit G. H. & M. ..	" 31	21,215	+ 1,999	1	252,220	+ 28,873
Gr. Trk. Pac. Prairie ..	" 31	25,265	+ 5,966	1	493,715	+ 86,023
Mashonaland ..	Jan. 1	52,822	+ 3,300	4	220,599	+ 3,322
Mid. of West'n. Aus. ..	Mar. 1	9,594	+ 1,616	9	70,728	+ 2,319
New Cape Central ..	Apr. 30	2,313	+ 433	1	35,347	+ 5,839
Rhodesia ..	Feb. 1	62,666	+ 17,737	5	408,466	+ 10,000

\* Months. † July 1. † Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.	Mo.	Amount.	In. or Dec. on last year.
Atchafalaya T. & S. Fe ..	Jan.	1,912,000	+ 1,689,900	12	47,829,000	+ 1,245,000
Atlantic Coast Line ..	"	1,075,000	+ 212,000	12	12,014,000	+ 607,000
Baltimore & Ohio ..	"	1,852,000	+ 1,165,000	12	30,589,000	+ 3,425,000
Canadian Northern ..	Apr.	541,300	+ 216,600	10	3,041,400	+ 5,231,000
Canadian Pacific ..	"	3,455,000	+ 720,000	12	8,207,000	+ 4,323,000
Chesapeake & Ohio ..	Feb.	627,000	+ 160,000	2	5,160,000	+ 1,394,000
Chicago & N.W. ..	Jan.	785,000	+ 2,797,000	12	27,015,000	+ 3,034,000
Chicago Burl. & Q. ..	Dec.	1,535,000	+ 2,276,000	12	32,867,000	+ 6,432,600
Chicago G.W. ..	Feb.	151,000	+ 36,000	2	1,120,000	+ 357,300
Chicago Mil. & S.P. ..	Jan.	628,000	+ 2,291,000	12	21,957,000	+ 9,180,000
Chicago, Rock I. & P. ..	Feb.	271,000	+ 348,000	2	351,000	+ 1,636,000
Colorado & Southern ..	Dec.	110,000	+ 11,000	11	5,320,000	+ 370,000
Cuba ..	Mar.	488,000	+ 110,194	9	2,330,288	+ 1,327,990
Delaware & Hud. ..	Jan.	3,600	+ 720,000	12	5,636,000	+ 2,124,000
Denver & Rio Gran. ..	Jan.	341,000	+ 12,000	2	758,000	+ 801,000
Erie ..	Dec.	507,000	+ 1,848,000	12	10,538,000	+ 5,279,000
Gr. Tr. Main Line ..	Apr.	144,600	+ 651,550	4	2,263,750	+ 1,846,600
Grand Trunk Westn ..	"	£ 28,350	+ £ 17,250	4	£ 130,250	+ £ 11,750
Detroit G. H. & Mil. ..	"	£ 9,610	+ £ 1,000	3	£ 48,000	+ £ 11,800
Gt. Northern ..	Dec.	1,105,000	+ 1,401,000	12	22,937,000	+ 6,179,000
Illinois Central ..	Feb.	1,008,000	+ 238,000	2	531,000	+ 10,000
Kansas City Southn. ..	"	455,000	+ 59,000	2	824,000	+ 2,876,000
Lehigh Valley ..	Jan.	698,000	+ 2,360,000	12	9,403,000	+ 1,289,000
Louisville & Nashv. ..	Feb.	1,462,000	+ 25,000	2	2,084,000	+ 3,648,000
Minn. S.P. (Soo) ..	Dec.	612,000	+ 883,000	12	9,331,000	+ 3,648,000
Miss. K. & Texas ..	Feb.	76,000	+ 112,000	2	2,100,000	+ 392,000
Missouri Pacific ..	Nov.	1,690,000	+ 321,000	5	9,425,000	+ 1,920,000
New York Cent. & H. ..	Feb.	705,000	+ 243,000	2	443,000	+ 5,019,000
N.Y. N. Haven & W. ..	Dec.	207,000	+ 2,795,000	12	23,815,000	+ 2,245,000
New York Ont. & W. ..	Apr.	21,000	+ 60,000	2	14,000	+ 185,000
Norfolk & Western ..	"	542,000	+ 833,000	2	765,000	+ 2,399,000
Northern Pacific ..	"	862,000	+ 694,000	2	1,644,000	+ 2,139,000
Pennsylvania East ..	Mar.	2,527,000	+ 3,665,000	3	610,018,000	+ 2,869,000
Phil. and Reading ..	Nov.	641,000	+ 1,939,000	11	14,877,000	+ 6,626

# The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

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## CANADA.

### THE DOMINION BANK.

Head Office, TORONTO.

Total Assets - - \$109,438,000.

SIR EDMUND B. OSLER, President.

W. D. MATTHEWS, Vice-President.

C. A. BOGERT, General Manager.

London Branch, 73, CORNHILL, E.C. 3.

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.  
General Banking business transacted. Information furnished regarding Canadian matters.

### ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

PAID-UP CAPITAL .. £2,000,000  
REST AND UNDIVIDED PROFITS .. 914,968  
DEPOSITS .. 26,177,865

Head Office: ST. ANDREW SQUARE, EDINBURGH.

Cashier and General Manager, A. K. WRIGHT. Secretary, J. B. ADSHEAD.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager. ALEX. DICK, Deputy-Manager.

Glasgow Office: EXCHANGE SQUARE.

A. DENNISTOUN, Agent. THOMAS LILLIE, Sub-Agent.

167 Branches throughout Scotland.

Banking Business of every description transacted. Accounts opened and Agency business undertaken for Foreign and Colonial Banks and other financial establishments. Drafts, Circular Notes, and Letters of Credit issued — available throughout the world. Cable transfers are also made. Deposits received at interest repayable at call or at notice. Correspondence invited.

### THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial Japanese Government, 1899.

HEAD OFFICE - - TAIPEH, FORMOSA.

Amoy, Batavia, Bombay, Canton, Foochow, Hankow, Hongkong, Kuikiang, Kobe, New York, Osaka, Shanghai, Singapore, Swatow, Soerabaya, Tokyo, and every important city in Formosa (Taiwan), &c. The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

### THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital .. .. Yen 42,000,000  
Capital Paid Up .. .. Yen 42,000,000  
Reserve Fund .. .. Yen 23,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Bombay.	Honolulu.	Newchwang.	Shimonoseki.
Buenos Ayres.	Hong Kong.	New York.	Singapore.
Calcutta.	Kobe.	Osaka.	Sourabaya.
Changchun.	Los Angeles.	Peking.	Sydney.
Dairen (Dalny).	Lyons.	Rangoon.	Tientsin.
Fengtien (Mukden).	Mamila.	San Francisco.	Tokyo.
Hankow.	Nagasaki.	Seattle.	Tsinanfu.
Harbin.		Shanghai.	Tsingtau.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

### SCOTTISH AMICABLE

LIFE ASSURANCE SOCIETY.

(Established 1826.)

A MUTUAL PROFIT-SHARING OFFICE.  
COMPOUND BONUS.

Bonus Declared at Latest Investigation £1 15s.  
per cent. to £4 12s. per cent. according to duration.

Head Office: 35, ST. VINCENT PLACE, GLASGOW.  
London Office: 1, THREADNEEDLE STREET, E.C. 2.

### THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital - - \$1,000,000.	Subscribed Capital - - \$225,000
Paid-up Capital .. .. £500,000	
Reserve Fund .. .. 555,000	
	£1,055,000
Uncalled Capital .. .. 125,000	
Reserve Liability of Proprietors .. .. 685,000	
	£1,805,000

London Office—11, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cabled.

DEPOSITS received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

## BANKS.

# THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised .....	£1,500,000
Capital Issued .....	1,125,000
Capital Paid Up .....	562,500
Reserve Fund (Undivided Profits)	708,432

## Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS  
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

# THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital .....	£4,000,000
Paid-up Capital .....	1,800,000
Reserve Fund .....	2,000,000

## BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILI—Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

# THE WESTERN AUSTRALIAN BANK.

Established 1841.

Paid-up Capital ..	£250,000 0 0	25,000 Shares of £10 each.
Reserve Fund ..	£700,000 0 0	Reserve Profits .. £19,339
Reserved Liability of Shareholders £250,000.		

Drafts issued. Remittances cabled. Bills negotiated or collected. Deposits received for fixed periods at rates to be ascertained on application, and all banking and exchange business connected with Western Australia conducted through the London Agents, The Bank of Adelaide, 11, Leadenhall St., E.C. 3.

# ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

Head Office—38, Lombard Street, E.C. 3.

Subscribed Capital .. .. .	£1,078,875 0 0
Paid-up Capital .. .. .	539,437 10 0
Further Liability of Proprietors .. .. .	539,437 10 0
Reserve Fund .. .. .	500,000 0 0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION, Manager.

# BANK OF NEW ZEALAND.

(Incorporated July 29th, 1861.)

BANKERS TO THE NEW ZEALAND GOVERNMENT.

London Office: 1, Queen Victoria Street, London, E.C. 4.

AUTHORISED CAPITAL .. .. . £5,500,000

SUBSCRIBED CAPITAL.

Four per Cent. Guaranteed Stock .. .. .	£529,988
"A" Preference Shares issued to New Zealand Government .. .. .	500,000
"B" Preference Shares issued to New Zealand Government .. .. .	250,000
Ordinary Shares .. .. .	1,500,000
£2,779,988	

Reserve Fund and Undivided Profits .. .. . £2,246,595

Negotiates and collects Bills of Exchange.

Grants drafts on its Offices in New Zealand, Australia, Fiji and Samoa. Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

## BANKS.

# BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital .. .. .	£3,904,860
Reserve Fund .. .. .	2,950,000
Reserve Liability of Proprietors .. .. .	3,904,860
£10,759,720	

Head Office: SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.

H. L. M. TRITTON, Esq.

WALTER S. M. BURNS, Esq.

J. S. CAMPBELL, Secretary.

HALKERSTONE MELDRUM,  
Assistant Manager.

DAVID GEDDIE,  
Accountant.

The Bank has 334 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

# THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £2,000,000; together £4,000,000

Reserve Liability of Proprietors .. .. . 4,000,000

Total Capital and Reserves .. .. . £8,000,000

HEAD OFFICE - - - 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

# FARROW'S BANK LIMITED

Authorised Capital - - -	£1,000,000
Shares issued - - -	700,000
Shareholders - - -	4,000

All descriptions of Banking business, including the collection of Bills, Dividends, Annuities, etc., transacted. Foreign Money exchanged and Drafts issued to all parts of the World.

Chairman:  
Mr. THOMAS FARROW.

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OF JOINT-STOCK  
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Agents throughout the World

Strong Rooms for the safe custody of deeds and other property provided for the use of the Bank's customers

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The Editor cannot undertake to return rejected communications.

Letters from correspondents must, in every case be authenticated by the name and address of the writer.

The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and he cannot accept responsibility for statements made therein.

## ANSWERS TO QUERIES.

One Reply to One Question—One Shilling. Any number of questions may be put and will be answered at the rate of One Shilling each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of One Guinea per annum paid in advance, a Key to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

Telegrams advising about new securities cost Half-a-Crown each, plus cost of the telegram.

Private letters in answer to inquiries can be had if desired. The minimum charge for such letters is Ten Shillings, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is Half-a-Crown per question.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of One Guinea, each list different.

## Shipping Problems.

Although a very large amount of money invested in shipping securities is quoted on the Stock Exchange, most of it is represented by preference shares and debentures, which only fluctuate within comparatively narrow limits according to the varying value of credit. Ordinary shares to a great extent are held privately or have been bought up by larger concerns for purposes of control, and the active shipping market has not many more than a round dozen counters to play with. But this small group affords plenty of scope for excitement, as a glance at the accompanying table will

	1913.		1916.		1917.		Pre-sent.
	H.	L.	H.	L.	H.	L.	
Cairn Line .....	18/9	15/6	74/3	35/	52/	1 1/2	2 1/2
Clan Line .....	13 3/4	11 1/4	32 1/2	21 1/2	55 1/2	25 7/8	43
Court Line .....	—	—	47/	26/	42/6	26/6	37/
Cunard .....	36/	28/	5 1/16	67/	4 1/2	64/	4 1/2
Ellerman Pf. Ord.	—	10 5/16	9 1/2	9 1/2	9 1/2	8 1/2	9 1/2
Furness Withy ..	34/3	25/	3 1/16	34/3	60/	40/	66/
Intrnl. Mercantile	4 1/16	3 1/2	53	15	38	25	31
King Line .....	9 11/16	8	2	24/6	2 1/2	31/6	2 1/2
P. and O. Def. ..	350	262	349	270	342 1/2	295	341 1/2
Prince Line ....	26/6	20/	6 1/2	45/	6 1/2	3 1/2	5 1/2
Royal Mail .....	143	97	134 1/2	97 1/2	125	109	126
Sutherland S.S. ...	26/	21/3	3 1/2	2	3 1/2	51/	1 1/2

show. We have chosen 1913 as a starting point because international trade reached its highest development in that year and the mercantile marine was exceedingly prosperous. Then came the war, which upset all calculations; but for a time many shipping companies made enormous profits, those with fleets of good-class "tramp" steamers being particularly fortunate. Lines like the Cunard, the P. and O., and the Royal Mail did not do so well, because a large proportion of their tonnage was immediately requisitioned by the Government at Blue Book rates; but, all the same, the price of Cunard shares has more than doubled, while P. and O. deferred and Royal Mail have, on the average, kept at a substantially higher level in spite of the exceptionally severe excess duty which Mr. Bonar Law imposed on them. Subsequently almost the whole of the British mercantile fleet was brought under the Shipping Control; but it became evident last year that owing to the increased cost of running and other working charges the companies could not earn even the pre-war rate of profit, and a revision of Blue Book rates has recently been conceded, which has given

the market a fresh lease of courage. This was helped by a legal decision to the effect that while the Government could requisition ships, it could not commandeer services—all the intricate organisation which the shipping companies had built up throughout the world for the handling of freights, and which it was impossible for the Shipping Controller to replace. Consequently, the actual management of the vessels is still left in the hands of the various companies, and under the new scale of rates it is evidently believed by the experts in the market that the outlook is encouraging, prices having recovered substantially from the lowest touched last year.

It will be seen from our table that, with the exception of P. and O. and Royal Mail, quotations generally are well above the pre-war level. In the case of the King Line we should explain that the £10 shares were split into £1 in 1916, and the wild fluctuations in International Mercantile Marine were partly due to a suggested reconstruction scheme which was afterwards withdrawn. As a rule, however, shareholders have had plenty of opportunities for securing very handsome profits; but when all the risks that they run are taken into account, no one will grudge them whatever good fortune has come their way.

But the outlook is decidedly obscure in many respects. It is very unlikely that Government control can be dropped for a long time after the war, because overseas troops will have to be repatriated, and there will be an immense amount of reconstruction work to tackle in devastated territories which can only be accomplished under Government auspices. There will be urgent demands for food and raw materials, which must be supplied by the respective Governments, because the people requiring them will not have the money to pay. The case of the Central Powers will be desperate in these respects, but they must wait till the needs of the Allies are satisfied, and that cannot be done in a month or two. There has been a terrible loss of tonnage by enemy action, stray mines, and the invaluable toll of the sea itself; but we have, in all human probability, passed the climax in this matter, and the building of new ships at the rate projected in this country, the United States, and Japan proceeds apace, and will soon redress the balance unless something quite unforeseen and incalculable occurs. Looking a bit farther ahead, the danger seems to be rather

that there will be too many ships than too few at a very early period after peace is restored, and it will take some considerable time for the balance between supply and demand to become nicely adjusted. The shipping business has always been liable to violent fluctuations between prosperity and depression, and there is no reason to suppose that conditions in the future will be fundamentally different from those in the past. But the transition period will be a very trying one for everybody, and shareholders ought to look for big yields on their investments to compensate them for the lean years lying ahead.

### Reforming Educationists in Excelsis.

We confess to inability to get up any enthusiasm about the Education Bill, on whose piecing together the House of Commons is wasting so much time. This is not because, never ourselves having had any education to speak of, we have no interest in the proper instruction of the people; the very reverse is the truth. We have the keenest interest in seeing to it that all our youth, male and female, are properly equipped for the battle of life, and that all have fair play at the start. And we have a decided opinion that in order to secure these aims education must be cheap, open to all, and to a large extent under local control, because the qualifications necessary for success in one district may be comparatively valueless in another. If a system of education is centralised it becomes wholly bureaucratic and rigid, inelastic, increasingly valueless in short.

Does the Bill now being hammered into an Act, as we suppose it will be, in the House of Commons satisfy us on any of these points? It does not. So far as we can see there is comparatively little of the real practical educator about it; but waiving that point, upon which the academic serenities would doubtless say that one who has had to struggle up and mostly educate himself can give no valuable opinion, let us look at the financial aspects of the proposed measure. Do these promise economy? Certainly not. They indicate extravagance, and the whole Bill from the monetary side appears to be framed by individuals devoid of the most rudimentary conception of what costs mean. The members are wrangling in the Commons over continuation classes, the stoppage of half-timers, the compulsory attendance of pupils at school after a certain age, and other provisos all implying extra cost to the parents or longer deprivation of the help of their offspring.

The working man and woman are treated as abstract impersonalities, to be manipulated upon by our educationalists as if they were so many dead carcasses on the dissecting table. And the teacher naturally comes in for his share of attention. He, or she, must receive better payment and various other privileges, and nobody gives a thought to the question, Where is the money to come from? The reformers do not realise, and probably do not want to realise, that the country will probably have no money at all after this war ends, out of rates and taxes, for education. It will be hard put to to pay its creditors, and will have nothing over either for bureaucrat, or pedagogue, or anybody else.

That being so, and this is the hard fact, would it not have been more in accordance with common sense and with the actualities of life to have either let education alone altogether amid the anxieties of war, or have tried to frame a simple, genuinely democratic scheme whereby, for one thing, means now utilised almost exclusively in the "snob factories" of the rich—our "public schools"—would have been spread over the nation so as to cheapen education for the people? The system itself should have been wholly practical, and shaped with a definite practical purpose. What is the value of the wasted or misappropriated educational endowments of England alone? What are the mostly wasted revenues of the London livery companies alone? Is there no money of the Church that has been devoted to clerical uses, and whose original purpose was to further the education of the people?

Questions of this kind will be asked with greater and greater insistence as time goes on, and it surely would have been mere common prudence to face them and try to find a just solution while yet there was time. But no, the superior person, who from the heights of his academic privileges and endowments looks down upon the multitude of his fellow-men, thinks otherwise, and the country is having prepared for it an elaborate, smattering-of-everything, cast-iron system of instruction, which does not seem to be education at all in any real sense of the word. Does it, for example, make provision for the effective teaching of modern languages—as living languages, not as dead? It does not, and the contemplated cost of it is going to destroy its utility at the very start. The nation is expected to accept this as the manifestation of the highest wisdom. We rather think the public will take another view by and by, and certainly it will not interest itself furiously in the question whether universities or the education departments should inspect schools, whether parents of children kept at school by law beyond the time when they might go to work should get a "maintenance" allowance from the State or not.

But the serene unconsciousness with which Mr. Fisher and his phalanx of educationists pursue their way in complete obliviousness of the real position almost forces us to admire them. Do they imagine that they are going to save the public schools and their linked universities from overhaul by their haste? We should not be too impulsive in crediting them with so much foresight. They are just amiable academic philanthropists intent on showing a gaping nation how wise and beneficent they are—at other people's cost.

### Passing Events.

In some respects cheering enough, the sales of National War Bonds, Bank of England issue, last week were neither what they should have been nor what is required. There were 35,212 applications, an increase of 25,953 on the week, and these took up £16,525,427 more than in the previous week, the total applied for having been £32,822,199. These figures bring up the total number of applications to 640,809 and the total amount applied for to £758,263,000. Regarding the Post Office applications for National War Bonds, the figures of which come down to the 1st inst., there were 19,700 applications, an increase of 9,260, and this increase meant that £168,160 more was taken up at £484,500. The totals are thus brought up to 1,190,594 applications and £29,700,340 in money from the Post Office—presumably in the main from workers. Of War Savings certificates sold during the same week the number was 2,658,242, bringing up the total sold to that date to 201,926,945, which means that the Government has received nearly £156,500,000 from this source during the two years odd that the certificates have been on sale. How much more would they have got had an intelligently conceived and wisely adjusted and managed system of premium bond sales been in force during the same time? It is useless to ask a question of that kind because our financial guides have never been taught to understand in the least what credit can do, or what the arrangements for generating credit may mean or involve. Will the Chancellor of the Exchequer tell the citizens whose credit he manipulates and pledges at will and at pleasure, how much actual new money has been received under the various debt-raising devices?

From taxes and State monopolies the revenue last week was £9,170,000, and the actual fresh expenditure of the week was £64,770,000. Of this, £44,036,000 was absorbed in supply, or £6,291,000 per diem. Nearly the whole of the balance was in the form of interest paid on the war debt, which took £20,688,000. This brings up the amount paid out as war debt interest in the past fortnight to about £58,600,000, and of that amount it would seem that so far only £16,500,000 have been handed back to the Treasury. That is the

visible and not too exhilarating result of the strenuous effort made by the Government's advertising agencies, backed by a loyal, because well-subsidised, Press, to "enthuse" investors. We wish the result had been more encouraging, because, financially, we are almost insisting on defeat.

Beyond the £64,770,000 to which the week's actual expenditure amounted, the Government had, in addition, to pay off £78,453,000 of matured Treasury bills and of such bills tendered in subscription for National War Bonds. Also £2,548,000 of War Expenditure certificates had to be paid off, that figure also including some amount of these certificates used to pay National War Bond subscriptions. Then £1,000,000 of temporary advances was repaid and £300,000 was disbursed as "depreciation" in support of market prices for war stock, also £54,246 of War Loans and Exchequer bonds were paid off. So the entire expenditure rose to £147,325,000, and as the amount raised by new Treasury bills was £13,719,000 more than was paid off, while £14,423,000 was received from National War Bond sales and £4,197,000 from American help, still euphemistically rubric-ed as "Other war debt" sources, the Treasury would seem to have had about enough without going to its bankers for day-to-day money. It, however, judged otherwise, and borrowed £30,000,000 on temporary advances, so that the week ended with nearly £5,210,000 of credit in hand to be added to the Exchequer balances, thereby raising them to £15,850,000. That is to say, the week's resources in all shapes were £152,534,000 and the week's expenditure £147,325,000. The nett amount of actual revenue encashed this fiscal year up to last Saturday was £109,650,000, and the total actual expenditure £567,552,000, so that the payments exceeded the solid receipts by about £448,000,000. The deficiency was made good to the extent of only £46,000,000 by the sale of Treasury bills, the Government having relied much more upon the Ways and Means advances to finance its current requirements, and the nett increase this year in the Ways and Means floating debt is, to date, £154,000,000. In addition, £143,000,000 has been obtained by the sale of National War Bonds, £17,600,000 has come from War Savings certificates disposed of and about £116,000,000 has been supplied by the United States.

The steadily decreasing production of gold is exercising the minds of economists on both sides of the Atlantic, as well as causing no small concern to owners of gold mining properties. The Transvaal output, which in 1917 decreased by just over a million, diminishes at a greater rate practically every month. For the first five months of this year the output already shows a decrease of £1,208,792, the total being £14,988,704, against £16,197,496. In Rhodesia, West Africa, India, Australia, and the United States the production tends to diminish, except as regards those properties which produce gold from copper ores. As we have explained before, the cause of the decline is that the price of gold is fixed by its minting value, while the cost of getting it out of the mines has steadily increased owing to war conditions. The low-grade mines were, of course, the first to feel the effect of the increased cost of working, and some of them have already had to cease operations. The richer mines have also felt the effect, large blocks of lower grade ore, which are no longer capable of being treated at a profit, having to be excluded from the ore reserves. Thus the productivity of the richest mines has decreased with every advance in the cost of operation. It is obvious that unless a check is to be put to this cost of production every mine must eventually become unprofitable, and if that stage were ever reached gold would inevitably be demonetised, since its value would be increased beyond the mint price. One of the first suggestions made to remedy this state of affairs was that the gold mines should be subsidised, but there are obvious objections to such a course being followed. Another

and much more practical suggestion is that the gold mines should receive the best market price for their product instead of the mint price. Most of the neutral exchanges stand at a premium of about 30 per cent. in relation to sterling; but, of course, the Government could not allow the gold to be shipped to these countries and a profit on exchange be made by the gold mining companies, for the control of the gold would be lost to this country, though our exchange position would be improved thereby. But it is urged that since the gold mines could not be allowed to do this, they should receive a price from the Government equivalent to what they would receive if there were no restrictions placed upon them in regard to the marketing of their product. This proposal certainly gets to the root of the gold mining problem, and it may be that this will prove to be the only practical solution of it. Bankers, as a whole, have been urging upon the Government for some time past the necessity of maintaining the gold output, but some economists in the City are of opinion that the supply of gold is already sufficient to meet requirements, provided steps are taken to reduce the enormous war debts as rapidly as possible after the conclusion of peace by a compounding of income-tax.

This difficulty raises a most ticklish question, and one that it might be dangerous at present to attempt to discuss with any thoroughness; but we may at least admit, if we do not emphasise too prominently, the danger lying ahead. It is a danger which will increase as the cost of the war mounts and the world becomes denuded of its exchangeable wealth other than gold, therefore it may be necessary for the Allies of the *Entente* to concert measures with a view to retaining the gold production of the world as much as possible for their own use when the war ends. Above all, it may be necessary to combine forces so that the output of the metal may be prevented from dwindling in a manner that might seriously interfere with the recuperative energies of the exhausted nations when again at liberty to employ themselves in developing the products of civilisation and peace. On the other hand, it is just possible that we may be exaggerating the danger and also the necessity for large supplies of gold. We have had a feeling ever since the war broke out that the day of the dominance of gold was at an end, and for many a long day. Mere poverty will prevent any of the nations now taking part in the world's war from being in a position to spare the means to acquire gold in bulk when peace comes back. We shall all have to make use of paper money for a long time to come, and when we try to establish a solid bimetallic foundation on which to base our paper money, that foundation

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may have to be silver—or possibly a select group of products condensed in an "Index" number. It is practically silver now that our paper money is gauged as to value by. That is the only metal the nations of the *Entente* are now in a position to buy in quantity and coin. We should all have to pay a premium for the yellow metal, and it might be a ruinous premium if we set to work to make coins in it now in large numbers. And there is another point of view still—if our international commerce is to be in future organised and guided by committees of producers and merchants, so that it does not run into floods and shallows as has hitherto been the habit, there may be less of metal of any kind required with which to balance accounts between customers at stated periods. The trade of the world may come to be conducted much on the lines of the London Bankers' Clearing House, and no gold at all, or silver either, be necessary to maintain interchange of products in a liquid or solvent condition. All that lies before us in this direction is something of a mystery, but enough can be surmised and foreseen to prevent us from becoming unduly alarmed at the prospect of a shortage of gold, or from rushing in to take measures in order to prevent that shortage, measures certain to prove expensive no matter with what ingenuity they may have been devised.

Next Tuesday the Chancellor of the Exchequer is to ask the House of Commons to grant him another credit of £500,000,000. The last one was, for £600,000,000, and it will soon be exhausted, but the new one will doubtless be as readily granted as all that have gone before. There is no thought of grudging the money, and if only we can be sure that it was being wisely and economically spent not a word of grumbling would be uttered. As it is, and with this addition calculated to carry us on to the first half of September, the House of Commons has voted from first to last £7,342,000,000 for the war. In the first eight months the votes were £362,000,000; in the year ended March 31, 1916, they were £1,420,000,000; and in the succeeding year £2,010,000,000; while for the past year the votes came to £2,450,000,000. Up to date this year, including the vote to be passed next week, £1,100,000,000 will have been provided. All that is not debt of the United Kingdom, but the most sanguine estimate of the capacity of our Allies and dependencies to bear their part does not warrant our putting the amount likely to fall upon the British taxpayer at much less than £6,000,000,000 when the war ends, and we may be thankful should the mass be no greater.

Some of our newspapers are disposed to sneer in a covert way at what they call President Wilson's "Idealism." It seems that he received a group of Mexican tourist journalists the other day at the White House, and took the occasion to deliver himself on public affairs. The speech as transmitted by cable was unquestionably a remarkable one, the speech no doubt of an idealist, but an idealist of practical mind, and we might say a good deal about it did space allow. As it is, we desire more particularly to draw attention to what Mr. Wilson said regarding Russia. "The other night in New York," he said, "at the opening of the campaign for funds for our Red Cross, I said that we meant to stand by Russia just as firmly as we would stand by France or England or any other of the Allies. It was not an audience from which I would have expected an enthusiastic response to that. It was rather too well dressed. It was not an audience, in other words, made up of the class of people who would have the most intimate feeling for the sufferings of the ordinary man in Russia; but that audience jumped to its feet in enthusiasm. Nothing that I said on that occasion aroused anything like the enthusiasm which that single sentence aroused. Now that is a sample. We cannot make anything out of standing by Russia at this time—the remotest of European nations as far as we are concerned, the one with which we have had

the least connections in trade and advantage; and yet the people of the United States rose to that suggestion as to no other that I made in that address. That is the heart of America, and we are ready to show you by any act of friendship that you may make possible our real feelings towards Mexico."

Another point raised by the President was the relation of the United States to the rest of America, and in this he sought to give a new orientation to the Monroe Doctrine. That was a formula designed to shut America, as it were, out from the rest of the world; but it was a doctrine adopted without the consent of Latin-America, and as the President well expressed it, Latin-America took the attitude of the United States to be, "We are going to be your big brother whether you want us to be or not." Nothing in the Doctrine as expounded protected Latin-America from United States aggression in the Prussian style if it had been so minded, consequently the United States was distrusted and looked askance at. Mr. Wilson wants to put an end to all that. He wants an agreement which will give "a common guarantee that the rights of all shall be respected, so that if any one of us, the United States included, violates the political independence or territorial integrity of any of the others, all the others will jump on her." "That kind of agreement," he said, "will have to be the foundation of the future life of the nations of the world. The whole family of nations will have to guarantee to each nation that no nation shall violate its political independence or its territorial integrity." He justly described this as the only conceivable basis for the future peace of the world, and he wants the States of the two continents of America to lead the way. There is nothing grotesque or fanciful in an idealism of this kind, but it requires a degree of unselfishness amongst individuals, and, resulting therefrom, amongst nations, of which we see little evidence, even after four years of war, amongst our political leaders. Have we risen to the height of this unselfishness with regard to "helping Russia," for example? Are not we adjured to render that help on the ground that by so doing we shall get the masterhold on Russia's trade, take the lead in her after-development? Our idealism is still of the earth earthy.

Although the results of the Forestal Land, Timber and Railways Co., Ltd., last year fell considerably short of those for 1916, the directors regard them as highly satisfactory when the abnormal and difficult circumstances under which the business has had to be carried on are taken into consideration. Trading profits amounted to £1,148,000, a decrease of £823,000, but £12,000 less at £127,000 is written off for depreciation, reserve gets £100,000 less at £150,000, and excess duty requires only £200,000 against £600,000. Consequently the nett divisible profit comes out £292,000 less at £472,400, which allows of the dividend of 12 per cent. on the preference shares and 18 per cent. on the ordinary being repeated; but last year the former got a bonus of 3 per cent. and the latter 9 per cent., making 15 per cent. and 27 respectively for 1916. The carry forward is £8,600 higher at £193,000, and we are disposed to agree that the company has done remarkably well when shipping and other difficulties are allowed for. It is stated that the elimination of all alien enemies from the staff was completed during the year, and no doubt this tended to disorganise the business to some extent; but we have no doubt that the shareholders will cheerfully accept the sacrifice. Changes in the balance-sheet are quite unimportant, but the position looks thoroughly sound.

Provision for special taxation probably accounts in the main for the decrease of £61,000 in the trading profits of Pease and Partners, Ltd., for the year to April 30. Interest brought in just double at £73,000, and the nett profit of £464,000 is only £26,000 lower, while £11,000 more at £95,000 was brought in. Allowance for depreciation is £21,000 less at £37,300,

and only £80,000 against £100,000 is placed to reserve, but £50,000 is again set aside to provide for postponed renewals and £10,000 (new) is appropriated for the provision of cottages for employees who have been permanently disabled on active service. The dividend of 17½ per cent. is repeated on the ordinary and deferred shares, and the balance forward is increased by £10,000 to £104,500. A modest capitalisation of reserves is proposed, the total sum involved being £230,000, which give the ordinary shares a bonus of £2 and the deferred £1 per share. In other words, holders of every five ordinary or ten deferred will receive one new fully paid £10 share. It is part of the arrangement that the ordinary and deferred shares should be consolidated, and we do not suppose that the proposal will meet with very serious opposition, and it will be a decided advantage to have only one class of share. The directors also wished to take the opportunity to split the shares into the more convenient denomination of £1, but the Treasury refused its consent! Could anything more childishly ridiculous be imagined?

Wm. Cory and Son, Ltd., as might have been expected, did extremely well in the year to March 31, the nett profit being £45,000 larger at £493,000, while the divisible balance, after providing for debenture interest, is £87,000 up at £586,600. Out of this £90,000 (against £100,000) is placed to reserve, raising it to £650,000, and £60,000 (new) is added to the insurance fund, while the staff pension fund gets £25,000 against £10,000. The dividend is again 10 per cent., less tax, but the bonus is doubled at 10 per cent., tax free, and the balance forward is increased by £4,000 to £135,000. The company is in an enormously strong financial position, and the changes in the balance-sheet need not detain us. It is stated that war conditions continue to make it impossible to maintain the properties and plant in the usual state of repair, but ample provision has been made for deferred work. During the year the business of Mann, George and Co. and R. and J. H. Rea have been acquired, and it is proposed to increase the capital by the creation of 2,000,000 ordinary shares of £1 each, but no steps will be taken at present, owing to existing restrictions to issue them.

We have already dealt with the principal figures of J. Lyons and Co., Ltd., for the year to March 31, and the complete report now available adds nothing to the information published on these points. It contains, however, one or two other interesting items of news. A controlling interest has been acquired in the old-established tea business of W. H. and F. J. Horniman and Co., Ltd., and the business of Black and Green, Ltd., of Manchester, has also been purchased. These arrangements, it is stated, should prove a considerable advantage in effecting economies in the sale and distribution of tea by the companies. A contract has also been entered into for the acquisition of an important property adjoining the Trocadero and the Coventry Street Corner House. To carry out these schemes it will be necessary to increase the capital of the company, and resolutions for this purpose will be submitted at the meeting next week.

It is now announced that, with the approval of the Government, terms have been arranged for the amalgamation of British Dyes, Ltd., and Levinstein, Ltd. This step has been rendered particularly desirable at the present time owing to the serious shortage of materials for plant extensions, so that the complete co-operation between the dye-making interests is of vital importance in order to make the fullest use of existing resources, and place the industry as rapidly as possible on a secure foundation. Terms have been virtually agreed as to the basis on which the assets to be taken over shall be valued, and goodwill is to be paid for in deferred shares, of which 55 per cent. will go to British Dyes and 45 per cent. to Levinstein. Complete details have not yet

been worked out, but the combine ought to be powerful enough to place the industry in a position of independence as regards foreign competition by the time this is likely to develop into a formidable factor.

The report of the Central Mining and Investment Corporation for 1917 shows a fresh but slight setback in profits, which was really to be expected in view of the decreasing profitability of gold mining under war conditions. The total is £349,090, a decrease of £17,303; the dividend is maintained at 5 per cent., tax free, the reserve again gets £150,000, while the carry forward is raised from £70,863 to £99,953. Shares and interests stand at £6,122,400 in the balance-sheet, a decrease of £255,800, which is partly accounted for by realisations at substantial profits and by depreciation. A decrease in the holding of British Treasury bills is more than offset by an increase in other Government securities and in cash assets and the reduction of liabilities to creditors. Options have been secured on a considerable number of shares in the Rhodesia Broken Hill Development Co., the exercise of which will depend upon the results of an examination of the property now being carried out. Interests in West Africa have been reduced by the realisation of the holding in Fanti Consolidated Mines and the liquidation of the West African Mines. Divisible profits are now being earned by the Trinidad Leaseholds Co., in which the Corporation has a controlling interest. The most interesting paragraph in the report, however, is that in which reference is made to the decrease in the Witwatersrand gold output. Last year the falling off was not very great, but the danger of a further diminution—already a fact—is emphasised. The directors point out that so far the question of avoiding it is unsolved, but add that steps have been taken to bring to the notice of the authorities the whole question of the handling and realisation of the output, particularly in regard to its value from the standpoint of exchange.

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As we have already pointed out, the reduction in output is universal, and if the closing down of more low-grade mines is to be avoided steps will have to be taken to remedy the present situation very soon.

In renewing their subscriptions old clients of THE INVESTORS' REVIEW sometimes send us notes of appreciation cheering and precious to one now old and nigh worn-out in their service. Here is a note that came to us with a cheque in renewal at the beginning of the month, for which we cordially thank the writer:—"Please allow me to express my appreciation of the value of THE INVESTORS' REVIEW, which grows with the growing years. I cannot sufficiently thank you for your sound and sobering views on things financial when other guides, or should-be guides, seem blinded. Yours is the only financial journal, so far as I know, which, for instance, gave warning of the danger in the Rubber share market. I don't think you have been at all too pessimistic. The far-off prospects may be bright enough, but the immediate future seems blacker than even you have painted it." Always our purpose has been, and is, to merit such praise, for always our effort is to reach the just opinion, untrammelled by any self-interest or effort to woo the favour of any one party among the players. And impartiality, the absence of self-interest or *parti pris* was never more needed than it will be in the times now at hand. We thank the old subscriber for his words of good cheer.

A lot of dirty linen was washed at the meeting of Schweppes, Ltd., this week. The company ought to be one of the most prosperous in the country, in spite of its over-capitalisation, but it does not seem to be understood that the dividend on the deferred shares is cumulative, which means that until their arrears of something like 90 or 100 per cent. are paid off it is impossible that the ordinary dividend can be increased. This fact is so little known that we have always had a suspicion that if the price of the deferred could only be knocked down to a few pence or shillings there are people who might pick up nearly the whole lot for an old song and firmly control the entire business. But the worm turns at last, and Mr. Walter Harris, C.M.G. (one of the managing directors), rounded in truly brutal fashion on those two gorgeous aldermen of the City Corporation, Sir Wm. Treloar and Sir Wm. Dunn (both ex-Lord Mayors), with a gentleman called Sir Ernest Clarke, who was described as having no mind of his own apart from the other two directors already mentioned. Ultimately it was decided that the Public Trustee—in his capacity as the largest debenture-holder—Sir Ivor Phillips, and Mr. C. Williamson Milne should appoint an independent committee of five shareholders to go into the whole of the transactions of the company. If the committee does its duty faithfully and well there ought to be some interesting revelations, for we could never understand how such a magnificent business did not achieve the prosperity it deserved.

Mr. Illingworth's statement on the work of the Post Office was as interesting, if not quite so elaborate, as usual, but he explained that a great deal in connection with war services could not at present be made public, and when it was divulged in the future it would be found that the Post Office had been of immense help both to the naval and military forces. We always like to hear about the correspondence with the troops serving abroad, and it appears that to France alone the weekly mail amounts to 10 million letters and 350,000 parcels, but at Christmas last it rose to 20 million letters and four million parcels, while owing to the excellent arrangements made very few were delivered late. Last year the number of letters to prisoners of war was 89,000, and of parcels 85,000 per week, and the figures have since risen to 116,000 and 126,000 respectively. There are now 25,000 fewer people

employed in Post Office work than in pre-war days, and the services, which are conducted under great difficulties, have necessarily suffered, although not to the extent that might have been expected. War bonuses granted to the staff already cost £6,000,000 per annum, and are likely to cost much more before long. We are sorry to learn that the P.O. tunnel connecting the main railway termini cannot be completed until after the war owing to the lack of materials. It would be so helpful in facilitating business that we think it ought to have been accomplished; we know that infinitely less necessary work has been done, quite apart from the thousands of grotesque mistakes that have been committed.

## The "Objects" of Limited Companies

Till the war stopped company promotion we were all familiar with the ordinary kind of prospectus, which purported to say that the company had a very large number of "objects," bearing little or no relation to each other, and certainly none to the company's name. Thus there might be a "Notting Hill Milk Supply Association, Ltd.," the first "object" being stated to be to take over Mr. John Smith's retail dairy in that district, but subsequent clauses bearing equally explicitly that other "objects" were to run ocean steamers and railway trains, to give guarantees, and to do underwriting business of all kinds. Finally, according to the later forms, the whole thing wound up with a general clause to the effect that each "object" was totally independent of all the others, that there was no leading object, and none subsidiary, but that each was to be as important as if it had been the only object, and that there was to be no restriction or fetter read in from the name of the company or by confining its operations to the United Kingdom or to the British Empire.

The idea underlying this kind of memorandum of association is that the Notting Hill Milk Supply Co. might, in fact, devote its funds and energies to underwriting loans for the Chinese Empire. That might be a somewhat extreme instance, but in principle it really goes no further than actually happened in a recent case which went to the House of Lords, where strong comments were made on this whole method of doing business. In that case a company was registered to carry on rubber collection in British Guiana, but other objects (expressly non-subsidiary) were company promotion anywhere in the world, no matter what the nature of the business might be, and stock-jobbing. The company undertook an underwriting liability of £8,600, and it has been held, very unwillingly, that that obligation was valid. The underwritten company happened to be a rubber company in Cuba, but it would have been all the same if it had been a bank in Timbuctoo.

This sounds like a farce, and so in a sense it is. But two things may be said. There is a reason at the bottom of it; and any legislative remedy—which is proposed—may produce even worse results.

It is quite clear that a great many of the so-called "objects" are not objects at all, but merely powers or methods by which the true "object" is to be reached. Thus a drapery company states as two of its objects to accept bills and engage shopmen. This has originated in lawyers' fears that, if some of these things are not set forth as objects, it will be found that the company cannot do them at all. The giving of guarantees is a good case in point.

Two remedies are proposed. It is said in the House of Lords that such companies do not comply with the law, and that the registrar of joint-stock companies ought to refuse registration. Then the matter would reach the Law Courts in an appeal from his refusal. That would cause delay, which might be very seriously inconvenient. There was also a clear indication that there will be legislative interference. One of the law lords is also on the Committee as to amendments in company law, and he is to take care that that Committee puts on the screw in two ways. One is to strengthen the requirements of the law to the effect of really defining the "object" of the company, so as to put an end to the present practice, which was said to have reached "a point at which the fact was that the function of the memorandum was taken to be not to specify, not to disclose, but to bury beneath a mass of words the real object or objects of the company, with the intent that every conceivable form of activity should be found included somewhere within its terms." The other suggestion is that the registrar's certificate of incorporation should cease to be absolutely conclusive to the effect that all requirements of the law have been complied with. This points to a very great danger, for it would just mean this, that, after years of trading, it might be found that the company had never been validly incorporated, that there was not limited liability, and that innocent shareholders were liable to their last penny for the company's whole obligations.

We are not convinced that there is really any serious grievance at present existing. Nor are we satisfied that any remedy may not create a grievance. But we are strongly of opinion that anything which throws doubt on the limitation of liability will be highly pernicious, and should not be allowed.

## By-the-Way War Notes.

Not much need be said this week about the progress of the conflict, at any rate, not in detail. It goes on in a high degree successfully from the essential point of view, the destruction of the trained German serfs. It is, indeed, the longest and most heroic fight of which the world has record, for it exceeds in murderousness even the prolonged struggle around Verdun. Day after day and night after night it goes on unceasingly on that front between the Oise and the Marne. The enemy began the fight with an overwhelming superiority of numbers at the selected points of attack, and by driving his pawns forward at these points he made a certain amount of progress, especially at first. As General von Stein, the German War Minister, boasts—exaggerating every success to keep alive the spirit of the brute in the German people—many troops—and civilians—were captured, and, above all, large quantities of war material and provisions, all at the beginning. So the German Minister's address on the army estimates was pitched high in brag, and is worth study as illustrating the unchanging character of German audacity in falsehood. General Stein regards "our incomparable Army" with "gratitude and admiration." It is "conscious of its strength," he proclaims, and therefore he "looks forward to the issue of the struggle with complete confidence." That is all right and as it should be, for we want them to be slain. But he could not, with all his arrogance in assumption, brag that the German hordes had broken up a single one of the Allied armies. They face the foe still.

From all frontiers General Stein none the less boldly brings good news, positive or negative, and boasts among other wonders of what Germany with her Turkish allies have done at Batum, Erivan, and Kars, but for all his swagger he is obliged to admit that after almost four years of incessant murdering the enemy is not yet prepared for a peace of the German kind. That at least is truth without varnish, and an admission by the enemy that he is foiled. No, we are not yet ready for his "peace," never shall be.

Our true attitude, the attitude of the Allies, was impressively set forth by Mr. Lansing, Secretary of State in President Wilson's Cabinet, in an address he delivered on receiving the honorary degree of Doctor of Laws at Union College, Schenectady. Once more he defined the attitude and aims of the American people—of all the Allies. He emphasised the deceit with which the machinations of the enemy were hidden while his preparations were going on for launching this devastating pestilence of a world war in furtherance of a demented ambition bred of ignorance and pride. We were all deceived by our own guilelessness. "We admit," said Mr. Lansing, "that we have been dupes of the military clique of Berlin, because dishonesty of this sort seemed to us inconceivable in these days of international honour and Christian civilisation." "But," he went on, "I believe the nations, and I am certain that the United States will never again be caught in a net of duplicity equal to that which was spread all over the world by the German Government. We have learned our lesson. It has cost us dear, but we will never have to learn it again."

Behold here the spirit in which the Allies fight on and endure disappointments, reverses, postponement of hopes, losses of all kinds. We are all confident that the war is not at an end, because we have resolved that it shall continue until our purpose of deliverance has been fulfilled. General Stein and his fellow-betrayers of humanity may be quite sure that the fight will have to go on and on until the German race is reduced to impotence. Even if the savage hordes reach Paris the war will continue. They have sought destruction and it will be theirs in ample measure.

That is what the fighting is now doing—destroying the enemy. All accounts agree that the destruction of German "gun-fodder" in this war is enormous, if not unprecedented. Naturally General Stein says nothing about that, but it is the one sure proof we have that we are succeeding, and the far-seeing, prudent skill with which the Allied armies are being handled so as to economise our losses in men increases our confidence. Never has there been a campaign conducted with such trained ability, resolution, and high courage as that now raging in France under the supreme guidance of General Foch, and as one watches one can see that he is progressing with a sure step towards victory.

The German War Minister declares that the British and French have used up their reserves. "Great parts of the British Army have been beaten," he told the Reichstag. "General Foch's so-called Army of Reserve now exists no more." Does he really believe all that, or that the British divisions are exhausted. We hope he does, for that may increase the recklessness of the German attack.

Whether that attack is directed towards Paris as now, or whether it will break out at some other points, we cannot tell. In the sense of this ignorance of German designs the "initiative," as it is called by our war interpreters, is with the Prussian, but in all other respects, in the heroism of the fighting, in the husbanding of the men, and in the manoeuvring to outwit or circumvent, the Germans are our inferiors, and grow more so as their destruction proceeds. One has but to look at the position of the German armies thrust—one might almost say jammed—into the bend or "salient" formed by their advance across the Isle de France and Picardy to understand that desperation is spurring on Ludendorff and his generals to take all risks in order to force a decision soon. As we said weeks ago, the spur behind prodding them on is German misery and impending famine. There lies the real "initiative." The doom of Heaven has gone forth against the inhuman despoilers, and gives them

no choice but to hazard the life of the race, of the last man, in trying to snatch some semblance of victory, in the hope thus to escape execution of the sentence. But the Americans have come. More than 700,000 of them are in France eager for the fray.

Apparently we British are taking but a small share in this heroic battle. Sir Douglas Haig's daily bulletins refer merely to petty-looking raids up North. We are, as it were, marking time there, and except in the neighbourhood of Rheims, where some of our men are making a noble stand, and in our splendid Air Service, which is working as one man with the matchless airmen of France, we seem to be taking but little actual share in the conflict. That is only as it looks on the surface, and our apparent inaction is probably an outcome of the plans arranged with the Generalissimo. Our troops are being reserved for the masterstroke destined to fall when General Foch sees the time come. But we never know the moment when, discerning the threatening danger, the German swarms and their poison and fire will not again be flung against us in the North, intent upon making one more dash for those coveted Channel ports. As the prospect of entering Paris becomes more remote, another carrot will have to be dangled before the nose of the German ass, and "the ports, the ports," are alone available. So our turn to face the music may come any day, and if not we stand ready to intervene and help France to clinch the victory. Meanwhile, let us possess our souls in patience, and be of good courage; Germans are being destroyed day and night, destroyed in droves and heaps; and that is the one sure preliminary to a durable world peace.

Other method there is none; for when we turn to the utterances of German professors and newspaper oracles, we find the same spirit of arrogance still dominant among them, and all the country seemingly still in unison even at this late day with the lusty greed of the Tirpitzes and Steins and Bernhards; with the whole ruck of mad Pan-Germans who believe themselves to be the select of the earth and destined to rule it. They continue to dictate their terms of peace to a conquered England and a France bled white. That being so, what can we do but fight on?

On the other parts of the front events are always happening, but none of sufficient importance to withdraw the eyes of mankind away from the fate-laden struggle in France. The Greeks are making themselves felt against the Bulgarians in Macedonia, the Italians are more than holding their own against the demoralised Austrians in Northern Italy, and Italian water and aircraft are taking toll of the Austrian fleet with a dashing bravery fascinating to look upon. But in Mesopotamia and Palestine, with the hot weather now upon them, comparatively little can be done by our Armies, and it would be a mistake to call upon them for great exertions, because their task is every day being lightened by what is going on in France.

In Russia the position seems to become steadily darker for the realisation of Pan-German dreams. They are busy, these Pan-Germans and their agents, totally regardless of all promises and treaty stipulations, in extending their sway over that land, stealing as they go deeper and deeper into the heart of Russia, and everywhere succeeding with that doltish infallibility we now look for in German political action, in turning everyone against them. Russia is coming to her senses, and will need time to recover. Meanwhile, the Germans are affording the world a most instructive illustration of the lengths to which abandoned human nature may go in crime.

Tirpitz has been predicting a great assault by the German fleet or fleets in the North Sea and Mediterranean. We hope he is a true prophet. Nothing would suit the Allies better. Germany has grabbed the Russian Black Sea fleet too, and Press "kites" warn us to look for it in the Aegean. We dare say.

The Standard Bank of South Africa has issued an excellent map of the sub-continent, with the towns in which it is represented underlined in red. There seem to be very few places where the bank has not a branch or an agency.

## Men Exempted or Ineligible

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## American Business Notes.

Although people here may not now have so great a direct stake in the fortunes of the United States railways, there is still not a little to interest and instruct in their reports. The New York Central, for instance, one of the largest properties in the States, if we include therein all its offshoots and dependencies, earned gross last year \$216,268,000, or £43,254,000. The nett revenue, after meeting everything except taxes, was \$62,670,000, or £14,532,000. But the most interesting thing about this great corporation is not the magnitude of its gross and nett income, but the way in which it manages to survive and to earn a handsome nett revenue amid the changed conditions under which all business, and not least railroad business, has to be conducted in America. Working expenses, for example, last year were 71.02 per cent. of the gross receipts, whereas in the previous year the proportion was 64.36 per cent. So rapidly, indeed, did the working charges advance last year that, although the gross earnings were \$14,682,000 higher than in the previous calendar year, the nett revenue was \$9,177,000 smaller. What are called "transportation" expenses alone rose from \$64,950,000 to \$83,627,000. Taxes inevitably rose, too, and took \$11,240,000, compared with \$8,482,000 in the preceding year.

It followed that the nett revenue from all sources was \$11,937,000 less from the working of the property. There was also a much smaller revenue from outside the business. Rents were unaffected, but the income from separately operated properties fell from \$4,351,000 to \$627,000, and the nett income from dividends was fully \$3,500,000 down at \$7,465,000, so that the entire income was nearly \$19,000,000 smaller at \$66,873,000. Yet so strong is the company that it was able to meet all fixed charges and to pay 5 per cent. on its ordinary stock, with a surplus of \$13,000,000 left over. To be sure, nothing was set aside last year for depreciation of equipment, but neither was any assignment made to that account two years ago, so that the \$2,500,000 thus assigned for 1916 may be regarded as an occasional allowance. In one sense this summary of results is suggestive of a splendid reserve strength on the part of these railways, and lends no encouragement to the successful clamour for higher railroad charges, but it may be that in other directions undisclosed by the annual report the company has been straining its equipment, allowing lines to deteriorate, perhaps, and in other ways affording valid arguments in favour of heavier charges laid upon the people for services rendered. On the other hand, the power to economise, so as to counteract the effect of higher wages and costlier materials, does not seem to have reached its limits. Last year the company carried nearly 5 per cent. heavier weight of goods and 8 per cent. more passengers, although the car mileage was reduced by 114,668,000 miles. At the same time the trainload was raised by 81 tons to 927 tons. That is to say, the trainload was raised by 91 per cent. within the period of a single year, and the economies thus indicated may not have yet reached their limit, so that the necessity for increasing freights and fares does not seem to be demonstrated by the accounts.

A question is raised about the position of railroad securities which have been defaulted upon, and whose property may be said to be now in pledge to the creditors. Here, for instance, is the St. Louis San Francisco Railway, which has been reorganised under foreclosure, that is to say in bankruptcy. Last year it had balance of nett income, after meeting all fixed charges and rentals, and after paying interest on its different issues of income bonds, amounting to \$2,848,000. This nett income would be sufficient to pay the 6 per cent. on its preferred stock and 41 per cent. on its common stock, with something over, but neither classes of stock have received anything whatever, and recently the market price of the ordinary was 10 to 11 and of the preferred 20 to 25. Nobody knows, indeed, what is to be the fate of the company, or what the Government, which now has control, will pay by way of capital for the use of the lines, so the price of the common stock is now little more than the assessment paid upon it by the holders to prevent the property from being wiped out. It seems a pity that this should be so, and doubtless some explanation or clearing up of the mystery will be forthcoming before long.

Reverting to the question of railway rates, above touched upon, it may be useful to mention that railroad wages alone have been raised to an extent that gave powerful support to the demands of the companies for liberty to make higher charges. Taking the number of men as employed at the end of 1917 and their wages as at June 30, 1915, it is found that they have obtained rises in wages amounting in all to about \$594,000,000. That is to say, on the June, 1915, basis their wages would have been just under \$1,612,000,000, and they were actually earning \$1,917,000 odd at the end of 1917, or an increase of \$305,000,000. But Mr. McAdoo's Wage Commission raised the wages to upwards of \$2,205,000,000, an increase of £119,000,000, or nearly 37 per cent. And wages are not the whole question, although they lie at the root of all advances. The improvement in the railroad pay rolls is only a reflection of what is taking place everywhere, and everywhere producing the same result, viz., a rise in prices. And when the reaction comes? Ah! talk not of that—yet. The wage basis of relationship between man and his fellows may then have to disappear altogether.

A new company has been formed in the States called the Discount Company of New York. It is modelled upon the English discount companies, and is to have a capital of

£1,000,000, with a surplus of £200,000. That is to say, the \$100 share will be sold at \$120, and the odd \$20 will go to form the reserve. Several national banks and trust companies, and one private bank, have subscribed the capital to this new institution, which, when it gets its charter, will deal in acceptances of commercial paper. The founders are the Mechanics and Metals National Bank, the National Bank of Commerce, the National City Bank, the First National and Chase National Banks, the Guaranty Trust Co., the Bankers Trust Co., the Central Trust Co., the Farmers' Loan and Trust Co., and J. P. Morgan and Co. One of the purposes of the new bank will be to assist in financing the foreign trade of the United States after the war, and in that field there ought to be ample scope for it without treading on anybody's toes.

It should be noted that the War Trade Board of the United States has restricted imports of crude rubber to 100,000 tons per annum. The annual import has been about 157,000 tons, so that the restriction cuts off a full third of the former normal supply, and that must affect the market for the output of our rubber companies as well as those of companies financed in America.

The Federal Trade Commission has taken another step which is not without considerable interest here. It has forbidden manufacturers to fix the sale price of their commodities. Owners of patent or proprietary medicines, for example, have been accustomed to dictate to their retail customers the price at which their manufactures were saleable, and have penalised any vendors who ventured to disregard the stipulation of the manufacturer. It will apparently no longer be possible for them to do any such thing. They are forbidden to indicate the prices at which their proprietary or patent medicines are to be resold, and must not force dealers to enter into agreements restricting freedom in any sense, nor must they penalise those who disregard the stipulation that may have been made. Probably this decision will affect trade in a variety of ways not yet visible, and it does not appear to be certain that the Commission has not gone beyond its powers in knocking down the monopoly fence.

## Insurance News.

Considerable interest has been aroused in American insurance circles by an announcement that the Tokyo Marine and Fire Insurance Co., of Tokyo, the largest of the Japanese insurance corporations, has invaded the American fire insurance field. The Japanese interests have taken over the business of the Aachen and Munich Fire Insurance Co., one of the largest German concerns, that was closed up after the United States entered the war. The Tokyo Marine Co. was already doing business in the United States, having been engaged in writing marine business, and held the distinction of being the only Japanese insurance office so engaged. It has now altered its charter to enable it to take up the lapsed business of the German companies, and has in consequence added to its title the description—fire insurance. In 1916 the gross premium income of the Aachen and Munich company amounted to £332,000, and paid in that year claims to the amount of £122,000. At the close of 1916 the German undertaking had in the United States insurances in force to the extent of about £63,000,000.

In the course of hearing a case in the Courts regarding a petition of the Board of Trade under the Trading with the Enemy (Amendment) Act, 1916, when the judge ordered the winding up of C. Happach and Co., it was stated that the Controller had paid the premiums on two policies taken out by Happach with British offices. The judge inquired if there was any emergency legislation with reference to life policies, and what would happen to these policies if the payments were not kept up. Counsel in the case said he should think they would lapse automatically, but the insurance companies were anxious to do what was right, and he thought they could be revived afterwards on payments of the amounts. The judge suggested that when the order was made vesting the enemy shares the policies should also be vested in the custodian, who could keep up the payments.

Owing to the fact that the meeting of the Phoenix Assurance Co. was held at a later date than usual, Lord George Hamilton, the chairman, was able to review as a whole the results of insurance business in his speech to the shareholders on Wednesday. From the results produced Lord George's conclusion was, that this important branch of commercial affairs has well maintained its position under the trying circumstances brought about by the war. Taken as a whole, the fire companies did fully as well as usual, marine offices have also done remarkably well, and the life offices have shown great vitality, though the financial effects of war conditions have temporarily influenced their profits. The main features of the fire business in 1917 were a lower loss ratio, diminished expenditure, and larger profits. In marine business a phenomenal growth was shown in premiums. The writing of war risks was not only necessary for the protection of the companies' business, but was of immense service to the commercial community, as it enabled the trade of the country to be carried on without undue disturbance.

Mr. Montagu, Secretary of State for India, will preside at a meeting of the Indian Section of the Royal Society of Arts on Thursday, 20th instant, when a paper by the Hon. Sir Dinshaw E. Wacha, on "Indian Cotton and the Cotton Mill Industry," will be read by Sir Charles H. Armstrong, late chairman of the Bombay Chamber of Commerce. This will be the concluding meeting of the Jubilee Session of the Indian Section.

## INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.				GROSS TRAFFIC TO DATE.			
	Week ending	Amount	In. or dec. on last year.		W/M	Amount	In. or dec. on last year.	
		Rs.		Ks.		Rs.		Ks.
Assam Bengal ..	Apr. 13	2,33,546	+	9,883	+	2,33,546	+	9,883
Barsi ..	" 20	39,900	+	24,200	+	39,900	+	24,200
Bengal & N.-W. ..	" 13	8,60,490	+	6,325	+	8,60,490	+	6,325
Bengal Nagpur ..	" 20	11,26,000	+	42,000	+	32,46,000	+	2,13,372
Bombay, Baroda ..	June 1	17,20,000	+	25,000	+	1,58,19,000	+	13,34,000
Burma ..	Apr. 13	9,74,018	+	24,995	+	9,74,018	+	24,995
Delhi Umballa ..	June 1	77,200	+	12,241	+	7,68,585	+	99,076
East Indian ..	" 8	26,64,000	+	1,47,000	+	2,53,25,000	+	15,81,000
Gt. Indian Penin. ..	May 25	24,53,700	+	2,16,000	+	1,83,83,600	+	7,07,802
Lucknow-Bareilly ..	Apr. 13	1,40,549	+	42,593	+	1,40,549	+	42,593
Madras and S. ..	" 20	11,00,000	+	60,385	+	31,25,000	+	90,628
Mahratta ..	" 20	1,68,269	+	34,832	+	4,33,653	+	37,514
Nizam's Gd. (Broad) ..	" 20	86,991	+	5,449	+	2,49,586	+	7,566
Robilkund and ..	" 13	1,01,505	+	11,745	+	1,01,505	+	11,745
Kumaon ..	" 13	12,10,607	+	99,943	+	12,10,607	+	99,943
South Indian ..	" 13							

## TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	Rs.	IN. OR DEC. ON LAST YEAR.	Amount	Rs.	IN. OR DEC. ON LAST YEAR.
Dublin United	Apr. 5	7,817	+	1,914	99,454	+	19,435
Hastings and Dist.	May 27	1,508	+	223	23,207	+	3,054
Isle of Thanet	" 25	413	+	91	6,525	+	2,161
Lancashire United	June 5	3,149	+	282	63,032	+	17,792
Provincial ..	" 1	3,244	+	137	88,402	+	16,462
Yorks. (West. Rdng.)	May 19	3,007	+	1,104	48,863	+	11,358

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	Rs.	IN. OR DEC. ON LAST YEAR.	Amount	Rs.	IN. OR DEC. ON LAST YEAR.
Alabama Power	Apr. 5	138,191	+	31,575	2,65,020	+	51,718
Anglo-Argentine	June 10	56,754	+	2,639	1,274,678	+	87,074
Auckland Electric	Apr. 12	23,209	+	2,031	224,466	+	9,880
Brazilian Traction	" 5	4,091,000	+	38,000	4,152,700	+	4,059
Brisbane Elec. Inv.	May 27	37,610	+	4,270	5,175,179	+	14,059
British Columbia	Apr. 5	129,997	+	32,909	1,162,554	+	193,133
B. A. Lacroze	May 4	41,315	+	720	429,380	+	3,322
Burmah Electric	" 8	Rs. 27,614	+	Rs. 3,915	213,042	+	Rs. 4,945
Calcutta ..	June 8	Rs. 24,232	+	Rs. 7,724	Rs. 154,256	+	Rs. 15,039
Carthage and	" 5	5,027	+	706	22,585	+	3,738
Herreras ..	May 8	12,972	+	1,076	147,938	+	435
Cordoba Light	Apr. 6	13,111	+	31	191,668	+	2,605
P. & T. ..	" 6	5,169	+	940	19,972	+	2,807
Hongkong ..	" 6	20,292	+	1,603	84,153	+	14,554
La Plata ..	May 31	Rs. 41,152	+	Rs. 7,747	Rs. 403,879	+	Rs. 60,097
Lima ..	Feb. 10	168,000	+	25,870	335,000	+	46,570
Madras Electric	Nov. 5	215,256	+	108,669	3,193,106	+	197,227
Manila Electric	May 5	5,719	+	982	28,582	+	3,345
Mexico ..	Apr. 13	14,260	+	1,129	202,250	+	8,871
Rangoon ..	" 5	500,728	+	20,885	1,943,562	+	76,096
Singapore Electric	May 3	32,301	+	3,585	238,338	+	23,000
Toronto ..	Mar. 5	47,700	+	4,400	131,900	+	23,700
United of Monte V.	Apr. 5	65,739	+	5,676	282,595	+	59,493
Vera Cruz ..	" 5						
Winnipeg ..	" 5						

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

NAME.	Week ending	Amount	Rs.	IN. OR DEC. ON LAST YEAR.	Amount	Rs.	IN. OR DEC. ON LAST YEAR.
Alcoy and Gandia	June 8	Ps. 8,000	+	3,000	Ps. 215,100	+	Ps. 34,270
Antofagasta (Chili)	" 8	54,435	+	17,655	1,032,230	+	157,615
Arauco ..	Apr. 10	13,000	+	2,000	52,000	+	8,000
Argentine N.E.	June 8	11,100	+	800	427,400	+	71,598
Bilbao R. and Canta	May 2	4,149	+	133	22,151	+	3,052
Bolivar ..	" 2	12,000	+	670	125,894	+	14,079
Brazil ..	Mar. 5	4,878,000	+	27,203	4,150,000	+	24,997,600
Brazil Gt. Southern	Dec. 8	Vis. 66,912	+	22,712	5,538,439	+	7,74,769
B. Ayres & Pacific	June 8	138,000	+	57,000	4,736,000	+	541,000
Do. Central ..	Apr. 10	36,405	+	10,302	289,099	+	46,182
Do. Gt. South'n	June 9	121,000	+	26,000	5,419,705	+	50,549
Do. Western	" 9	71,000	+	27,000	2,655,000	+	270,000
Central Argentine	" 8	140,000	+	60,000	5,738,200	+	749,100
C. Ur'g'ay of Mto V.	" 8	21,119	+	7,601	911,182	+	263,038
Do. East'n Ex.	" 8	6,061	+	53	254,937	+	12,006
Do. North'n Ex.	" 8	5,117	+	2,349	166,539	+	43,185
Do. West'n Ex.	" 8	1,877	+	116	108,572	+	19,846
Cordoba Central	" 8	44,600	+	8,830	1,566,000	+	100,170
Costa Rica ..	Apr. 20	3,399	+	2,585	121,652	+	101,276
Cuban Central	May 25	26,147	+	1,865	1,001,340	+	171,396
Dorada Extension	" 20	9,500	+	1,000	42,900	+	2,800
Egyptian Delta	" 20	7,034	+	2,076	39,150	+	11,032
Entre Rios ..	June 8	17,700	+	2,000	796,800	+	196,500
French Santa Fd	Mar 8	155,760	+	45,329		+	
Gt. South. of Spain	June 1	Ps. 29,674	+	Ps. 62,779	Ps. 654,796	+	Ps. 151,874
Havana Central	" 8	10,456	+	2,323	394,200	+	103,350
Inter. of C. Amer.	Apr. 1	33,904	+	4,254	435,321	+	94,181
La Guafra and Car.	May 8	5,500	+	2,450	117,780	+	23,330
Leopoldina ..	June 8	35,135	+	5,772	29,750	+	13,000
Midland Uruguay	May 1	11,702	+	1,055	731,008	+	196,645
Mogiana ..	May 1	1,629,000	+	4,673	1,447,765	+	1,739
N.W. of Uruguay	May 1	20,500	+	6,255	282,453	+	12,004
Nitrate ..	June 31	37,933	+	8,579	312,881	+	24,933
Paraguay Central	June 8	3,450	+	80	143,290	+	15,790
Paulista ..	Mar. 5	2,052,000	+	1,185,572	3,752,000	+	1,993,524
Peruvian Corp'n	May 1	51,022,120	+	519,340	11,424,560	+	1,201,888
Salvador ..	June 1	2,851	+	214	104,271	+	2,168
State of Bahia S.W.	Apr. 1	2,683	+	5,543	684,288	+	172,965
Sorocabana ..	Mar. 5	1,839,000	+	232,244	3,575,000	+	7,704,446
Taital ..	May 2	23,168	+	29	273,128	+	61,067
United of Havana	June 8	50,919	+	14,916	2,868,770	+	702,895
West'n of Havana	" 8	9,516	+	1,243	456,628	+	118,368
Zafra and Huelva	Apr. 1	14,738	+	4,361	50,650	+	9,954

\* Months. † Jan. 1. ‡ From July 1. c Net. b 15 days. a 20 days.

## COLONIAL RAILWAYS.

NAME.	Week ending	Amount	Rs.	IN. OR DEC. ON LAST YEAR.	Amount	Rs.	IN. OR DEC. ON LAST YEAR.
Beira ..	Feb. *c	23,620	+	28,673	250,219	+	25,441
Canadian Northern	June 7	847,100	+	81,600	39,266,600	+	1,161,800
Canadian Pacific	" 7	82,846,000	+	81,000	61,991,000	+	1264,000
Gr. Trk. Main Line	" 7	220,607	+	15,745	4,442,698	+	289,016
Gr. Trk. Western	" 7	41,935	+	2,448	828,724	+	12,354
Gr. Trk. G. H. & M.	" 7	11,774	+	3,925	263,994	+	27,798
Gr. Trk. Pac. Prairie	" 7	22,423	+	396	516,138	+	85,627
Maashonaland	Jan. *	52,822	+	3,300	226,599	+	3,332
Mid. of West'n. Aus.	Apr. *	8,531	+	650	79,259	+	1,651
New Cape Central	" 30	2,313	+	433	35,347	+	5,839
Rhodesia ..	Feb. *c	62,666	+	17,737	408,466	+	10,000

\* Months. † July 1. ‡ Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME	NETT EARNINGS FOR MONTH.			No. of Mths.	NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.		Amount.	In. or Dec. on last year.	
		Dols.	Dols.		Dols.	Dols.	
Atchafalpa T. & S. Fé	Jan.	1,912,000	1,689,900	12	47,829,000	+ 1,248,000	
Atlantic Coast Line	"	1,075,000	+ 212,000	12	12,014,000	+ 607,000	
Baltimore & Ohio ..	"	1,852,000	1,165,000	12	30,589,000	+ 3,425,000	
Canadian Northern	Apr.	541,300	+ 216,600	10	3,011,400	+ 3,231,000	
Canadian Pacific ..	"	3,455,000	+ 720,000	4	8,207,000	+ 4,323,000	
Chesapeake & Ohio	Feb.	687,000	+ 160,000	2	546,000	+ 1,394,000	
Chicago & N.W. ..	Jan.	785,000	+ 2,797,000	12	27,015,000	+ 3,634,000	
Chicago Burl. & Q.	Dec.	1,585,000	+ 2,276,000	12	32,867,000	+ 6,233,000	
Chicago G.W. ..	Feb.	151,000	+ 36,000	2	142,000	+ 357,000	
Chicago Mil. & S.P.	Jan.	628,000	+ 2,291,000	12	21,967,000	+ 9,360,000	
Chicago, Rock I. & P.	Feb.	271,000	+ 348,000	2	351,000	+ 1,636,000	
Colorado & Southern	Dec.	—	+ 11,000	11	5,320,000	+ 370,000	
Cuba ..	Mar.	488,046	+ 510,194	9	2,530,288	+ 1,347,990	
Delaware & Hud. ..	Jan.	3,600	+ 720,000	12	5,686,000	+ 2,124,000	
Denver & Rio Gran.	Feb.	341,000	+ 12,000	2	756,000	+ 294,000	
Erie ..	Dec.	507,000	+ 1,848,000	12	10,538,000	+ 5,277,000	
Gr. Tr. Main Line ..	Apr.	144,600	+ 51,550	4	6,133,750	+ 1,846,600	
Grand Trunk Westn	"	628,350	+ 17,250	4	6,133,250	+ 1,117,750	
Detroit G. H. & Mil.	"	69,600	+ 6,100	4	6,133,250	+ 1,117,750	
Gt. Northern ..	Dec.	1,165,000	+ 1,401,000	12	22,987,000	+ 6,179,000	
Illinois Central ..	Feb.	1,608,000	+ 238,000	2	531,000	+ 2,272,000	
Kansas City Southn.	"	455,000	+ 59,000	2	824,000	+ 10,000	
Lehigh Valley ..	Jan.	695,000	+ 1,346,000	12	9,403,000	+ 2,876,000	
Louisville & Nashv.	Feb.	1,462,000	+ 25,000	2	2,084,000	+ 1,289,000	
Minn. S.P. (So.) ..	Dec.	612,000	+ 883,000	12	9,331,000	+ 3,648,000	
Miss. K. & Texas ..	Feb.	76,000	+ 112,000	2	201,000	+ 392,000	
Missouri Pacific ..	Nov.	1,690,000	+ 321,000	5	9,425,000	+ 1,920,000	
New York Cent. & H.	Feb.	705,000	+ 243,000	2	443,000	+ 5,019,000	
N.Y. N. Haven & H.	Dec.	207,000	+ 1,795,000	12	23,815,000	+ 2,245,000	
New York Ont. & W.	Apr.	21,000	+ 60,000	2	14,000	+ 185,000	
Norfolk & Western	"	542,000	+ 833,000	2	765,000	+ 2,300,000	
Northern Pacific ..	"	862,000	+ 694,000	2	1,644,000	+ 2,139,000	
Pennsylvania .. East	Mar.	2,527,000	+ 3,665,000	3	610,018,000	+ 20,866,000	
Phil. and West Lines.	Mar.	2,527,000	+ 3,665,000	3	610,018,000	+ 20,866,000	
Phil. and Reading ..	Nov.	641,600	+ 1,939,000	11	14,877,000	+ 6,646,000	
Reading ..	Feb.	131,541	+ 40,938	2	249,000	+ 80,230	
St. Louis & San F.	Dec.	1,225,000	+ 244,000	6	9,976,000	+ 632,000	
Seaboard Air Line..	"	673,000	+ 206,000	12	8,626,000	+ 24,000	
Southern ..	Feb.	1,772,000	+ 412,000	8	17,716,000	+ 1,667,000	
Southern Pacific ..	Jan.	—	+ 536,000	12	59,785,000	+ 7,953,000	
Union Pacific ..	"	—	+ 72,000	12	42,942,000	+ 2,115,000	
Wabash ..	Feb.	6166,000	+ 8,000	2	482,000	+ 1,784,000	

# A GREAT NATIONAL DISTRIBUTION THE PRUDENTIAL

Paid to its Policyholders in 1917 over  
**£9,700,000**  
or over £31,000 for each Working Day.

## SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

**ASSETS exceed £11,000,000.**

**FIRE (INCLUDING LOSS OF PROFITS), LIFE, ACCIDENT, ILLNESS, ANNUITIES, PENSIONS, LEASEHOLD, BURGLARY, CLASS BREAKAGE, TRANSIT OF SECURITIES, FIDELITY, PROPERTY OWNERS' LIABILITIES, HORSE DRIVING ACCIDENTS, MOTOR CAR RISKS, THIRD PARTY, EMPLOYERS' LIABILITY AND MARINE INSURANCES EFFECTED ON THE MOST FAVOURABLE TERMS.**

Edinburgh: 35, St. Andrew Square.

London: 5, Walbrook, E.C. 4, and 4, St. James' St., S.W. 1.

## PHENIX ASSURANCE COMPANY LIMITED.

ESTABLISHED 1782.

Head Office: PHENIX HOUSE, KING WILLIAM STREET, LONDON, E.C. 4.

Total Assets Exceed **£19,000,000.**

Claims Paid Exceed **£100,000,000.**

Chairman—Rt. Hon. LORD GEORGE HAMILTON, P.C., G.C.S.I.

**FIRE. LIFE. ACCIDENT. MARINE.**

Loss of Profits following Fire, Workmen's Compensation, Fidelity Guarantee, Burglary, Trustees and Executor, &c.

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General Manager - SIR GERALD H. RYAN.

# The Investors' Review.

## Money and Credit Notes.

**BANK RATE 5 PER CENT.** (Reduced from  $5\frac{1}{2}$  per cent. on  
Thursday, April 5, 1917.)

*Norfolk House, Friday Evening.*

Money has been easy all the week, the rate for afternoon loans being generally  $2\frac{1}{2}$  per cent.; 24-hour money was 3 per cent. and seven-day loans  $3\frac{1}{2}$  per cent. Discount quotations remained at  $3\frac{1}{4}$ – $3\frac{1}{2}$  per cent. for two and three months' bank paper, and  $3\frac{1}{2}$  per cent. for all longer dates. Sometimes the market was firmer in tendency, sometimes flabbier, and that is all there is about it. July bills were bought by the banks at  $3\frac{1}{8}$ – $3\frac{1}{4}$  per cent., and August bills at  $3\frac{3}{8}$  per cent.

Movements in the Bank return are less extensive than we have recently been accustomed to. Public deposits are up £4,356,000, and other deposits down £5,342,000, the decrease in the other deposits being in accordance with the increase in the public deposits, plus declines of £255,000 in Government and of £639,000 in other securities. Most of the money, that is, was transferred to the credit of Government accounts, and the balance utilised to reduce the advances on securities. A decline of £86,000 occurred in the reserve, in spite of an increase of £84,000 in the coin and bullion, because the note circulation expanded £171,000. The proportion of reserve to liabilities is unaffected by the decline because of the corresponding shrinkage of liabilities. It remains, therefore, at  $17\frac{7}{8}$  per cent.

We may be sure that there was little speechifying at the presentation to Lord Cunliffe by the Committee of the London Bankers' Clearing House, for his lordship's great abilities do not extend to oratory. But the ceremony was none the less sincere on that account, for Lord Cunliffe steered the Bank through the most intensely critical time of its history, and the gift of a silver inkstand, copy of an old inkstand at the Treasury, was a fitting expression of the esteem in which the ex-Governor is held. On the inkstand was the following inscription:—"Presented to Lord Cunliffe, Governor of the Bank of England, by the Committee of the London Clearing Bankers, in recognition of his guidance and co-operation during the Great War, 1914-18." The presentation was made by the chairman of the Committee, Mr. H. Goschen.

It was to be expected that the eighth German Loan would turn out to be the biggest of all. Nothing else would serve, and accordingly we are not surprised to be told that it has brought in something over £750,000,000. The highest previous total recorded was £639,000,000, which was the product of the sixth German Loan, but how much of any of them is genuine new money it would be useless at the present stage to attempt to discover. What the public records show is that Germany has piled up her funded debt by nearly £4,500,000,000, and that the interest alone on this debt will put upon the German people, impoverished, decimated, worn down by hunger and disease, deprived of their trade, and generally hated by the rest of the world, an annual charge of from £220,000,000 to £250,000,000 sterling per annum. Need more be advanced to prove that Germany is on the way towards a defeat which will mean the end of the German Empire, if not the obliteration of the German race?

Arrangements have been made to renew the £500,000 of Corporation of London  $3\frac{1}{2}$  per cent. five-year bonds which mature next month. The bonds will be renewed at par for two years, and will carry  $4\frac{1}{2}$  per cent. interest. In addition, bondholders will receive an immediate cash payment of 17s. 6d. per cent., which will bring the yield on the new bonds up to nearly 5 per cent.

The default on the Port of Para bonds is likely to be brought to an end in the near future. No interest has been paid on the two series of 5 per cent. bonds since September, 1914, and since March 25, 1915, the company has been in the hands of receivers. The inability of the company to pay the interest arose from the non-receipt from the Federal Government of Brazil of its guarantee of interest on the recognised capital of the company employed in the Port works. Subsequently it was arranged that the Government should pay the arrears of guarantee partly in cash and partly in funding bonds, and already very large amounts, both in cash and funding bonds, have since been received, and further cash payments, bringing up all the arrears to date, are expected to materialise shortly. There are over £7,000,000 of bonds outstanding, of which the bulk are held in France, only about £654,600 in 5 per cent. first mortgage 50-year gold bonds being held in this country. The interest arrears amount to over £1,300,000, but the funds which will shortly be available will enable all interest and sinking fund payments to be brought up to date. Some delay may occur before the payments are made, as bondholders' meetings must first be held and the receivership proceedings terminated.

The Australian Bank of Commerce recently arranged to acquire the City Bank of Sydney, and now the National Bank of Australasia is negotiating a scheme of amalgamation with the Colonial Bank of Australasia. This latest scheme is important, for the combined institution will, on the basis of the latest figures available in this country, rank fifth as regards size among the banks of the Commonwealth. Its deposits will amount to 16½ millions against 19½ millions in the case of the Bank of Australasia, 21 millions in the case of the Union Bank of Australia, 24 millions in the case of the Commercial Banking Co. of Sydney, and 40½ millions in the case of the biggest bank, namely, the Bank of New South Wales.

The market is already anticipating the issue of another New South Wales loan, when the moment for its flotation is considered to have arrived. The amount mentioned is £5,000,000, the bulk of which is required to meet the balance of the £12,648,477  $3\frac{1}{2}$  per cent. loan maturing on September 1, which was not covered by the conversion loan issued in February, this balance amounting to between two and three millions.

The debt of the Canadian Dominion increased £63,400,000 last year compared with the previous year, its nett total at the end of May last being £228,847,000.

Apart from a rather heavy depreciation in the value of the lira, there have been no very striking movements on balance in the foreign exchanges. The placing of Italian credit bills seems quite insufficient to provide sufficient sterling to meet the demand, and this week lire have been obtainable at 44.45 to the pound sterling, or 90 centimes more than a week ago. Amsterdam has moved against this country, the rate being

## NOTICE to CLIENTS and READERS.

May we remind clients and regular readers of "THE INVESTORS' REVIEW" that after next week they cannot get it anywhere without ordering it beforehand. Even a single copy must be ordered beforehand. The safest way is to subscribe for the paper, either direct with the publisher at Norfolk House, Norfolk Street, London, W.C. 2, or through their usual newsagent. This can be done for just one week longer at the rate quoted in the beginning of each number. Cost of paper and printing dictates imitation of those weeklies that have raised—often doubled—their prices. We have decided to leave the price at 6d., but are compelled to add postage to the subscription price. That is to say, after July 1, the price, by post, will be 28/- per annum, 14/6 for six months, and 7/6 per quarter, inland. For abroad it will be—one year, 30/-; six months, 15/6; three months, 8/-.

9.30½ florins to the pound. The Spanish exchange has improved slightly to 16.77½ pesetas, and Copenhagen is 4 points higher at 15.22½ kr.

## SILVER.

Silver may be said to be "stabilised" in price, and Messrs. Mocatta see no likelihood of any important change at present. The Shanghai exchange, however, has now risen almost to parity with the dollar per ounce fine in San Francisco, and both Mocatta's and Montagu's circulars say that China may be in the market as a buyer. The stock of silver in Shanghai was down about 1,800,000 ozs. to 29,500,000 ozs. and \$600,000 at \$15,300,000 on May 25.

## BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, June 12, 1918.

## ISSUE DEPARTMENT.

	£		£
Notes Issued .. ..	81,705,150	Government Debt .. ..	11,015,100
		Other Securities .. ..	7,434,900
		Gold Coin and Bullion ..	63,455,150
		Silver Bullion .. ..	—
	£81,705,150		£81,705,150

## BANKING DEPARTMENT.

	£		£
Proprietors' Capital ..	14,553,000	Government Securities ..	56,145,732
Res .. ..	3,224,722	Other Securities .. ..	100,919,204
Public Deposits (including		Notes .. ..	29,680,035
Exchequer, Savings		Gold and Silver Coin ..	623,375
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	43,019,897		
Other Deposits .. ..	126,563,205		
Seven Day and other Bills	10,525		
	£187,371,346		£187,371,346

Dated June 13, 1918.

E. M. HARVEY, Chief Cashier.

## BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. June 13.		June 5, 1918.	June 12, 1918.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,143,977	Rest .. ..	3,217,787	3,224,722	6,935	—
49,784,232	Pub. Deposits ..	38,663,800	43,019,897	4,356,097	—
225,854,837	Other do. ..	131,905,032	126,563,205	—	5,341,827
25,362	7 Day Bills ..	11,598	10,522	—	1,076
	Assets.			Decrease.	Increase.
45,408,106	Gov. Securities ..	56,403,732	56,145,732	255,000	—
213,124,499	Other do. ..	101,558,003	100,919,204	638,799	—
35,028,803	Total Reserve ..	30,389,482	30,303,410	86,072	—
				5,342,903	5,342,903
				Increase.	Decrease.
38,778,505	Note Circulation ..	51,855,020	52,025,115	170,095	—
55,357,308	Coin and Bullion ..	63,794,502	63,878,525	84,023	—
19.9 p.c.	Proportion .. ..	17.8 p.c.	17.9 p.c.	1 p.c.	—
5 ..	Bank Rate .. ..	5 ..	5 ..	—	—

PUBLIC INCOME AND EXPENDITURE.  
(For 7 days ended June 8.)

REVENUE.	EXPENDITURE.
£	£
Customs .. ..	National Debt Service ..
Excise .. ..	Interest, &c., on War Debt ..
Estate, &c., Duties ..	Development & Road Impv.
Stamps .. ..	Payments to Local Taxation ..
Land Tax and House Duty	Other Consolidated Fund
Property and Income Tax	Charges .. ..
Excess Profits Tax ..	Supply Services .. ..
Land Values .. ..	Bullion Advances .. ..
Post Office .. ..	For Advance for Interest
Crown Lands .. ..	on Exchequer Bonds under
Sundry Loans .. ..	Capital Expenditure
Miscellaneous .. ..	(Money) Act, 1904 .. ..
Bullion advances repaid ..	For Treasury Bills .. ..
For Treasury Bills for Supply	Other Debt under War Loan
3% Exchequer Bonds, 1930	Acts, 1914-16 .. ..
5% Exchequer Bonds, 1922 ..	For War Loan and Ex-
6% Exchequer Bonds, 1920 ..	chequer Bonds under
National War Bonds ..	Section 61 of Finance Act,
War Savings Certificates ..	1916, and Section 34, 1917
4% War Loan, 1929-1942 ..	Under Telegraph (Money)
5% War Loan, 1929-1947 ..	Act, 1913 .. ..
Other Debts created under	Under Post Office (Lon-
War Loan Act, 1915, and	don) Railway Act, 1913 ..
Finance Act, 1916 .. ..	Under Military Works Acts
Telegraph Money Act, 1913	Under Housing Act, 1914 ..
Under Post Office Rly. Act,	Public Buildings Expendi-
1913 .. ..	ture Act, 1903 .. ..
Under Military Works Act,	Old Sinking Fund, 1907-8 ..
1897-1903 .. ..	Sinking Fund, 1910-11 ..
Under Public Buildings ..	China Indemnity .. ..
Under Housing Act .. ..	East African Loan .. ..
Repayment of Advance for	Cunard Agreement Act ..
Interest on Exchequer	Expenditure Certificates ..
Bonds .. ..	Depreciation Fund .. ..
China Indemnity .. ..	Suez Canal Drawn Shares ..
East Africa Loan repay-	Temp Advances Repaid ..
ments .. ..	Increase in Exchequer
Suez Canal Drawn Shares ..	balances .. ..
Ways and Means Advances	
Decrease in Exchequer	
balances .. ..	
£152,534,372	£152,534,372

\*Excluding sales through banks which have not yet been brought to account.

## LONDON BANKERS' CLEARING.

Date.			Increase.	Decrease.
	1918.	1917.	£	£
January	2,073,224,000	1,865,123,000	208,099,000	—
February	1,605,634,000	1,779,324,000	—	173,690,000
March	1,784,836,000	1,492,823,000	292,013,000	—
April	1,446,306,000	1,403,902,000	42,404,000	—
May	1,837,751,000	1,779,366,000	58,385,000	—
June 5	393,902,000	390,033,000	—	3,869,000
" 12	383,311,000	342,330,000	40,981,000	—
Total ..	9,324,934,000	8,059,075,000	641,880,000	176,001,000

## CURRENCY NOTES.

Return of Currency Notes for the week ended June 12, 1918.

	Issued.	Cancelled.	Outstanding.
	£	£	£
£1 notes .. ..	3,796,789	4,948,785	180,226,781
10s. notes .. ..	1,320,603	1,167,883	39,899,021
Note certificates .. ..	220,000	—	29,080,000
Previous total .. ..	930,049,700	682,044,644	—
	935,387,115	686,161,132	249,225,802

Ratio of gold held against notes, this week, 12.91 p.c.; last week, 13.00 p.c.

## FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	May 10, 1918.	May 3, 1918.	May 11, 1917.
	£	£	£
Gold coin and certificates ..	96,116,000	96,566,400	67,363,200
Gold Settlement Fund ..	87,488,800	87,554,200	44,351,800
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks	194,104,800	194,620,600	111,715,000
Gold with Federal Res. Agent	177,005,400	172,459,200	87,664,600
Gold Redemption Fund ..	5,516,800	4,008,200	537,400
Total gold reserves ..	376,627,000	371,088,000	199,922,000
Legal tender notes, silver, &c.	11,873,000	12,008,600	7,129,800
Total reserves ..	388,500,000	383,096,600	207,131,800
Bills discounted—Members' ..	187,608,200	174,688,400	7,906,800
Bills bought in open market	57,207,200	59,403,800	19,431,000
Total bills on hand ..	245,015,400	234,094,200	27,337,800
U.S. Gov. long-term sec. ..	8,023,200	8,283,000	7,244,400
U.S. Gov. short term sec. ..	21,352,400	9,229,200	16,307,800
All other earning assets ..	368,800	507,400	8,970,600
Total earning assets ..	274,759,800	250,113,800	53,860,600
Due fm other Fed Res bnk—n.	4,208,800	4,616,000	269,000
Uncollected items .. ..	92,444,000	79,937,000	62,137,000
Total deducts. fm gross dep.	91,145,200	75,321,000	62,406,000
5% Red. Fund ag Fed. Res. bnkts	80,800	107,400	80,000
All other resources .. ..	13,200	65,800	1,182,600
Total resources ..	754,499,000	709,604,600	324,681,000
Capital paid in .. ..	15,023,600	15,009,800	11,371,800
Surplus .. ..	226,800	226,800	—
Government deposits ..	27,705,800	14,777,600	48,484,200
Due to members—Res. account	309,627,400	294,903,600	148,145,200
Collection items .. ..	61,954,600	51,518,600	26,889,400
Other depts inc. For Govt crdts	22,122,200	18,312,600	—
Total gross deposits ..	421,410,000	379,512,400	223,518,800
F.R. notes in actual circulat'n	313,923,600	311,332,000	87,643,600
F.R. bk nts in circn—nett liab.	1,575,600	1,596,000	—
All other liab. in for Gov crdts	2,337,400	1,927,600	2,146,800
Total liabilities ..	754,499,000	709,604,600	324,681,000
Gold res. ag nett deposit liab.	58.9%	63.7%	69.4%
Gold res ag F.R. nts in act circ	58.1%	57.0%	100.8%
Ratio of gold res to nett dep.			
and F.R. nts liabilities combi-			
ned .. ..	58.5%	60.4%	80.4%
Ratio of total res. to nett			
deposit and F.R. note lia-			
bilities comb ned .. ..	60.3%	62.4%	81.3%

\* Difference between net amounts due from and net amounts due to other Federal Reserve Banks.

NEW YORK ASSOCIATED BANKS AND TRUST COMPANIES  
(dollar at 4s.).

	June 8, 1918	June 1, 1918	May 25, 1918	June 9, 1917
	£	£	£	£
Loans, Discounts, etc. ..	900,698,000	904,740,000	912,970,000	749,470,000
Cash in Vaults of Members	—	—	—	—
Fed. Res. Bk. .. ..	19,972,000	20,234,000	—	—
Aggregate Reserves ..	107,004,000	108,364,000	106,860,000	—
Excess Reserve .. ..	7,498,000	9,424,000	9,084,000	12,190,000
Net Demand Deposits ..	749,394,000	744,810,000	—	723,216,000
Net Time Deposits .. ..	31,288,000	32,256,000	—	25,822,000
U.S. Deposits Deducted	54,386,000	71,212,000	—	—
Circulation .. ..	7,434,000	7,412,000	7,324,400	5,846,000

## BANK OF FRANCE (25 francs to the £).

	June 13, 1918.	June 6, 1918.	May 30, 1918.	June 14, 1917.
	£	£	£	£
Gold in hand .. ..	133,942,120	133,865,440	133,812,600	129,885,000
Silver in hand .. ..	10,142,080	10,156,600	10,161,640	30,342,267
Bills discounted .. ..	59,102,720	55,966,240	44,824,200	20,123,880
Advances .. ..	38,265,920	37,471,520	37,177,080	45,669,600
Note circulation .. ..	1,129,282,920	1,120,457,840	1,093,734,880	791,751,480
Public deposits .. ..	2,129,080	2,187,360	1,842,560	1,377,960
Private deposits .. ..	155,050,920	154,435,040	133,593,320	103,558,840
Foreign Bills .. ..	277,280	346,640	115,640	61,360

Proportion between bullion and circulation 20.9 per cent., against 20.21 per cent. last week. Advances to the State £718,000,000, increase £18,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £18,960,520, decrease £24,320, and at the branches £24,225,810, decrease £14,480.

## BANK OF SPAIN (25 pesetas to the £).

	June 1, 1918	May 25, 1918	May 18, 1918	June 2, 1917
	£	£	£	£
Gold .. ..	82,675,354	82,434,917	82,104,675	58,909,583
Silver .. ..	28,340,131	28,347,212	28,271,189	30,181,267
Foreign Bills .. ..	3,813,371	3,833,394	3,889,666	3,670,301
Discounts and Short Bills	33,039,224	32,168,254	30,213,788	31,646,840
Treasury Account, &c. ..	25,209,919	25,329,553	25,464,641	25,167,449
Notes in Circulation .. ..	117,424,483	117,070,644	117,429,469	96,998,293
Current Accounts, Deposits	40,115,188	39,551,336	36,632,112	30,885,039
Dividends, Interests, &c. ..	2,429,090	1,755,270	2,200,328	1,404,913
Government Securities ..	1,953,843	2,063,026	2,175,310	0,200,004

## BANK OF SWEDEN (18 kroner to the £).

	May 25, 1918.	May 18, 1918.	May 11, 1918.	May 26, 1917.
Gold .. .. .	£14,404,000	£14,408,000	£14,661,000	£11,276,000
Balance abroad and Foreign Bills ..	7,124,000	7,211,000	7,407,000	7,368,000
Swedish and Foreign Govt. Securities ..	4,004,000	3,874,000	3,883,000	3,244,000
Discounts and Loans ..	13,025,000	13,294,000	13,443,000	8,343,000
Notes in circulation ..	32,429,000	33,065,000	33,659,000	23,119,000
Deposits at notice ..	6,897,000	5,844,000	5,446,000	6,854,000

## BANK OF NORWAY (18 kroner to the £).

	May 31, 1918.	May 22, 1918.	May 15, 1918.	May 31, 1917.
Gold .. .. .	£6,617,000	£6,618,000	£6,618,000	£7,161,000
Balance abroad and Foreign Bills ..	3,708,000	3,812,000	3,823,000	4,480,000
Govt. Securities ..	712,000	712,000	712,000	708,000
Discounts and Loans ..	18,137,000	17,771,000	18,058,000	12,610,000
Notes in Circulation ..	19,647,000	19,513,000	19,640,000	15,382,000
Deposits at notice ..	6,265,000	6,155,000	6,214,000	6,949,000

## NETHERLANDS BANK (12 Florins to the £).

	June 8, 1918.	June 1, 1918.	May 25, 1918.	June 9, 1917.
Gold and Silver ..	£60,661,333	£60,671,916	£60,769,833	£50,154,000
Bills and Advances ..	14,259,000	15,804,000	15,776,416	12,922,250
Note circulation ..	76,633,250	77,541,333	76,792,083	62,610,000
Deposits .. .. .	4,758,933	4,916,500	5,904,916	4,094,833

## SWISS NATIONAL BANK (25 francs to the £).

	May 23, 1918.	May 15, 1918.	May 7, 1918.	May 23, 1917.
Gold and silver ..	£17,316,888	£17,307,276	£17,289,952	£15,767,508
Bills .. .. .	10,873,444	11,041,732	12,022,916	6,141,356
Note circulation ..	26,873,776	27,248,168	27,904,152	19,871,584
Current and deposit accounts ..	4,110,464	4,058,496	4,181,088	3,834,444

## BANK OF ITALY (25 lire to the £).

	April 30, 1918.	April 20, 1918.	Feb. 23, 1918.	April 20, 1917.
Total cash .. .. .	£43,013,640	£42,314,480	£43,772,240	£40,430,720
Inland Bills .. .. .	28,732,360	29,285,500	29,816,360	22,141,460
Foreign Bills .. .. .	884,120	884,200	897,360	832,720
Advances .. .. .	26,187,000	24,580,320	24,284,400	14,655,840
Government securities ..	8,802,640	8,803,840	8,795,840	8,591,300
Circulation .. .. .	290,108,280	285,095,640	267,249,200	158,067,120
Deposits at notice ..	35,145,240	34,878,760	33,664,520	19,142,360
Current accounts .. ..	22,829,280	24,957,840	20,090,520	11,783,580

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	May 31, 1918.	May 23, 1918.	May 15, 1918.	May 31, 1917.
Total Coin & Bullion ..	£123,905,250	£123,294,450	£123,200,950	£128,356,450
Treasury Notes .. .. .	81,037,590	75,830,900	77,792,300	23,334,800
Bills discounted .. .. .	727,238,600	700,022,350	727,310,450	468,225,300
Advances .. .. .	348,100	375,950	302,800	486,500
Note circulation .. .. .	600,134,400	585,012,350	590,193,500	414,257,700
Deposits .. .. .	381,739,700	366,665,800	387,668,500	226,908,150

Clearing House return during March £459,815,355, against £420,879,90 in February.

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	June 11, 1918.		June 13, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam .. .	Cable transfers .. .	9.28	9.33	9.29	9.32
Paris .. .. .	Cable transfers .. .	27.14	27.19	27.15	27.18
.. .. .	Three months' bills ..	27.54	27.59	27.55	27.60
Switzerland .. .	Cable transfers .. .	18.78	18.88	18.78	18.88
.. .. .	Three months' bills ..	19.13	19.23	19.13	19.23
Genoa, &c. .. .	Cable transfers .. .	44.30	44.45	44.70	44.90
Spain .. .. .	Cable transfers .. .	16.80	16.90	16.65	16.75
.. .. .	Three months' bills ..	65½	66½	66½	67½
Lisbon and Oporto ..	Cable transfers .. .	29½	30½	29½	30½
Copenhagen .. .	Cable transfers .. .	15.17	15.27	15.20	15.30
Christiania .. .	Cable transfers .. .	14.08	15.08	15.00	15.10
Stockholm .. .	Cable transfers .. .	13.86	13.95	13.85	13.95

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange.	Last Week.	This Week.
Paris, cheques .. .	Francs to £1 .. .	25.22½	27.10½	27.10½
Amsterdam, cheques ..	Florins to £1 .. .	12.107	9.39	9.31½
Italy, sight .. .. .	Lire to £1 .. .	25.22½	44.30	44.90
Madrid, sight .. .. .	Pesetas to £1 .. .	25.22½	16.69½	16.65½
Lisbon, sight .. .. .	Pence to milreis ..	53½d.	31d.	30½d.
Switzerland, sight .. .	Francs to £1 .. .	25.22½	18.88½	18.84
Christiania, sight .. .	Kroner to £1 .. .	18.159	15.03½	15.07
Stockholm, sight .. .	Kroner to £1 .. .	18.159	13.89½	13.86½
Copenhagen, sight .. .	Kroner to £1 .. .	18.159	15.21½	15.20½
Petrograd, sight .. .	Roubles to £10 ..	94.57	nom.	nom.
Alexandria, sight .. .	Piastres to £1 .. .	97½	97½	97½
Bombay, T.T. .. .	Sterling to rupee ..	1/4	1/5½	1/5½
Calcutta, T.T. .. .	Sterling to rupee ..	1/4	1/5½	1/5½
Hong Kong, T.T. .. .	Sterling to dollar ..	—	3/2	3/2½
Singapore, T.T. .. .	Sterling to tael .. .	—	4/6½	4/7½
Singapore, T.T. .. .	Sterling to dollar ..	—	2/4½	2/4½
Yokohama, T.T. .. .	Sterling to yen .. .	24.58d.	2/2½	2/2½
New York, cable .. .	Dollars to £1 .. .	4.86½	4.76½	4.76½
Buenos Aires, T.T. ..	Pence to dollar .. .	47.58d.	51d.	51½d.
Valparaiso, 90 days ..	Pence to peso .. .	—	17½d.	17½d.
Montevideo, T.T. .. .	Pence to dollar .. .	51d.	62½d.	63d.
Rio de Janeiro, 90 days	Pence to milreis ..	16d.	13½d.	13½d.

## OPEN MARKET DISCOUNT.

	Last week.	This week.
	Per cent.	Per cent.
Thirty and sixty day remitted ..	3½-3½	3½-3½
Three months .. .. .	3½-3½	3½-3½
Four months .. .. .	3½-3½	3½-3½
Six months .. .. .	3½-3½	3½-3½
Three months fine inland bills ..	4-4	4-4
Four months .. .. .	4-4	4-4
Six months .. .. .	4-4	4-4

## BANK AND DEPOSIT RATES.

	Last week.	This week.
	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
.. .. . short loan rates .. .. .	5	5
Bankers' rate on deposits .. .. .	3	3
Bill brokers' deposit rate (call) .. .. .	3	3
.. .. . 7 and 14 days' notice .. .. .	3½	3½
Current rates for 7 day loans .. .. .	3½	3½
.. .. . for call loans .. .. .	5	2½-3

## The Week's Stock Markets.

It has been a dull week on the Stock Exchange almost from every point of view. There was a good deal of uneasiness at the start about the enemy pressure on the Western front, and although the tendency improved when it was seen that the Allies' line was holding, it did not bring any appreciable accession of business. In fact, the influences that had any effect were purely local. Uruguay railways were helped by the nationalisation proposals (not yet officially confirmed), and the poor old Grand Trunk plucked up a little courage from the arrival of the Canadian delegates (headed by Sir Robert Borden), who are commissioned to negotiate with the London board. The market is firmly convinced that a more equitable arrangement can be reached here than under the influence of local prejudices and rival jealousies in Canada. However that may be, it is generally believed that satisfactory terms will be arranged if the Dominion Government decides to take over the system. There was a smart revival in Mexican issues, owing to the friendly interchange of views between President Wilson and the Mexican delegates. Elsewhere a good many industrial shares were in demand, and a few Breweries forged ahead in great style, while one or two Shipping issues also advanced strongly. But the real test of business, taking the average over a long period, must be the number of transactions recorded officially from day to day, and that has been terribly disappointing for a long time past.

At the beginning of the week, with rather indifferent war news, the feeling on the Stock Exchange was rather jumpy, and in several directions prices tended to give way. Taken all round, however, the tone was wonderfully good in the circumstances, and when better news came from the Western front, the tendency hardened quite appreciably. Very little happened in the gilt-edged market, except that War Loans generally were steady, and there was quite a substantial inquiry for some of the leading Colonial issues. In the Foreign market, South Americans, however, were particularly prominent, with Brazilians, Chileans, Guatemala, Honduras, and Uruguay all prominent. Otherwise business was quiet, but Greek and Spanish bonds were well supported. Japanese and Chinese were just steady, without much happening to move prices.

Home Railways were mostly on the dull side, because of an almost complete absence of dealings until towards the end of the week, when the tone improved, and most of the leading issues gained a fraction. Usually it was only very small fractions, but it is something that the downward movements should have been arrested. Canadian Pacific were scarcely mentioned at any time, and the price has been left practically unchanged. Grand Trunks, however, have been rather a lively market on the arrival of Sir Robert Borden and other Canadian representatives, who will discuss the proposed nationalisation of the lines on this side, and it is certain that the atmosphere will be more favourable to a satisfactory arrangement in London than it would be in Ottawa or Montreal. Argentine Rails were not helped to any appreciable extent by the excellent traffics and the near approach of the end of the financial year, and generally prices gave way more than they improved. There is still a feeling of great uncertainty about the labour position, and the outlook is not regarded with very much confidence. A few other Foreign Railways were better, but Uruguay issues have fallen back a little, after the enthusiasm created by the announcement of impending Government purchases.

Bank shares were steady, but there were so few dealings that the market was never really tested. Breweries, on the other hand, have shown almost extraordinary strength, Guinness, City of London, and Watney deferred advancing in such a way as would indicate that the more the public are mulcted, the better it is liked by the trade. Iron and Steel shares generally were exceedingly good, with Dick Kerrs prominent on the arrangement with Siemens Brothers, and Otis Steel also advanced smartly. Among miscellaneous Industrials, Cements, Salt Unions, and Welsbachs were good, while Schweppes deferred fell back a fraction on the squabble at the annual meeting. Shipping shares were not particularly prominent, but P. and O. put on several points. Marconi issues also improved, possibly on the expectation that a settlement will shortly be arranged with the Government.

Oil shares were irregular, and the movements are so trifling that they need not be referred to in detail. Rubber shares showed a little harder tendency at one time, but, in spite of

the improvement in the price of the commodity, the market eased off towards the finish. The Highland report was a material factor in creating the fresh weakness, and although

	Last Week	This Week		Last Week	This Week
Consols.	56	56	N.S.W. 5%, 1921-3	97½	97½
War Loan 3½%	87½	87½	" 5½%, 1920-2	100	100
" 4½%	99½	99½	" 5½% Debs	102½	102½
" 5% 1929-47	93½	93½	New Zealand 4½%, 1929	87	87
" 4%, 1929-42	101½	101½	Queensland 4½%, 1920-3	93	93½
India 3%	55½	55	S. Australian 5½% 1922-7	99½	100½
" 3½%	64½	64	Union of S. Africa 4½%		
Australian 5½%, 1920-22	100½	100½	1920-5	93½	94½
Canada 4%, 1940-60	80½	80½	Victoria 4½%, 1920-5	93½	93½
" 4½%, 1920-5	94½	95	Westn. Aus. 4%	78½	77½
Argentine 5% 1886	98½	100	French War Loan, 5%	77½	77
Belgian 5%	63	63½	Japan 4½% (1st), 1905	95½	95½
Brazil, 1913	70½	70½	" 5%, 1907	89	89
" 5%, 1914	85½	86	Mexican 5%, 1899	52	52
Chinese 1896	93	92	Russia 4%	32½	32½
" 1912	81	81	" 4½%, 1909	36½	36½
Egypt Unified 4%	88	89	" 5%, 1906	44	44
Caledonian defd.	9	8½	London and N.-W.	90	90½
Gt. Central pra.	13	13	London and S.-W. dfd.	22	22
" dfd.	6½	6½	Metropolitan	20½	20½
Gt. Eastern	35½	35½	Met. District	15½	16
Gt. Northern dfd.	35½	35½	Midland dfd.	56½	56½
Gt. Western	85½	85½	Nth. British dfd.	13½	13½
Lancs. and Yorks.	65	66	Nth.-Eastern	94½	94½
London Brighton dfd.	56½	56	Sth.-Eastern dfd.	28	27½
London Chatham ord.	8½	8			
Canadian Pacific	157½	157½	Chesapeake	61	59½
E. Indian Guar. 4½% debs.	84	84	Erie	19	19
Grand Trunk ord.	9½	10½	Southern	25	25½
Do. 1st pf.	54	56			
Do. 3rd pf.	21½	22½	Leopoldina	38½	37
Antofagasta dfd.	154	153½	Mexican ord.	18	18½
B. A. & Pacific	42½	43½	San Paulo (Brazilian)	183½	183½
B. A. Gt. Southern	67½	66½	United of Havana	72	72½
B. A. Western	66½	66			
Cent. Argentine ord.	57½	56½	London & Brazilian	25	25
Anglo-South American	88	88	London City & Midland	8	8
Bank of Australasia	120	122	London County & West.	15½	15½
Bank of N.S. Wales	35	34½	London Joint Stock	28½	28½
Barclay & Co. "A"	74	74	Nat. Prov. (£100 pd)	25½	25½
Do. "B"	122	122	Do. (£12 pd)	30	30
Capital & Counties	26½	26	Standard of S.A.	11½	11½
Chartered of India	76½	76	Union Discount	102	102
Hongkong & Shanghai	86½	86			
Lloyds	25	25	Kynochs	41/6	41/
Armstrong, Whitworth	41/	41/	Mond Nickel ord.	38	38
Birmingham Small Arms	65/	68/6	Nobel, £1	77/	74½
Cammell-Laird	62	62	South Durham Steel	46/6	46/
Cargo Fleet	26/9	26/9	Thornycroft	38/9	39/
Davis, D. 5/	11/6	11/6	Vickers	42/6	43/
Dorman, Long	35/	35/			
Associated Cement	4	4	Forestral Land	46/6	43/3
Borax dfd.	38/6	37/6	Hudson's Bay	7½	7½
Bovril	21/	21/	Imperial Tobacco "C" pf.	32/6	32/6
British Amer. Tobacco pf.	18/	18/	Lever Bros. "C" pf.	21/	21/
British Aluminium	33/9	34/	Lyons, J.	4½	4½
British Oil & Cake	32/9	33/	Marconi	38	38
Brunner, Mond	1½	1½	Maypole Dairy dfd.	15/9	15/9
Eastern-Kellner	3½	3½	Pears, A. & F.	1½	1½
Eastern Telegraph	150½	150½	Underground Inc. Bds.	76½	76½
Kastmans	11/3	11/3			
Gunard	4½	4½	Coats	5½	5½
Furness, Withy	65/6	67/3	Courtaulds	6½	7½
P. & O. dfd.	33½	34½	English Sewing Cotton	58/	58/6
Royal Mail	126	122½	Fine Cotton Spinners	34/6½	33/
			Harrods Stores	2½	2½
Anglo Argentine 1st Pf.	3	3	Dennis Bros.	36/	35/6
Brazil Traction	42	41	National Steam Car.	17/	16/6
Datraeq	34½	34/6	Rolls-Royce	1½	1½
Anglo-Egyptian "B"	39/	38/3	Shell	6½	6½
Burmah	7½	7½	Spies (10/-)	6/9	6/9
Lobitos	2	1½	Trinidad Leaseholds	35/6	35/6
Mexican Eagle pf.	3½	3½	Ural Caspian	8½	8½
North Caucasian	1½	1½	Venezuelan	2	2
Roumanian Cons.	9/	8/6			
Allagar 2/-	2/6	2/9	Pataling 2/-	33/6½	35/
Anglo-Dutch, £1	27/	27/9	Perak 2/-	61/½	61/6
Anglo-Java Rub. 2/-	5/6	5/9	Port Dickson 2/-	3/6	3/3
Anglo-Malay 2/-	11/10½	11/7½	Rub. Estates Krian 2/-	3/1½	3/1½
Ayer Kuning £1	40/½	40/	Rubber Trust £1	23/3	22/9
Brit. N. Borneo Trust £1	16/9	16/9	Sampang (Java) 2/-	21/½	21/3
Bukit Clob 2/-	41/3	41/3	Seaport £1	23/6	24/
Bukit Mertajam 2/-	31/1	41/	Sengat 2/-	2/9	2/7½
Bukit Sembawang 2/-	3/	4/	Seremban £1	27/	29/6
Carey United £1	36/3	35/	Sialang £1	55/6	57/6
Chersonese	3/	3/3	Singapore Para 2/-	3/9	3/7½
Cheviot 2/-	4/9	5/	Singapore United 2/-	21/6	21/7
Dalkeith 2/-	2/3	2/3	Straits Bertam 2/-	5/8	5/9
Grand Central £1	22/6	22/	Sumatra Para 2/-	71/½	71/3
Highlands £1	53/6	49/6	Sungei Bahr £1	28/6	30/
Java Investment £1	22/6	23/9	Taipang 2/-	3/7	3/7
Johore Rubber Lands £1	27/3	28/6	Tanjong £1	75/	78/6
Kamunin 2/-	3/6	3/7	Tanjong Malim £1	27/6	27/6
Kinta Kellas 2/-	3/7½	3/6	Tebrau £1	56/6	56/6
Labu 2/-	7/3	7/9	Teloreddo £1	35/6	35/
Langen Java £1	35/½	36/3	Tempeh 2/-	2/4	2/4
Linggi 2/-	22/9	23/½	United Serdang 2/-	81/3	9/
London Asiatic 2/-	7/9	81/3	Val d'Or 2/-	31/3	31/3
Malayalam £1	35/9	36/9	Vallambrosa 2/-	18/	19/
Merlimau 2/-	5/	5/			
Bechuanaland Exp.	7/3	7/	Kyshtim	7	18
Brakpan	4½	4½	Mashonaland Agency	6/3	6/3
Broken Hill Prop. (8/-)	71/6½	71/3	Meyer & Charlton	4½	4½
Cam & Motor	12/6	12/	Modder "B"	7½	7½
Central Mining (£12)	5½	6½	Do. Deep	7½	7½
Chartered	15	14/10½	Mysore	2½	2½
City Deep	37½	38½	Nigerian Tin	1	1
Cons. Gold Fields	32/6	32/6	Pahang (3/-)	13/	12/3½
Cons. Langlaagte	17/6	17/6	Rand Mines (5/-)	2½	2½
Crown Mines (10/-)	1½	1½	Renong	2½	2½
De Beers dtd. (£2 10s.)	12½	13½	Rio Tinto (£5)	66½	66½
East Pool (5/-)	29/6	29/	Russo-Asiatic	2½	2½
East Rand	2/9	2/9	South Crofty (5/-)	2½	2½
Geduld	1½	1½	Spring Mines	3½	3½
Gevoor (10/-)	23/6½	22/	Tanganyika	3½	3½
Gov. Areas Mod	3½	3½	Tananyk	8½	8½
Gt. Boulder (2/-)	11/3	11/6	Van Ryn Deep	3½	3½

quotations finished above the lowest, the feeling in the market is far from confident.

## LONDON PRODUCE MARKETS.

Trading was confined to moderate limits, while prices were generally maintained, being rather firmer in some cases.

SUGAR.—No change occurred in official quotations.

COFFEE.—Public sales met with fair competition, and steady prices obtained except for Uganda, which tended easier. Nairobi, mid to good middling, realised 109s. to 118s.; fair to fine bold, 110s. to 131s.; Uganda, bold common to good, 91s. 6d. to 99s., with fine up to 108s.; Columbian, good bold palish, 112s. to 114s.; Santos, quay terms, fine, 79s. to 79s. 6d.; Central American (in prize), bold greenish and greyish, 109s. to 115s. Futures inactive and nominal.

RICE, also beans, were fairly well patronised.

## CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING JUNE 14, 1918.

	Last Week	This Week		Last Week	This Week
Sugar—per cwt., duty 25/8, 98% polarisation	£ s. d.	£ s. d.	Wool—per lb.	£ s. d.	£ s. d.
Tate's Cubes	3 4 9	3 4 9	Australian	nom.	nom.
Crushed	2 17 9	2 17 9	Scoured Merino	nom.	nom.
Granulated	2 17 9	2 17 9	Scoured Cr'sabr'd	nom.	nom.
Lyle's granulated	2 17 9	2 17 9	Greasy Merino	nom.	nom.
Foreign granulated, first marks	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	New Zealand	nom.	nom.
Gorman Cubes f.o.b.	nom.	nom.	(scoured) Merino	nom.	nom.
French Cubes	nom.	nom.	Greasy Crossbred	nom.	nom.
Crystallised, West India	2 17 9	2 17 9	Cape snow white	nom.	nom.
Best, 88% f.o.b.	nom.	nom.			
Tea—per lb., duty 7/- lb.	s. d.	s. d. s. d.	Indian rubber p. lb.		
Indian Pekoe	1 4	1 4	Plantation, Spot		
Broken	1 4	1 4	Crepe	0 2 1½	0 2 2
Orange	1 4	1 4			
Broken	1 4	1 4	Coal—per ton		
Pekoe Souehong	1 4	1 4	Durham, best	nom.	nom.
Ceylon Pekoe	1 4	1 4	Seconds	nom.	nom.
Broken	1 4	1 4	East Hartlepool	nom.	nom.
Orange	1 4	1 4	Seconds	nom.	nom.
Broken	1 4	1 4	Steamers, best	32 6	32 6
Pekoe Souehong	1 4	1 4	Seconds	28 6	28 6
Cocoa—per cwt., duty 6d. per lb.	s. d. s. d.	s. d. s. d.	Lead—per ton	£ s. d.	£ s. d.
Trinidad—per cwt.	86 0 90 0	86 0 90 0	English Pig	nom.	nom.
Grenada	79 0 85 0	79 0 85 0	Foreign soft, net	£29½-£28½	£29½-£28½
West Africa	55 0 65 0	55 0 65 0			
Ceylon Plantation	85 0 100 0	85 0 100 0	Quicksilver—per bottle first hand	nom.	nom.
Guayaquil	up to 90 0	up to 90 0			
Coffee—per cwt., duty 42/- per cwt.			Tin—per ton		
East India	110 0 135 0	110 0 135 0	English Ingots	£334	£333-£334
Jamaica	80 0 160 0	80 0 160 0	Do. bars	£335	£334-£335
Costa Rica	110 0 137 0	110 0 137 0	Standard cash	£351	£329
Provisions—			Tin Plates, per box	nom.	nom.
Butter, per cwt.			Copper—per ton		
Australian finest	252/	252/	English, Tough	nom.	nom.
Argentine	252/	252/	per ton	nom.	nom.
Irish Creameries	nom.	nom.	Best Selected	£119-£123	£119-£123
Dutch ditto	nom.	nom.	Sheets	£149	£149
Russian finest	nom.	nom.	Standard	£110-110½	£110-110½
Paris baskets	nom.	nom.			
Danish finest	nom.	nom.	Jute—per ton		
Brittany rolls—doz. lb.	nom.	nom.	Native firsts for shipment	nom.	nom.
Saen—per cwt.					
Irish	188/	188/	Oils—		
Continental	172/	172/	Linseed, per ton	nom.	nom.
Canadian	169/-172/	169/-172/	Rape, crude	£66	£66
American	169/-180/	169/-180/	Cott'n Seed, crude	£60	£60
Hams—per cwt.			Petroleum Oil, per 8 lbs.	1/10½	1/10½
Irish	nom.	nom.	Water White	1/11½	1/11½
Canadian	162/-165/	162/-165/	Oil Seeds, Linseed		
American	125/-165/	125/-165/	Calcutta—per ton		
Onions—per cwt.			Spot	£37 10	£37 10
Dutch	nom.	nom.			
Canadian	nom.	nom.	Rape	£29-10½30	£29-10½30
English Cheddar	102/8-149/4	103/4-153/8	Iron—per ton		
Wilts loaf	nom.	nom.	Cleveland Cash	nom.	nom.
New Zealand	nom.	nom.			
Rice—per cwt.			Tobacco—duty, unmanufactured		
Japan	41 3	41 3	8½/2-10½/4 per lb.	1 6-2 6	1 6-2 6
Rangoon 2 stars	26 3	26 3	Virginia leaf	1 0-1 6	1 0-1 6
Eggs—per 120.			Kentucky leaf	nom.	nom.
English	39 0-41 0	40 0-42 0	Latakia	1 6-6 6	1 6-6 6
Irish	38 0-39 0	38 0-38 6	Havana		
Danish	nom.	nom.	Cigars, duty 13/7 per lb.	2/ upds.	2/ upds.
Spelter—					
G.O.B. as to position	£54 £50	£54 £50	Turpentine—		
Flour—per sack.			American Spot	118/	118/
G. R. ex Mill	44/3	44/3	Copra—per ton		
			Malabar	46 0 0	46 0 0
			Ceylon	46 0 0	46 0 0
			F.M.S. Singapore	45 10 0	45 10 0
			F.M. Straits	45 10 0	45 10 0

COCOA in good request, but offers still sparingly made, which checks trade.

SPICE.—Cloves quiet of sale. Fair Zanzibar, spot, sellers, 2s. 5d. Pepper in good request, and prices firmer, especially for white sorts. Fair Tellicherry, spot, sold, 1s. 6½d. to 1s. 7d.; Aleppy, 1s. 6d. to 1s. 6½d.; Singapore, 1s. 6½d. to 1s. 6½d.; white ditto, 2s. 9½d. to 2s. 10d.; and Muntok, 2s. 10d. to 3s. Pimento quiet, spot, sellers, 5½d. Tapioca steady, with sales of fair flake spot at 8d. per lb.

SHELLAC.—There was a steady inquiry on the basis of 340s. to 345s. for fair free second orange, spot, as to quantity.

RUBBER.—With rather more reserve on the part of sellers the market exhibited a firmer tone, and a moderate business trans-

pired at a slight advance in prices. Plantation crepe, spot, sold, 2s. 1d. to 2s. 2d.; July, 2s. 1½d. to 2s. 2d.; July-December, 2s. 1½d. to 2s. 3½d.; October-December, 2s. 2d. to 2s. 4d. Smoked ribbed sheet, spot and June, done at 2s. to 2s. 0½d. Fine hard Para, spot, quoted 3s. 0½d.; and soft ditto, sellers, at 3s. 1d. per lb.

CORN (Mark Lane).—Business proceeded quietly this week, though the general tone remained steady. Native wheat quoted 77s. 9d. per 504 lbs. Of imported descriptions, No. 1 Northern Manitoba, 82s. 4½d.; No. 2 ditto, also hard winter, 80s. 9d.; red winter, 79s. 9d.; Australian, 85s. 6d.; La Plata, 82s. 6d.; Indian, 87s. to 88s.; and blue stem, 82s. 6d. per 496 lbs., landed. Flour: G.R., 44s. 3d. per sack, ex mill, while imported ranges from 50s. 3d. to 51s. 3d., as to quality, per 280 lbs. Barley: English, nominally 62s. 9d. to 63s. 9d. per 448 lbs. Maize: American mixed, 79s. 6d. to 79s. 9d. ex ship, and 81s. 3d. to 81s. 6d. landed, being sparingly offered. Oats scarce, and firmly held. Native quoted 48s. 6d. per 336 lbs.; American white clipped No. 2, 61s. 6d. to 62s. 6d.; and Canada Western No. 2, 63s. 6d. per 320 lbs., ex quay.

COTTON (from our Manchester correspondent).—The market during the past week has presented a very strong appearance. Transactions have been most difficult to arrange. Demand on the whole has again exceeded supply. Numerous producers have been unable to accept the business offering, the obstacle to progress in most quarters being delivery rather than price. The prospects for supplies of American cotton next season are encouraging, and there is nothing to complain about as to the outlook for the new Egyptian growth. The new regulations of the Control Board with regard to curtailment of production are now coming into force, and the majority of factories in Lancashire will henceforward only run for 40 hours a week instead of 5½ hours, with about half the machinery stopped. A fair amount of inquiry has been about chiefly for certain outside markets, the Government, and the home trade, but business has not flowed freely by any means. Standard goods for India and China remain very slow. Some moderate lots have changed hands for Java, Singapore, and the Straits Settlements. Stock lots in fancy materials have been much sought after in the home trade houses by retailers. A considerable demand continues to be experienced in fine strong materials for aircraft purposes. Prices in American yarns have gone against buyers. Fresh high records have been established, and extraordinary figures have been paid for certain counts and qualities for quick delivery. Very little has been done in export yarns. Egyptian spinings have been in encouraging request and producers continue in a very strong position.

## The Week in Mines.

Business has been on a small scale in the Mining markets this week, but the tone has not been unsatisfactory for holders, and there have been several rather striking movements. Despite the war and its demand for the practice of thrift, the diamond companies appear to be doing well, for the market is going for a distribution of 10s. on De Beers deferreds at the end of this month. There has been further buying of tin shares, though the price of the metal has fallen further to £329 a ton.

### SOUTH AND WEST AFRICANS.

The principal item of interest in the South African market has been the revival of demand for Gold Fields issues. This was due to the announcement that the potash subsidiary, the American Trona Corporation, will this month pay the four and a-half years' accumulated interest on its 7 per cent. preferred stock. Gold Fields have improved to 32s. 6d., Gold Mines Investments to 23s., and Gold Trusts to 30s. 3d. New Modders, on the return for last month, rose to 23½, and Modder Leases at 3½ and Springs at 3½ have also been supported. The rest of the market has been under the influence of the Transvaal Provincial Council's proposal to increase mining taxation, and also of the engineers' demand for higher wages. Among diamond shares, De Beers deferred have been supported in the expectation of a dividend of 10s. per share, and have risen ½ to 13½, while the preferred have spurted ¼ to 13½. Last year £1 a share was declared, but it was not expected until just recently that any dividend would be paid this year. In the Rhodesian section, Gaikas have relapsed ½ to 1½, but Lonely Reefs at 35s. 6d. and Rezendes at 4½ are both higher. Shamvas have been firm at 1½, on the quarterly report showing that on March 31 the ore reserves stood at 1,687,000 tons, valued at 4.5 dwts., an increase of 79,000 tons. West Africans have been neglected.

### COPPER AND MISCELLANEOUS.

Copper shares have been firmer, with, however, no striking movements to record. Tin shares have been in request, notably East Pools, which rose to 29s. 6d. on the dividend declaration. Tronohs have risen ½ to 1½ on the good May return, and Roppas at 24s 6d and Siamese at 3½ are also higher. South Croftys, on the other hand, have fallen 3-32 to 2½. In the Broken Hill group, British Proprietaries have weakened to 49s., and Zincs to 26s., but South Silvers are ½ higher at 11½. Mexican Mines have been in good demand, on the Camp Bird news of the success of the tunnel in striking the main vein. Camp Bird ordinarys rose to nearly 14s., but profit-taking caused a reaction to 11s. 9d., which shows a rise of 2s. 3d. on the week. The prefs. are 9d. higher at 14s. 9d., and Mexico of El Oros have risen ½ to 5½. Tomboys have been marked down 2s. to 15s., on the reduction in dividend. Russians have been rather firmer, Russo-Asiatics being marked up to 2½. Kanbawk Wolframs have fallen 1s. to 31s. 6d.

## MINING NEWS.

TRANSVAAL GOLD PRODUCTION.—The production of gold in May amounted to £3,148,915, a decrease of £161,703 on the same month of last year. The following table shows the monthly production since January, 1913:—

Month.	1913.	1914.	1915.	1916.	1917.	1918.
January ..	£ 3,353,116	£ 2,708,470	£ 3,037,058	£ 3,144,948	£ 3,324,418	£ 3,033,693
February ..	3,118,325	2,660,186	2,872,406	3,201,063	3,063,976	2,822,477
March ....	3,358,050	2,917,346	3,202,514	3,384,121	3,343,363	2,957,614
April .....	3,334,358	2,904,924	3,160,651	3,205,643	3,155,121	3,046,045
May .....	3,373,998	3,059,340	3,243,347	3,303,377	3,310,618	3,148,915
June .....	3,173,382	3,049,558	3,208,224	3,233,377	3,227,101	—
July .....	2,783,917	3,111,398	3,272,258	3,235,767	3,219,094	—
August .....	3,092,754	3,024,037	3,307,975	3,318,116	3,214,079	—
September ..	2,999,686	2,982,630	3,299,423	3,277,408	3,135,837	—
October .....	3,051,701	3,116,754	3,388,122	3,365,642	3,191,279	—
November .....	2,860,788	3,040,677	3,317,534	3,326,253	3,070,426	—
December .....	2,857,938	2,952,755	3,317,949	3,289,705	3,068,639	—
Total ..	37,358,040	35,588,075	38,627,461	39,484,934	38,323,921	14,988,704

NATIVE LABOUR RETURNS.—A further and larger decrease is shown in the labour supply. The total shows a net loss of 2,704, the gold mines losing 2,613 labourers.

Month.	Natives on Gold mines.	Natives on Coal mines.	Natives on Diamond mines.	Total natives.
May, 1917.....	180,168	11,432	5,805	197,405
June .....	175,727	11,258	5,569	192,554
July .....	171,653	11,381	5,223	188,257
August .....	170,817	11,401	5,028	187,246
September .....	171,334	11,601	4,791	187,726
October .....	170,331	11,841	4,620	186,792
November .....	169,083	11,633	4,620	185,336
December .....	172,740	11,695	4,593	189,028
January, 1918.....	176,424	11,469	4,715	192,608
February .....	181,066	11,243	4,825	197,134
March .....	183,055	11,076	4,745	198,876
April .....	182,492	11,322	4,753	198,567
May .....	179,879	11,251	4,733	195,863

RANDFONTEIN CENTRAL.—The accounts for 1917 show that 2,017,181 tons were crushed for £2,467,636, or 24s. 5d. per ton, these figures comparing with 2,209,622 tons, £2,835,735, and 25s. 8d. per ton respectively in 1916. The working profit was £459,697, or 4s. 7d. per ton, as against £834,555, or 7s. 6d. per ton. A total profit of £478,063 is shown, a decrease of £356,492. Including £402,570 brought forward and £15,630 of reserves, the total balance is £896,263. Debenture interest, depreciation, and other charges absorb £561,245, leaving £335,018 to be carried forward. It will be recalled that when the control of the Robinson group was transferred to the Barnato interests, it was decided to reduce the monthly profit to £50,000, but, owing to scarcity of labour, the profit fell considerably below this figure. The shaft position having been discovered to be seriously hampering the efficient working of the property, it was decided last autumn to sink two new vertical shafts to replace the six shafts on the South, North, and Robinson sections. Recent development work has revealed good values, and a high percentage of payability of both the Randfontein Leader and West Reef opened up in the lowest levels. The ore reserves have been recalculated on a different basis; this calculation gives a total of 5,185,000 tons, of a value of 6.8 dwts. over 53 inches, an increase of 695,000 tons.

LANGLAAGTE ESTATE.—During 1917 there were crushed 539,618 tons for a yield of £621,602, or 23s. per ton. Costs averaged 18s. 10d. per ton, and the profit rate was 1s. 1d. lower at 4s. 2d. per ton. The working profit was £112,962, and the total profit £132,913, against £157,061. Dividends amounting to 10 per cent. have been paid, against 5 per cent., and £75,557, an increase of £13,077, is carried forward. Reserves of ore amount to 1,060,594 tons, valued at 6.9 dwts. over 54 inches. There have been excluded from this estimate, as inaccessible and unpayable, 305,214 tons, which were included at the close of 1916, when the total was 2,106,937 tons.

TRANSVAAL ESTATES AND DEVELOPMENT.—The accounts for 1917 show a profit of £21,510, which enables the company to resume the payment of dividends after an interval of four years. The dividend is 6d. per share, free of tax, and the balance carried forward is reduced from £10,226 to £7,095. Sales of land amounted to £14,530, on which a profit of £3,356 was made. Sales in the current year already amount to £11,000.

MONGU (NIGERIA) TIN.—The profits for 1917 were £37,928, against £17,765. It is proposed to pay a final dividend of 12½ per cent., less tax, making 22½ per cent. for the year, against 15 per cent., tax free, for 1916, leaving £21,211 to be carried forward, against £4,294 brought in. This increased balance, however, is subject to income-tax and excess profits duty estimated at £17,000. The output of tin concentrate was 571 tons, against 557 tons.

BISICHT TIN.—The output in 1917 was 278 tons, as compared with 473 tons. Of this, 253 tons were realised at an average price of £194 12s. 2d. per ton, against £136 3s. 2d. in 1916. Owing to war conditions, costs increased considerably, averaging £119 12s. 8d. per ton, against £89. The total profit was £28,382, and, after allowing for depreciation, the nett balance

is £25,251, against £27,663. But the dividend is maintained at 12½ per cent. by the declaration of a final dividend of 7½ per cent., leaving £6,342, against £6,091, to be carried forward.

**OURO PRETO OF BRAZIL.**—The report for 1917 shows that the output of gold was £115,432, and the total income £116,725. The profit declined from £7,244 to £4,834. Depreciation, including £1,112 written off, absorbs £2,812, the reserve gets £1,000, and £663, against £716, is carried forward. The directors do not deem it advisable to recommend a dividend under the existing conditions. There were crushed 82,500 tons, a decrease of 5,100 tons, and the output was 28,840 ozs., a decrease of 1,404 ozs., the yield working out at £1 7s. 11½d. per ton, against £1 7s. 8½d.

**TOMBOY GOLD.**—In announcing an interim dividend of 6d. per share, tax free, against rs. per share a year ago, the directors report that the general manager considers that it is imperative to reduce the average monthly profit from \$30,000 to \$10,000 until more favourable conditions prevail. This is due to increased taxation and higher wages and costs of materials.

**NIPISING.**—The report for 1917 shows that 4,212,000 ounces of silver were produced, as compared with 4,044,668 ounces in 1916. The yearly average selling price of silver was 83.19 cents per ounce at Cobalt. Although the cost of labour and materials increased, the cost per ounce of silver produced, at 25.117 cents, was only about 1 cent per ounce higher. The net receipts consequently rose from \$2,051,000 to \$2,700,000. Stockholders again received \$1,800,000 in dividends, making a total since July, 1906, of \$16,750,000. Surplus profits have been increased by \$750,000 to \$2,731,000. The known ore reserves contain about 8,100,000 ounces of silver, or one million less than a year ago, but owing to the higher price of silver the value of the reserves is greater by more than \$700,000.

**ESPERANZA.**—The profits for 1917 were £20,423, as compared with £8,112. Income-tax absorbs £5,262, the dividend, No. 59, paid in July, £17,062, and £1,690, against £3,592, is carried forward. During the year the mill treated 181,935 tons, as against 113,921 tons, the working profit being £76,032. From this £2,406 was written off on account of El Sirio Mine expenses, and £48,608 was placed to reserve for depletion of ore and depreciation necessitated by the incidence of the American Income-tax Acts. On January 1 last the ore reserves were estimated at 65,368 tons, valued at £141,357, with a profit value of £39,727.

### MINING RETURNS FOR MAY.

Ashanti.—7,516 tons; value, £37,552 (April profit, £14,081).  
Aurora West.—14,250 tons; profit, £1,179 (April £1,260).  
Balaghat.—6,500 tons; 1,893 ozs. fine gold (April, 1,619 ozs.).  
Bantjes.—19,590 tons; profit, £114 (April, £16).  
Brakpan.—56,500 tons; profit, £38,331 (April, £35,068).  
Bullfinch.—4,741 tons; profit, £763 (March, £642).  
Champion Reef.—27,186 tons; 8,785 ozs. gold (April, 8,172 ozs.).  
City and Sub.—24,508 tons; profit, £7,261 (April, £8,919).  
City Deep.—62,000 tons; profit, £50,847 (April, £46,445).  
Cons. Langlaagte.—46,500 tons; profit, £15,045 (April, £15,094).  
Cons. Main Reef.—57,550 tons; profit, £11,264 (April, £12,373).  
Crown.—162,000 tons; profit, £41,297 (April, £45,656).  
Durban Rood. Deep.—26,650 tons; profit, £2,327 (April, £5,152).  
East Rand Prop.—119,000 tons; profit, £5,261 (April, £6,591).  
Ferreira Deep.—45,500 tons; profit, £22,301 (April, £20,667).  
Gaika.—3,049 tons; profit, £1,110 (March, £1,102).  
Geduld.—46,100 tons; profit, £21,116 (April, £19,379).  
Geldenhuis Deep.—51,800 tons; profit, £2,248 (April, £2,811).  
Ginsberg.—13,790 tons; £12,856; profit, £456 (April, loss, £953).  
Glencairn.—19,750 tons; profit, £999 (April, £498).  
Globe and Phoenix.—6,442 tons; profit, £19,967; April, £13,389).  
Glynn's Lydenburg.—4,065 tons; profit, £3,519 (April, £5,790).  
Golden Horse Shoe.—13,776 tons; profit, £7,106 (April, £8,837).  
Gov. Areas Mod.—112,000 tons; profit, £70,576 (April, £65,371).  
Ivanhoe G. Corp.—18,605 tons; profit, £5,400 (April, £5,400).  
Jubtil.—1,100 tons; 402 ozs. fine gold (April, 423 ozs.).  
Jupiter.—21,600 tons; profit, £217 (April, £2,296).  
Kalgurli.—5,734 tons; profit, £523 (April, £516).  
Knight Central.—24,800 tons; profit, £1,113 (April, £300).  
Knight's Deep.—99,000 tons; profit, £5,009 (April, £322).  
Langlaagte Estate.—45,700 tons; profit, £11,568 (April, £9,584).  
Lonely Reef.—4,940 tons; profit, £7,800 (April, £9,666).  
Luipaards Vlei.—20,760 tons; loss, £208 (April, loss, £778).  
Meyer and Charlton.—11,580 tons; profit, £20,304 (April, £20,050).  
Modder "B."—50,000 tons; profit, £57,001 (April, £54,562).  
Modder Deep.—44,300 tons; profit, £50,549 (April, £50,885).  
Mysore.—70,828 tons; 15,600 ozs. fine gold (April, 15,346 ozs.).  
New Goch.—17,200 tons; profit, £14 (April, profit, £291).  
New Heriot.—12,500 tons; profit, £469 (April, £1,014).  
New Kleinfontein.—82,800 tons; profit, £10,164 (April, £5,480).

New Modder.—71,500 tons; profit, £79,998 (April, £71,630).  
New Primrose.—18,300 tons; profit, £1,099 (April, £486).  
New Unified.—13,200 tons; profit, £2,905 (April, £2,646).  
N. Anantapur.—3,900 tons; 1,138 ozs. gold (April, 1,133 ozs.).  
Nourse.—45,100 tons; £47,219; profit, £5,021 (April £3,630).  
Nundydroog.—22,902 tons; 1,893 ozs. gold (April, 6,513 ozs.).  
Ooregum.—30,446 tons; 8,157 ozs. fine gold (April, 7,398 ozs.).  
Pahang Cons.—17,500 tons; output, 145 tons black tin.  
Princess Estate.—20,000 tons; loss, £2,614 (April, loss, £1,605).  
Randfontein Cent.—158,100 tons; profit, £15,982 (April, £10,335).  
Robinson Deep.—48,500 tons; profit, £9,214 (April, £7,583).  
Roodepoort U.—22,656 tons; loss, £1,572 (April, loss, £2,503).  
Rose Deep.—56,500 tons; profit, £14,217 (April, £15,053).  
Shamva.—54,034 tons; profit, £11,465 (March, £11,078).  
Simmer and Jack.—39,600 tons; profit, £9,660 (April, £10,956).  
Sons of Gwalia.—13,063 tons; profit, £2,156 (April, £1,072).  
South Kalgurli Con.—8,954 tons; profit, £767 (April, £610).  
Simmer Deep.—43,400 tons; profit, £24 (April, £876).  
Springs.—40,000 tons; profit, £38,237 (April, £36,097).  
Sub Nigel.—9,650 tons; profit, £8,444 (April, £8,394).  
Sudan.—1,152 ozs.; value, £4,094 (Mar., £4,088).  
Transvaal Gold.—14,430 tons; profit, £4,851 (April, £3,415).  
Van Ryn.—32,000 tons; profit, £6,584 (April, £6,693).  
Van Ryn Deep.—42,300 tons; profit, £50,091 (April, £50,113).  
Village Deep.—50,500 tons; profit, £12,195 (April, £4,035).  
Wanderer.—10,830 tons; profit, £102 (Mar., loss, £1,863).  
West Rand Cons.—35,350 tons; profit, £1,306 (April, £1,011).  
Witwatersrand.—40,800 tons; profit, £11,074 (April, £11,040).  
Wit. Deep.—35,460 tons; profit, £1,681 (April, £159).  
Wolhuter.—34,450 tons; profit, £7,014 (April, £6,566).

### COMPANY RESULTS IN BRIEF.

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re-serves.	Divi-dend.	Carried For-ward.
	£	£	£	%	£
Ceylon Proprietary Tea Estates.....(Dec.)	60,400	23,070	—	12½	8,320
Do.....Prev.	62,620	24,410	—	12½	7,850
Chester's Brewery (Mar.)	—	62,670	315,000	20	37,540
Do.....Prev.	—	44,220	300,000	11	23,080
First Scottish Am. Trust (May)	42,290	21,580	114,000	9½	15,560
Do.....Prev.	54,720	27,540	127,000	8½	17,320
Indian and General Investment Trust ....(Apr.)	26,400	12,270	50,000	8½	1,000
Do.....Prev.	27,320	12,340	50,000	8½	1,250
James Hinks & Son..(Mar.)	9,050	5,870	10,000	13½	6,390
Do.....Prev.	10,210	7,190	10,000	17½	2,510
Kalgoorlie Electric Power and Lighting Corpora-tion .....(Dec.)	19,720	15,910	—	—	960
Do.....Prev.	21,990	18,810	—	—	1,000
Kandapolla Tea Co..(Dec.)	7,740	5,980	5,000	10	4,010
Do.....(Prev.)	9,040	8,650	5,000	10	3,380
San Sebastian Nitrate Co..(Dec.)	10,450	7,010	—	—	2,600
Do.....Prev.	34,480	30,170	19,500	10	590
Standard Tea Co.of Ceylon (Dec.)	38,110	32,110	27,200	20	26,260
Do.....Prev.	28,140	21,550	27,200	20	11,910
Tedcastle, McCormick, and Co. ....(Mar.)	—	19,640	—	10	3,950
Do.....Prev.	—	22,240	—	7½	5,620
Transvaal Estates and Development Co. (Dec.)	31,310	21,510	—	2½	7,090
Do.....(Prev.)	33,430	16,090	—	—	2,350
Wm. Roberts (Tipton) (Mar.)	—	13,810	20,000	20	5,280
Do.....Prev.	—	7,960	20,000	5	1,260

### NOTICE.

#### THE COMMERCIAL BANK OF LONDON, LTD.

Authorised Capital ... .. £1,000,000

Issued and Paid-up Capital... £500,000

CURRENT ACCOUNTS opened and every description of Banking Business transacted.

Bills discounted and advances made to Customers on approved security.

SPECIAL FACILITIES GRANTED TO COMMERCIAL AND INDUSTRIAL UNDERTAKINGS.

The purchase and sale of securities undertaken, safe custody of securities, also the receipt of dividends. Correspondence invited.

COUPONS AND DRAWN BONDS negotiated.

DEPOSITS received at call, or for fixed periods, at rates which may be ascertained on application.

ARTHUR H. KING (General Manager), Austin Friars, London, E.C. 2.

## PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1918, and June 8, 1918:—

	Estimate for the Year 1918-1919.	Total Receipts into the Exchequer from April 1, 1918, to June 8, 1918.	Total Receipts into the Exchequer from April 1, 1917, to June 9, 1917.
Balances in Exchequer on April 1—Bank of England .. Bank of Ireland ..	£ —	£ 19,361,578 1,668,454	£ 25,209,947 1,225,912
		21,030,030	26,435,859
<b>REVENUE.</b>			
Customs .....	—	16,644,000	13,616,000
Excise .....	—	7,697,000	7,552,000
Estate, &c., Duties .....	—	5,578,000	6,223,000
Stamps .....	—	1,577,000	1,309,000
Land Tax .....	—	—	—
House Duty .....	—	275,000	290,000
Property and Income Tax and Super Tax .....	—	22,914,000	20,519,000
Excess Profits Duties, &c. ....	—	46,444,000	31,315,000
Land Value Duties .....	—	91,000	136,000
Post Office .....	—	5,200,000	5,100,000
Crown Lands .....	—	110,000	90,000
Receipts from Sundry Loans, &c. ....	—	895	9,453
Miscellaneous .....	—	3,118,616	803,195
Revenue .....	—	109,649,511	86,972,648
<b>Total .....</b>	—	<b>130,679,541</b>	<b>113,408,507</b>
<b>OTHER RECEIPTS.</b>			
Repayment of Advances for Bullion .....	—	1,170,000	510,000
For Treasury Bills (for supply) .....	—	802,432,000	358,146,000
For 5 per Cent. Exchequer Bonds, 1922 .....	—	—	37,051,000
For 3 per Cent. Exchequer Bonds, 1930 .....	—	803,600	—
For War Savings Certificates .....	—	17,600,000	7,600,000
For other Debt (War Loan Acts, 1914-1917) ..	—	115,720,594	108,862,879
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .....	—	—	130,500,000
For National War Bonds .....	—	*143,036,000	—
Temporary Advances—Ways and Means .....	—	178,028,440	171,605,000
<b>Total .....</b>	—	<b>1,389,470,175</b>	<b>927,683,386</b>

\*Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1918-19.	Total Issues out of the Exchequer to meet payments from April 1, 1918, to June 8, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1917, to June 9, 1917.
<b>EXPENDITURE.</b>	£	£	£
Permanent Charge of Debt ..	—	3,278,855	4,104,606
Interest, &c., on War Debt ..	—	8c. 100,791	50,576,724
Payments to Local Taxation Accounts, &c. ....	—	460,760	460,760
Other Consolidated Fund Services .....	—	296,353	261,848
Supply Services .....	—	483,414,900	462,112,300
<b>Expenditure .....</b>	—	<b>567,551,659</b>	<b>517,516,238</b>
<b>OTHER ISSUES.</b>			
For Advances for Bullion .....	—	1,500,000	760,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	84,909	84,909
Under Telegraph (Money) Act, 1913 .....	—	15,000	20,000
Under Post Office (London) Railway Act, 1913 ..	—	12,000	—
Under Housing Act, 1914 .....	—	106,300	175,400
For Treasury Bills for Supply .....	—	1756,000,000	223,393,000
For War Loans, Exchequer Bonds, &c., under Section 34 of Finance Act, 1917 .....	—	7,796,155	152,120
For War Expenditure Certificates under War Loan Act, 1916 .....	—	12,576,600	—
For other Debt under the War Loan Acts, 1914 to 1917 .....	—	9,497,837	3,134,523
For Depreciation Fund under the Finance Act, 1917 .....	—	4,460,022	—
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	20,000	—
Temporary Advances repaid—Ways and Means ..	—	24,000,000	159,000,000
		1,373,620,482	904,236,190
<b>Balances in Exchequer—</b>	<b>1918.</b>	<b>1917.</b>	
Bank of England .....	£ 15,063,677	£ 22,406,396	
Bank of Ireland .....	786,016	1,040,800	
<b>Total .....</b>		<b>15,849,693</b>	<b>23,447,196</b>
		<b>1,389,470,175</b>	<b>927,683,386</b>

MEMO.—Treasury Bills outstanding on June 8, 1918. .... £1,019,306,000

\* Includes £292,000, the proceeds of which were not carried to the Exchequer within the period of the account, besides a part (not yet ascertained and brought to account) of the Bills tendered as subscriptions to National War Bonds.

† Includes part payment of Bills and Certificates tendered as subscriptions to National War Bonds.

## OILFIELDS PRODUCTION.

Lobitos Oilfields, Ltd.—7,253 tons for May.

United British Oilfields of Trinidad, Ltd.—1,429 tons for week ending Wednesday, May 29.

Copies of THE INVESTORS' REVIEW can be obtained in Paris at

Messrs. W. H. Smith & Son's,  
248, Rue de Rivoli.

## Tea, Oil and Rubber.

For the first time that we can recall, the arrivals of rubber reflect seriously the restriction of imports. They amounted last week to only 93 tons, but that may or may not be due to ships being temporarily held back—we shall see during the next month or so. We know that our mails from the East come in batches, and the same may apply to rubber shipments. At the same time deliveries last week were nearly 690 tons, so that the statistical position is a trifle better. But we take a rather impish delight in following the squirmings of the experts to try and explain away, or cover up, their previous wild enthusiasm. And dealing with the Highlands disappointment, one of them recalls that the chairman of the company at the meeting of the Anglo-Malay said: "Our object is not only to retain sufficient funds to meet all expenditure of the next 12 months, but to carry forward a sum that will enable us to give you a dividend for 1918 which will be equal to or not far short of that you will have received for 1917." Well, the Highlands pays 17½ per cent., and only the other week the shares were quoted round 55s., so that the yield is just a little over 6 per cent., and if it is to be cut down further, as this bullish estimate seems to contemplate, War Bonds would give at least as high a return with infinitely less risk. It is necessary to insist on these points when there is an active propaganda which would have you believe that a sovereign is worth from 30s. to 40s. There will have to be a great change in this ostrich attitude before long, or the pendulum of prices may swing so far in the opposite direction as to create trouble.

A Glasgow correspondent writes:—"I have been deeply interested, after reading your article on rubber in this week's INVESTORS' REVIEW, but do you say that the great change will take place before or after the end of the war? Will the Rubber market not wait to get the full benefit of the great demand that the Central Powers are sure to make when peace comes?"

We are not sure that we catch the exact point our correspondent wishes to get at, but his difficulty appears to be in regard to "the great demand that the Central Powers are sure to make when peace comes," and it may be useful to elaborate a little the argument we put forward last week. We have no doubt at all that the Central Powers will want a great deal of rubber and many other raw materials, but is it at all probable that they will be able to obtain them for quite a long time? A little retail dribble may filter through Holland and other neutral countries, but there are strong reasons for believing that it cannot amount to much more than that, whatever the terms of peace may be. What ports are German ships to call at, and where are they to get coal after the infamous piracy to which they have subjected not only belligerent, but neutral vessels? And how are German traders to pay for the goods they want? It is dangerous to prophesy, but if the mark is worth more than 2d. in neutral markets after the war, we shall be greatly surprised. How can anything like a large business be transacted on these terms, even if there were sufficient people willing or anxious to enter into it? We may be altogether mistaken, but to us it is inconceivable that the Hun beasts will have either the power or the opportunity to trade after the war, for a generation or more, just as though nothing had happened! And we feel quite certain that people who are basing calculations as to future prices on the "great demands" of the Central Powers will find themselves bitterly disappointed. Diplomats may make what arrangements they like, but humanity revolts against the idea of treating the Huns as civilised beings until they have purged their offences by long and bitter travail. As to the probable course of rubber, we think the price is more likely to fall than to rise after peace is accomplished. It is a point on which it would be foolish to dogmatise, as relatively small developments might tip the scale in either direction, but if it has proved impossible to maintain the price in face of enormous war demands and war wastage, the chances that peace will redress the balance are very remote.

HIGHLANDS AND LOWLANDS PARA RUBBER CO., LTD.—Year to December 31: Capital, £309,480 in £1 shares; reserve, £75,000. Something like consternation was created by the issue of the report and the passing of the final dividend. Two interim dividends, amounting to 17½ per cent., have been paid, against 38 per cent. for 1916, and the only consolation the shareholders have is that the carry forward is increased by £33,500 to £45,100; but their tempers are not likely to be improved by the fact that there was a sharp fall in the price of the shares before the report got into their hands. Output amounted to 1,428,340 lbs., an increase of 78,000 lbs.; gross price, 2s. 4.07d., against 2s. 7.85d.; all-in cost, 11.75d., against 1s.; nett profit,

£101,600; increase, £4,500. The area in bearing shows an increase of 150 acres at 3,566 acres out of a total planted area of 4,500 acres, and there are 3,770 acres in reserve. Average yield ranged from 294 lbs. per acre on the Highlands division to 483 lbs. on the Midlands division, but no details are given as to the age of the trees. For the current year the output is estimated at 1,143,000 lbs. The report is the bitterest disappointment the market has had to face for a long time.

## DIVIDENDS ANNOUNCED.

Associated Tea Estates of Ceylon.—On preference shares for half-year ending June 30 at rate of 6 per cent., to be paid on June 29, less tax at 5s. 6d. in the £.

British Malay Rubber.—10 per cent., less tax, for 1917, same as for 1916.

Commercial Bank of London.—Interim on deferred shares of 7.08d. per share, and on preference shares at 7 per cent. for quarter ending June 30.

Champion Reef Gold Mining Co. of India.—Interim on account of year to Sept. 30, 1918, of 4d. per share (less tax).

Claudius Ash, Sons and Co.—At rate of  $5\frac{1}{2}$  per cent. per annum on preference shares for six months ending June 30, payable on July 1.

Chino Copper.—\$1, payable June 29, against \$2.50 a year ago.

East Pool and Agar.—Interim 1s. 3d. per share, less tax, payable on July 1.

Ex-Lands Nigeria.—Final  $7\frac{1}{2}$  per cent. for 1917, also a  $7\frac{1}{2}$  per cent. interim for 1918, making a total of 15 per cent., free of tax, to be paid about end of July. Dividend for 1917 is 20 per cent., against 10 per cent. for 1916.

Frontino and Bolivia (South American) Gold Mining Co.—Interim on ordinary shares of  $2\frac{1}{2}$  per cent., payable on July 1, less tax.

Howard and Bullough.—Final quarterly  $2\frac{1}{2}$  per cent. (actual) and bonus of 5 per cent., making 15 per cent. for year. To reserve fund £73,648; to dividend reserve £30,000; and to contingency shrinkage reserve £8,000, carrying forward £91,081. Total last year was 10 per cent.

Hyderabad Deccan Co.—Interim 1s. per share, less tax, to be paid on June 24.

Imperial Tobacco Co. of Canada.—Interim (No. 28) of  $1\frac{1}{2}$  per cent. on ordinary shares, payable on June 27. Same as a year ago.

John Brown and Co.—Final  $7\frac{1}{2}$  per cent., making  $12\frac{1}{2}$  per cent. for year, less tax.

Land and Mortgage Co. of Egypt.—5 per cent., less tax, for year ended March 31, the same.

Lobitos Oilfields.—5 per cent., less tax, for 1917, £10,000 to reserve; forward, £34,708. 10 per cent. for 1916, with £15,000 to reserve and £35,062 forward.

London and Lancashire Life and General Assurance Association.—Dividend and bonus for half-year ending June 30, at rate of 1s. 6d. per share, less tax, payable on July 1, equal to 15 per cent. on paid-up capital, same as a year ago.

Manila Electric Railroad and Lighting Corporation.— $1\frac{1}{2}$  per cent. (\$1.50 per share) for quarter ending June 30 on common capital stock, payable in New York on July 1, same as a year ago.

Maturata Tea and Rubber Co.—Interim of 5 per cent. on account of year ending June 30, payable on June 14.

Nagolle (Ceylon) Rubber and Tea Plantations.—Final for 1917 of 5 per cent., less tax, making 10 per cent. for year, against 14 per cent.

National Trust (Toronto).—Quarterly at rate of 10 per cent. per annum, same as a year ago.

Oriental Rubber.—Final for 1917 of 15 per cent., less tax, making 20 per cent., against 30 per cent.

Nevada Consolidated Copper.—75 cents, payable June 29.

Orchestrelle Co.—At rate of 6 per cent., per annum, less tax, on preference shares, for six months to June 30, payable on July 1.

Ray Consolidated Copper.—75 cents, payable June 29.

Rio Claro Railway and Investment Co.—Interim 2 per cent., payable on June 24, same as a year ago.

Rhymney Iron.—5 per cent. (actual) on ordinary.

Royal Brewery, Brentford.—On preference shares at rate of 6 per cent. per annum for half-year ending June 30.

Sea Insurance Co.—Interim 10s. per share, subject to tax at 5s. 9d. in the £, payable on July 1, same as a year ago.

Shawinigan Water and Power Co.—\$1 $\frac{1}{2}$ , or at rate of 7 per cent. per annum, for quarter ending June 30, payable July 10, same as a year ago.

Shamva Mines.—Interim 1s. per share, less tax at 6s. 6d. in the pound, for current quarter, being second interim for year to December 31, 1918, payable on July 9. Coupon No. 14

attached to share warrants to bearer will be paid at London Joint Stock Bank, 5, Princes Street, E.C. 2.

Sulphide Corporation.—Interim 10 per cent. on preference and ordinary shares for year ending June 30, payable on July 25, the same.

Taquah Mining and Exploration Co.—Further (No. 14) for current year of 1s. 6d. per share, less tax at rate of 5s. 3d. in the £, payable on June 29.

Telogoredjo United Plantations.—Final 5 per cent., less tax, making 10 per cent. for 1917, against  $17\frac{1}{2}$  per cent. for 1916.

Tomboy Gold Mines.—6d. per share, free of tax, against 1s. per share a year ago.

Utah Copper.—\$2.50, payable on June 29, against \$3.50 a year ago.

Van Ryn Gold Mines Estate.—5 per cent. (1s. per share), less tax, at 4s. in the £, making total of  $17\frac{1}{2}$  per cent. (3s. 6d. per share) for year ending June 30, against 35 per cent.

Wankie Colliery.—Interim 5 per cent., less tax, on account of year ending August 31 next.

## Answers to Correspondents.

**\* A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.**

**Deposits against future queries may be lodged with the Publisher.**

A. H.—(1) Not just yet, unless you can get them very cheap. It will be a long wait. (2) With good concerns the fall looks like being at an end. We think you should hold on. (3) Fairly so. There will not be much recovery just yet. Generally speaking, the largest are the best. (4) Leave alone. (5) Might have a chance here if you can buy cheap. (6) Here also. (7) Great possibilities here if the war goes right soon. (8 and 9) These hang together, and promise much in the distant future, but we see nothing to go for just now. Nos. 5, 6 and 7 are the most promising. (10) The capital is mostly represented by goodwill. Not worth buying.

XXX.—A correspondent asks whether we publish the numbers of bonds drawn in Continental premium loans. We do not, and would probably be fined or sent to gaol if we did, such is the excellence of our I-am-holier-than-thou perfection. Apply to Davies and Co., 23, Finch Lane, E.C. 3.

A. B. C.—(1) Doing remarkably well. Interest safe. Worth averaging as an investment to hold, but do not expect any appreciable rise. (2) Interest practically assured, but should not average at present price. (3) Well secured, but not likely to rise just now. Might be worth while averaging if you can buy to reduce total cost to well under 90. (4) In some ways this is the weakest of your list, but there are prospects in the future. Do not buy at present, but wait until the position is a little clearer.

East Sussex.—Owns some good investments, and should be able to pay fair dividend. See no reason to sell, unless you find something more attractive. No doubt you have converted your shares into the new stock.

Undaunted.—It is in many ways the most attractive as a speculative investment. The advice is worth following.

T. B. A.—(1) Yes, if you can buy it reasonably. (2) Yes, if you are prepared to wait. Profits not brilliant, but company owns a lot of valuable property.

H. G. U.—Prospects of any rapid advance look remote. If you are prepared to go without dividends, and to wait, the stock should in time appreciate if company treated well. At present the position is rather hypothetical.

Nones.—We are inclined to agree with you. There is much to be done, especially to the railways, but the outlook certainly is more promising. You might buy a little more if you can do so reasonably.

C. E. M.—(1) For the present they are high enough, but the company is powerful, and has prospects. Still, it would be prudent to sell some of your holding and so reduce cost of balance. (2) These might be kept a little longer, as the business is very prosperous, and the price likely to go higher. If so, follow the same plan and watch.

## Russian Government and Municipal Securities.

The Council of Foreign Bondholders give notice that a general meeting of holders of Russian Government and Municipal Securities is to be held at Winchester House (Great Hall), Old Broad Street, London, E.C., on Thursday, the 20th inst., at 3.15 p.m., for the purpose of taking such action by the appointment of a committee or otherwise as may be deemed desirable for the protection of the bondholders' interests. It is very necessary that some action of this sort should be taken, as it is obviously most undesirable that the Government should intervene officially in the present stage of affairs.

## Italy : Demobilisation Suggestions, Tariffs, &c.

The much-discussed problem of demobilisation has been of late very sensibly set forth, together with some possible solutions, by the general secretary of the Labour Federation, R. Rigola. This careful report proves how similar can be the conclusions arrived at by different parties, provided they are unbiased by sectarian prejudices. Though elaborated by a representative of Socialism, there is nothing in it which a Conservative could not agree to.

At the end of the war 3,000,000 men now under the colours will come back to find the economy of labour and production wholly changed, their former places filled by as many men or women. While the demand for labour at home and abroad will verify itself only gradually, the cost of living will be still very high, and it is most necessary to do everything in our power to facilitate employment. The above-mentioned report suggests the following measures:—

(a) Subsidies to the soldiers' families must be continued for two months after demobilisation.

(b) To form local committees to assist the men and find them employment.

(c) To arrange for three months a daily allowance to those workmen still unable to find suitable occupation.

(d) To reduce debts of rent, transferring them to the State as war debts, and lastly, to promote public works, notwithstanding the expense.

All this should be done for the space of six months, with the special aim of restoring to vitality and efficiency the energies of the various industries, and of the men who will resume their work after a lapse of some years.

Our Protectionist papers have welcomed with keen satisfaction the abolition of "the most favoured nation" clause in England, and they already anticipate the definite triumph of their ideal over Free Trade. In answer to one of these articles, On. Giretti, one of the strongest supporters of Free Trade in Italy, sets forth some objections in the *Economista*.

The big industrial firms are actively working, so that an autonomous tariff may be adopted, and for the exclusion of the "most favoured nation" clause. They have constituted the "National Committee for Custom Duties and Commercial Treaties." One thing is certain, that should their influence prevail, their chief preoccupation will be to shut out all foreign manufactures that could be had at a lower price than the one they may choose to set on their own goods. To this group belong the siderurgical industrials, who, though realising enormous profits during the war, are yet far from having resolved the chief problem confronting those industries whose very existence depends on low prices. This has been partly the fault of their unique customer, the State, from whom they have obtained exceptional conditions, also in regard to war profits taxes, being in this way encouraged to waste and extravagance. It would be foolish to believe that those same manufacturers would be inclined to discriminate between enemies and allies, though one of their favourite arguments has been the patriotic wish to make Italy independent of Germany. But when it comes to the point, every competitor is considered an enemy.

On. Giretti lays stress on the necessity that the people should know what would follow should this Protectionist campaign succeed in its aim. It is only too obvious that were we to close our frontiers to imports of those manufactured goods which are needed by the Italian consumer, there would be, apart from any eventual reprisal, a decrease in our agricultural exports, for the simple reason that the natural means of exchange has failed. By the exclusion of the "most favoured nation" clause, we would find ourselves after the war cut off from the world's trade, deprived of all reliable guarantees, and exposed to a dangerous competition on foreign markets.

I report to you the above, being aware of the interest your paper has ever shown in the question, and also because I think it would be well that Free Traders in all countries should keep in touch with each other, and eventually link up for mutual support.—*From an Italian Correspondent.*

## What Balance Sheets Tell.

EBBW VALE STEEL, IRON AND COAL CO., LTD.—The directors are not in a position to present accounts for the year to March 31, owing to difficulties in settling the amount of war taxation, but they are satisfied that the profits justify the payment of an interim dividend at the rate of 15 per cent. per annum, and they do not recommend any further distribution in respect of the past year. Treasury sanction has at length been obtained to issue £600,000 in 6 per cent. debentures, £800,000 in 7 per cent. preference shares, and £600,000 in ordinary shares. In order to facilitate this operation, it is proposed to convert the existing 5 per cent. debentures into 6 per cents., and the existing 6 per cent. preference shares of £5 each in 7 per cent. preference shares of £1 each. The debentures will be offered at 95, the preference shares at par, and the ordinary at 5s. premium, and the total capital will then amount to £4,150,000. It is an ambitious programme for

these times, but the extension of the works is urgently required, and doubtless the money will be readily forthcoming.

BRUNNER, MOND, AND CO., LTD.—As indicated by the dividend announcement, the results for the year to March 31 show a slight improvement over those of the previous 12 months. Gross profits were £10,000 higher at £1,265,000, but charges were heavier, and the nett profit is £5,000 down at £1,112,000. However, £93,000 more was brought in, and, after transferring £250,000 to reserve, against £100,000 placed to suspense last year, a final dividend of 6 per cent. is declared, leaving £95,000 less at £119,000 to be carried forward. The final dividend is equivalent to 15 per cent. on the old capital, so that the shareholders are getting the same amount as for many years past, only it is spread over a larger number of shares. The issued ordinary capital is now £7,745,000, against £3,098,000, and this has involved the disappearance of most of the reserve (which, however, will be raised to nearly £400,000 by the present addition), while general investments now stand at £4,582,000, against £1,511,000, owing largely to the value being written up. The other changes in the balance-sheet are not of much significance, but the total is now £3,200,000 higher at £11,688,000, and the business prospers amazingly.

ANGLO-ARGENTINE TRAMWAYS CO., LTD.—In 1917 the gross receipts were £2,783,000, an increase of £69,000, but expenses rose £95,000 to £2,052,000. Nett receipts were consequently £26,000 lower at £731,000, and a little less was received for interest, while the amount brought in was £43,000 smaller, with the result that the available balance of £821,000 is £71,000 down. After meeting fixed charges only one half-year's dividend can be paid on the first preference shares, which got their full 5½ per cent. for 1916, and the amount carried forward is increased by £17,000 to £68,000. Second preference shares, amounting to £2,500,000, and ordinary, amounting to £3,250,000, get nothing at all. It must be admitted, however, that the conditions have been very difficult. No fewer than 324 million passengers were carried, an increase of 5,810,000, but the cost of fuel alone was £274,000 higher than it would have been on the pre-war basis, and rigid economy must have been practised in other directions for the results to be as good as they are. Business prospects, the general manager reports, are excellent, but it is feared that the cost of current will be higher than ever this year, so that the shareholders must still exercise patience.

ALBERT BAKER AND CO. (1898), LTD.—A very welcome recovery is recorded in the report of this company for the year to March 31, and, indeed, the results are the best obtained in its history. Trading profits amounted to £107,600, an increase of £41,000, and the nett profit is £35,000 up at £50,430. The directors prudently deal with this amount in a very conservative fashion. They propose a dividend of 7½ per cent., which will absorb £15,000, and a similar sum is placed to reserve, with a view to the ultimate cancellation of goodwill and suspense account, which together amount to £100,000. There then remains £20,000 more at £25,750 to be carried forward, subject to excess profits duty. When it is recalled that only two years ago there was a debit balance of nearly £10,000, the progress made by the company has been remarkable, and we have no doubt it is largely due to the change in management, but the directors modestly refrain from claiming any credit, and point out that the conditions have been and still are abnormal.

SOUTH AUSTRALIAN CO.—No settlement has yet been reached with the Government in connection with the taking over of the company's wharves, and the company has not, therefore, had the benefit of wharf receipts (£34,270 in 1916), nor has it received either interest or purchase money. In these circumstances, the directors have appropriated £35,360 from the reserve, in order to pay the final dividend and bonus of 50s., tax free, making 70s. for the year, against 80s. last time. Lands and buildings now stand in the balance-sheet at £308,000, against £674,000, owing to the elimination of the wharves and a portion of the port lands. The capital is only £56,800 in £4 shares, and the company has been extraordinarily successful and prosperous, but that is no reason why it should not be fairly treated.

UNITED RIVER PLATE TELEPHONE CO., LTD.—Last year this successful enterprise again made substantial progress, the gross receipts being £793,000, an increase of £84,000, which follows a gain of £68,000 in 1916. Expenses amounted to £528,000, an increase of £51,000, leaving a nett profit of £265,000, or £33,000 more. No change, however, is made in the dividend, which remains at 8 per cent., tax free, but reserves get £100,000, or £24,000 more, and the carry forward is increased by £10,000 to £17,300.

LAND AND MORTGAGE CO. OF EGYPT, LTD.—Gross earnings for the year to March 31 amounted to £28,440, a decrease of £7,000, but a similar amount was saved on interest and other charges, so that the nett profit is practically the same at £7,400. This allows of the payment of 5 per cent. being repeated, and the carry forward is a few pounds smaller at £11,170. Loans on mortgage have been reduced by £77,000; otherwise the changes in the balance-sheet are unimportant.

The Standard Bank of South Africa, Ltd., announce that a branch was opened at Lusaka, Northern Rhodesia, on the 4th instant.

## COMPANY MEETINGS.

## THE FELLOWS MAGNETO CO.

## RAPID DEVELOPMENT OF A BRITISH INDUSTRY.

The first annual general meeting of the Fellows Magneto Co., Ltd., was held at Winchester House, Old Broad Street, E.C., on Wednesday, the 12th instant, at 2.30 p.m. Mr. V. L. Fellows (chairman of the company) presided.

After the usual preliminaries the Chairman said: The importance of the magneto industry to this country may be gauged from the report of Lord Balfour of Burleigh's Committee recommending an ample measure of protection in the future for British manufacturers of magnetos. To further encourage the investment of capital in this key industry an award was also made by the official referees in February, entitling us, in common with others, to an increased standard rate of profit under the excess profits tax during the continuance of the war. These recommendations are unquestionably of great interest to us, and must have an important bearing on the present and future prospects of our company.

## DIFFICULTIES OF LABOUR AND MATERIALS.

The past year has been one of unusual difficulty, due to war-time delays, the shortage of skilled labour, and the general disorganisation of industry. The accounts now presented to you cover a period of 18 months, but the company has only had the benefit of the preferred capital since the beginning of 1917. The magneto output was commenced in April, 1917, it having been found necessary to greatly extend our present factory, which was purchased by us in 1916, together with  $2\frac{1}{2}$  acres of freehold land. In view of the rapid development of our business, negotiations are now in progress with the authorities to enable us to again double our present factory accommodation. Meantime, a further  $1\frac{1}{2}$  acres of land has been purchased, which will give us 4 acres in all for our premises.

The magnetos we are now manufacturing are supplied to the aeroplane services. This type is of a much higher standard of quality than any pre-war Bosch design, and is built to the limits of extreme accuracy required by the Government. A considerably increased contract is now being placed by the Government with our company.

As regards the balance-sheet, Government loans amounted to £17,450, against which there is £12,279, due to us mostly for deliveries to the Government. A total sum of £4,360 has been written off—a substantial sum for a company of our moderate capital to set aside in its first year out of what is practically equivalent to nine months' working.

## DIVIDENDS FOR THE FIRST YEAR.

Your directors recommend the payment of a final dividend of  $5\frac{1}{2}$  per cent. on the preferred shares, making  $9\frac{1}{2}$  per cent. to December 31, 1917, and a dividend of 15 per cent. on the ordinary shares, leaving a balance to be carried forward of £1,181. Your directors, although holding the greater proportion of the ordinary capital, considered it advisable to write down in a substantial manner the preliminary expenses and the plant and machinery, rather than to distribute a higher dividend in this the first year of the company's working.

In this connection it may be noted that an increase in the preferred dividend of  $\frac{1}{2}$  per cent. means an increase of 5 per cent. in the dividends on the ordinary capital.

## PROPOSED NEW ISSUE OF CAPITAL.

The paid-up capital of the company is £66,533. This, compared with the present size of the company's undertakings, is insufficient for our requirements. The proposed new extensions of our factory alone, with the necessary machinery, are estimated to require a further sum of £40,000, to which has to be added the additional working capital and the moneys required for the repayment of our Government loans. The small balance of our present capital now available for issue has been offered to our shareholders, and has been applied for, but we shall also welcome applications from members of the public who may wish to take an interest in the company by the purchase of a few of the ordinary shares which may be available. Provision will also be made to reserve for such applicants a participation in our forthcoming issue. All inquiries in connection with these

matters should be addressed to our West-End offices, 21, St. James's Street, London, S.W. 1.

We have received in the past a large measure of financial support from the Government, but the time has now arrived in which we should carry on by our own efforts, as far as possible, the rapidly increasing business we have built up.

The report and accounts having been approved and adopted, the meeting closed with a vote of thanks to the chairman.

## PHŒNIX ASSURANCE CO.

The annual general meeting of the shareholders of the Phoenix Assurance Co., Ltd., was held on Wednesday at Phoenix House, King William Street, the Right Hon. Lord George Hamilton, P.C., G.C.S.I. (the chairman), presiding.

The General Manager (Sir Gerald H. Ryan) read the notice convening the meeting and the auditors' report.

The Chairman said: Let me first say that from the results produced by insurance companies as a whole I draw the conclusion that this important branch of commercial affairs has well maintained its position under the trying conditions brought about by the colossal struggle in which we have been engaged for nearly four years. Though here and there, owing to a great calamity like the Salonika fire, some of the leading offices have encountered misfortune in their fire business and shown results below their normal standard of success, taken as a whole the fire companies, ourselves happily included in the number, have done fully as well as usual. Marine companies have done remarkably well, and the life offices have shown, as a class, great vitality, though the financial effect of war conditions has temporarily influenced their profits. The accident branches, of which we are at present not a very imposing unit, have also prospered. It seems to follow from this brief survey that the business of insurance has been soundly established, well watched, and well guided, and can face the serious complications of these anxious times without misgivings. This is a high tribute to the skill and judgment of those responsible for the conduct of the insurance business of the country. Passing briefly in review the working of the several branches, the main features of the fire business in the past year are a lower loss ratio, a diminished expenditure, and an enhanced profit. In each detail the Phoenix has shared in the common good fortune. Our premiums have been increased by the satisfactory sum of £177,448, our loss ratio has declined from 48.9 to 47.6 per cent., our expenses from 39 to 38 per cent. of the premiums, and our profit has grown from £135,000 to £176,000. In the marine field a phenomenal growth is shown in the premium income of the chief companies. Our own revenue from this source has risen from £1,300,000 to £2,400,000. Before the war a marine income of one million sterling was practically unknown in this country in the case of any individual company. Several companies have now exceeded this total, and a few, including the Phoenix, have passed the two million standard. The companies as a whole have done exceptionally well, and our own profit of £185,000 is one of the best results. As to the future, a multitude of new companies has lately been established to participate in the common prosperity, and there may be room for many, if not all, of them while the huge account, both of war risks and ordinary marine risks, based upon unprecedented values of cargoes and shipping, continues to be written. But after the war the situation will become much more difficult. The business of many companies will shrink by at least one-half, and the competition for what remains will be carried on with great intensity by an unnecessarily large number of competitors. Our experts are, however, well aware of the troubles ahead, and we have confidence that the skill and judgment which Mr. Sandeman Allen and his lieutenants have shown in surmounting the difficulties of the past will be successfully applied to the solution of the new set of difficulties which will arise after the termination of the war. I need not dwell specially upon the accident figures, but, passing on to our life assurance account, our new business, like that of many other leading offices, has shown excellent results, and it is above the total of the preceding year. Since the outbreak of war the company has paid war claims in respect of 287 policy-holders killed, the sum assured under the policies amounting to £265,000. Last year the amount paid was £70,530, that being about £20,000 less than in 1916. I now pass on to our profit and loss account, which shows some noteworthy features. You will first observe that our free interest amounted to £161,000, and almost met the charges for dividend and debenture interest, totalling £167,000, without any draft upon our trading profits. Next, it is worthy of record that our trading profits amounted to £370,000, and reached the highest sum we have ever attained. But, on turning to the other side of the account, it is seen that practically the whole of this large amount was absorbed by taxes and depreciation, so that we have to forgo those considerable additions to reserve which have been customary items in our accounts. This is, of course, regrettable, though beyond the control of the directors. But I do not regard the year's account as implying that we have merely "marked time." On the contrary, it must be the source of the utmost congratulation that we should have been able, as a result of our successful administration of the company's affairs, to contribute so large a sum as £230,000 out of profits to the financial support of the Government in the prosecution of the war. This sum is increased by the income-tax paid upon our interest receipts to £400,000. Reverting, finally, to the position of our own company, I think I may fairly assert that, whether we look back or look forward, the conclusion we

arrive at is equally satisfactory. In the last 10 years our assets have increased from £7,360,767 to £19,041,065, our total income from £2,206,156 to £5,641,332, and our profits from £267,556 to £379,411. Few companies can show a like progress in the same short space of time. As to the future, in spite of much uncertainty as to the course and duration of the desperate struggle between groups of nations with such different ideals and ambitions, I think we can contemplate with unqualified equanimity our solid position and favourable prospects. I have unbounded confidence in the continued prosperity and progress of our company, be the conditions what they may.

The Deputy-Chairman (Mr. Bristow Bovill) seconded the resolution, which was carried unanimously.

## SIEMENS BROTHERS AND CO.

The thirty-seventh ordinary general meeting of Siemens Brothers and Co., Limited, was held on Tuesday at Winchester House, Old Broad Street, Mr. G. Mure Ritchie, the chairman, presiding.

The Secretary (Mr. W. Wheeler) having read the notice convening the meeting and the auditors' report,

The Chairman said: The past policy of the company has been continued throughout 1917, during which the business exceeded that of 1916 by about one-third. The expansion in output occurred principally in insulated wires and cables, ebonite and batteries, but also the development in automatic telephony, which was foreseen by this company before the war, was continued on a considerable scale. The advantages of the elimination of the human exchange operator have been demonstrated in practice, and all technical difficulties have been surmounted. We are equipped to provide both large exchanges for public service and smaller private exchanges of 25 to 500 lines, and may tell you that, notwithstanding the demands upon us for war work, we have found it possible to complete a semi-automatic exchange at Port Adelaide (1,000 lines) for the Commonwealth of Australia, which has been working quite satisfactorily for 18 months, and a full automatic exchange for Grimsby (1,300 lines) for the General Post Office, which will very shortly be handed over, and to make good progress with a full automatic exchange for Stockport (950 lines), also for the General Post Office. Many private exchanges of from 25 to 200 lines have been established in munitions factories, and have given every satisfaction. The profit of £208,524 shows a substantial increase over that of the preceding year, attributable to the very much larger volume of business done. An interim dividend of 10 per cent., free of income-tax, has been paid, but no further distribution for the year 1917 can properly be considered until the Government claim for excess profits duty has been adjusted. Another important item among our assets is the company's holding of the whole of the issued capital of Siemens Brothers' Dynamo Works, Limited—namely, £200,000 in shares and £200,000 in debentures. At the outbreak of the war the share capital of this company—that is, Siemens Brothers and Co., Limited—amounted to £600,000, with £150,000 in 4 per cent. debentures, ranking in priority thereto, nearly all the shares and about one-third of the debentures being held by Germans. Moreover, the German shareholders had supplied about £1,350,000 of additional capital to meet the requirements of the growing business of Siemens Brothers and Co. and Siemens Brothers Dynamo Works. In accordance with the provisions of the Trading with the Enemy Amendment Act, 1916, the whole of the German interest in the shares and the additional capital before mentioned was vested in the Public Trustee, who took steps to realise it by sale to a British buyer. On December 14, 1917, a sale was effected of the share capital of Siemens Brothers to Messrs. C. B. Crisp and Co. An important provision of the contract of sale was the issue to the Public Trustee by this company of debentures to the amount of £1,330,000, to bear interest at the rate of 4½ per cent. per annum, in order to provide for the repayment of the capital (other than share capital and the participation in the 4 per cent. debentures) employed in the business by the former German proprietors. On the completion of the arrangements between the Public Trustee and the British purchasers of the German-owned shares, the board was reconstituted, and is now composed of the following:—Mr. G. Mure Ritchie (chairman), the Right Hon. Sir William Bull, M.P., Sir Clifford Cory, Bt., M.P., the Right Hon. Lord Queenborough, Mr. H. J. Thomas, and Mr. G. Chauvin, the last-named being the managing director. Since the new board was formed, attention has been given to many questions concerned with the development of Siemens Brothers into a great national manufacturing asset, and little time has been available for discussing a scheme of rearrangement of the share capital. The subject has, however, been under consideration, and the board recognise the advisability of so changing the capital arrangements as to make them conform with the ordinary practice of British companies. Equilibrium must be established between the share capital and the debentures, and with this object the board may, at an early date, ask the shareholders to approve a scheme for enlarging the share capital to £1,500,000, or to an even greater sum, in shares of £1 each. Of that number a substantial portion would remain in reserve for future developments, but as to 400,000, if issued for cash, the proceeds would be available for the retirement of a corresponding amount of debentures. If the matter be carried through on the lines I now roughly indicate, the joint concerns—that is, Siemens Brothers and Siemens Dynamo Works—would be represented by an issued share capital of £1,000,000, a debenture issue of £150,000, carrying interest at 4 per cent.

per annum, and the second debentures, issued to the Public Trustee, amounting to, say, £1,000,000, carrying interest at 4½ per cent. per annum. These readjustments are all subject to negotiations. The main feature of the Dynamo Co.'s trading for 1917 as compared with 1916 is an increased turnover in the United Kingdom and a decrease overseas. The value of unexecuted orders at December 31 last was £1,145,000. Since the entry of the new directors into office, negotiations have been set on foot with other British companies doing similar industrial business, with the object of bringing such manufacturers together for the reduction of unnecessary competition and the avoidance of duplicating machinery, staffs, workshops, and offices. Alliances of this nature have already been arranged with Messrs. Dick, Kerr and Co., Limited, in the field of dynamo installations in all its ramifications, and other alliances are in contemplation.

The Rt. Hon. Lord Queenborough seconded the motion, which was carried unanimously.

## LIPTON, LIMITED.

The twenty-third ordinary general meeting of Lipton, Ltd., was held on Thursday at Winchester House, Old Broad Street, E.C., Sir Thomas J. Lipton, Bart., K.C.V.O. (chairman of the company), presiding.

The Secretary (Mr. S. B. Siedmere) having read the notice convening the meeting and the report of the auditors,

The Chairman said: It gives me great pleasure to meet you once more, and to be able to present such a satisfactory report, especially in view of the fact that the figures now submitted show a great improvement on last year, which was in itself a record.

The Deputy-Chairman (Mr. C. Williamson Milne), in dealing with the accounts, said: The directors may fairly claim to have handsomely beaten the record of last year, and to have substantiated the hopes which I then expressed. The financial position of the company has been materially strengthened, notwithstanding the substantial sum required for the dividend which we recommend to-day.

The Chairman, resuming, said: Our turnover has increased by millions of pounds sterling. The actual rate per cent. of profit earned has been lower than in the previous year, which means that we have been selling our goods at a still smaller margin of profit, and that the largely increased business which has resulted from that policy has not only made up for the lower rate per cent. of profit, but, by the greater volume of business done, has substantially increased our earnings, and enabled us to show you still better results than we put before you last year. As the largest retail distributors of tea, provisions, and groceries in the world, we have naturally come under the operations of the various restrictions and limitations of the Ministry of Food. I am glad to be able to add my testimony to the benefit that the control regulations have been, not only to those who patronise this business, but to the community at large. No one should find fault with the Food Controller; he has come as a boon and a blessing to us all. He has reduced our weight, improved our health and figures. (Laughter.) Our foreign trade has been considerably curtailed by the prohibition of export of food products, but any shortcomings in this direction have been more than compensated for by the expansion of our Eastern trade. We are making special arrangements to meet the conditions arising from the war operations, which now extend to both hemispheres, by which we can conserve as far as possible our world-wide connection. The development of our Egyptian business has continued. In addition to our branches established in Alexandria and Port Said, we have opened in Cairo a large café, restaurant, and tea gardens, which have already become very popular. Also, under the control of the manager of our Egyptian business, we have, by the kind permission of the military authorities, opened a branch in Jerusalem, where, you will be glad to hear, we are doing excellent business, and we are taking business premises in Jaffa, which we have good reason to believe will also prove successful. We have also taken special steps to develop our Australian and New Zealand trade. It is now my pleasurable duty to deal with the figures of the divisible profit—namely, £245,949—which is left, after placing to our general reserve account the sum of £100,000 as the allocation for the year under review. I am quite sure all will see the wisdom of building up our general reserve. We paid on March 31 last a dividend on the preference shares for the half-year ended on the date, which amounted to £25,000, and we recommend that there be placed to war contingencies reserve account a further sum of £25,000, bringing up that account to £50,000. I am sure you will all agree that it is sound policy to protect the future of the business in every way we possibly can. We propose to dispose of £106,250 in paying a final dividend of 8½ per cent. on the ordinary shares, making, with the 4 per cent. distributed by way of interim dividend, a total of 12½ per cent. for the year. We further recommend that there be set aside to pension fund a sum of £15,000. Shareholders will doubtless recollect that last year £10,000 was voted to form the nucleus of this fund, and we commend to your favourable consideration the allocation this year of an additional £15,000. There still remains, as a balance to carry forward, £74,699, which is slightly larger than the amount brought into the account from last year. This balance forward is subject to the payment of excess profits tax, the amount of which we are unable at present to state. Now, you will expect me to say something about our future prospects. I can only tell you that I hope our business during the coming year will be satisfactory in every way, and that it

will not be my fault or the fault of your directors and staff if we are not able to place before you next year a balance-sheet as satisfactory as the present one. It is a great satisfaction to me to know that the name of Lipton as a guarantee of quality in food never stood higher than it does to-day. I have much pleasure in moving: "That the report and statement of accounts, as submitted, be received, approved, and adopted."

Mr. H. L. Peters (managing director) seconded the motion, which was carried unanimously.

### NOBEL'S EXPLOSIVES.

The forty-second annual general meeting of the Nobel's Explosives Co. was held at Merchants' House, 30, George Square, Glasgow, on Wednesday, Colonel Sir Ralph W. Anstruther, Bart. (chairman of the company), presiding.

Mr. M. B. Milne (secretary) having read the notice convening the meeting, the accounts were laid upon the table, and, after calling upon him to read the auditors' report,

The Chairman said: As the report states, we have not yet been able to effect a settlement with the authorities in regard to our liability for munitions levy and excess profits duty for the years 1916 or 1917, the main points at issue being the amount of output allowance under the Munitions Act and the post-war valuation of our war capital expenditure. That settlement does not seem much nearer than it has been for a long time, so your directors have deemed it incumbent upon them to submit accounts without further delay. Dealing with the figures in the balance-sheet, I would first refer to the item of land, buildings, plant, &c. This gives the written-down value of all your factories, which is considerably less than their actual worth, in consequence of the liberal depreciation policy which has been wisely adopted for so many years past. Stocks have been valued on our usual conservative basis, but, nevertheless, that asset, as also that of the debtors, stands necessarily at a high figure on account of the increased volume of business transacted, coupled with the enhanced cost of materials, wages, &c. Our investments have been increased by extending our interests in directions not intimately associated with explosives, and in order to remove any doubt as to the nature of our investments, I might say in passing that, with the exception of £500,000 of War Loan, these are not ordinary Stock Exchange investments, but capital holdings in allied or subsidiary companies. The cash position, as you will see, at the date of the accounts was very good. The creditor side of the balance-sheet, together with the conservative method of valuing assets, reflects the strength of your company in reserve capital, and it will be appreciated that the issued capital of about £2,800,000 by no means represents the profit-earning capital of your undertaking. When the employment of our reserves is taken into account, I consider that the ratio of profit is moderate. I know you will wish me to tell you something about the amalgamation of the companies and firms employed in the explosives and allied industries, which has been in negotiation for the past eighteen months. I would first like to assure you that the unavoidable delay which has occurred in carrying out the scheme in detail to the shareholders has occasioned us much regret. There are various reasons for this delay, but I would only refer to one feature. It was at one time thought that we might arrange with the authorities a common basis for determining the liabilities under the Munitions and Finance Acts, but, unhappily, this proved impossible, and it is, therefore, necessary that each of the constituent companies should negotiate direct with the authorities. Now, many of you must have had experience of the difficulties and delays which occur in determining these liabilities, and when we are dealing with the number of companies embraced in our merger scheme, you will appreciate that this fact alone has entailed considerable delay. Incidentally, I would say it is intended that all the companies should come in on a uniform basis, and it is, therefore, essential that the assets and liabilities be scrutinised very closely by the accountants entrusted with the working out of the scheme, which in itself involves a mass of detail beyond anything that we had originally contemplated. However, ladies and gentlemen, I think our work is nearing completion, and I am hopeful that we shall be able to submit the scheme to you in the course of the next two months.

Mr. M. Pearce Campbell seconded the motion for the adoption of the report and accounts, which was carried unanimously.

### ELDER DEMPSTER AND CO.

The eighth ordinary general meeting of Elder Dempster and Co., Ltd., was held on Tuesday at 23, Billiter Street, E.C., Sir Owen Philipps, G.C.M.G., M.P. (the chairman), presiding.

The Secretary (Mr. Picton H. Jones) read the notice and the auditors' report.

The Chairman, in the course of his speech, said: The dimensions and scope of the company's undertaking may be judged by the fact that the ordinary, preference, and debenture capital and reserves now amount to nearly 5½ millions sterling, of which one million stands to the credit of the reserve fund. While our shipping connections extend to many parts of the world, our most important business is the maintenance of steamship services between the United Kingdom and West African ports and the linking up of these ports with one another. As there are no less than 99 such ports on the West African Coast, the majority of which are either open roadsteads or shallow draft harbours, with few facilities for rapid handling of ships or cargo, special types of vessels are indispensable, and consequently the trade, even in normal times, is one of the most difficult in the world. Under war conditions it

was inevitable that some of these ports should suffer inconvenience on account of the universal shortage of shipping tonnage, and that important local trading interests should be affected adversely. On the other hand, owing to the adaptability of West African products for purposes of food and munitions, and to the comparative proximity of the West African coast to these shores, I believe, speaking generally, the overseas trade of West Africa has been less interrupted than that of any other country. At the same time, the war has brought into prominence the uses and value of the produce of these vast tropical and sub-tropical territories, for which there now seems every prospect of permanent demand in this country. As a striking example of this, it was stated in the House of Commons last week, on behalf of the Government, that this country's capacity for producing margarine (in the manufacture of which large quantities of West African oil-bearing nuts are used) has increased fourfold during the war, and that we are now independent of foreign supplies. The system of control and the institution of priority lists for cargo has involved hardships in some directions, more especially in the case of the Gold Coast, from which cocoa is the principal export. The situation is, however, receiving the careful consideration of the Colonial Office and the Ministry of Food, and I am hopeful that some amelioration will result. Manganese ore, which was shipped from the Gold Coast for the first time in 1916, came forward in much increased quantities during 1917. All our steamers have been continuously employed throughout the year under review. The number engaged in our regular commercial services has been considerably reduced, owing to the increased demands on tonnage for direct national purposes. In July, 1917, the Public Trustee offered for sale by auction the enemy-owned shares of the Pacific Phosphate Co., Ltd., when a large holding was acquired by us. The deposits of phosphate in certain of the Pacific Islands over which that company owns concessions are probably unequalled, both as regards quality and extent, by any other known sources of supply. Perhaps the most difficult problem with which the future confronts us is that of making good the gaps in our fleet due to war losses, and of providing adequately for the requirements of our various trades upon the return of normal conditions. Any attempt under existing conditions to forecast the future, as regards shipping in general or the West African trade in particular, would be futile. All we can do at present is to concentrate upon the prosecution of the war with the utmost vigour, and to lay our plans for the future with a view to providing adequately both for the maintenance and expansion of the shipping trades, which this old-established company has done so much to create and develop.

Mr. J. Craig seconded the resolution, which was carried unanimously.

### BISICHI TIN CO. (NIGERIA).

The seventh annual general meeting of the Bisichi Tin Co. (Nigeria), Ltd., was held on Monday at the Cannon Street Hotel, Mr. James Gardiner, the chairman of the company, presiding.

The Chairman stated that the output for the year ended December 31 last showed a marked decrease, partly owing to difficulties caused by the abnormal conditions created by the continuance of the war and partly to the necessity for a revision of the position in Nigeria in view of providing for further development of work in anticipation of the current year's operations. As a compensatory factor, there had been a considerable advance in price, which had enabled them to obtain a result which, on the whole, did not compare unfavourably with the realisations of the previous year. A year ago the price was £236 12s. 6d., while the attitude of the Government to the producers could hardly be considered benevolent, and they were discouraged from the belief that it was an essential metal. The entry of the Americans into the war and the consequent mobilisation of their industries engaged in the production of munitions gave an added impetus to demand, and the introduction of the licence system speedily revealed the fact that supply was barely, if at all, sufficient for all requirements. From the beginning of October, a steady advance in price set in, and the record was made at £380 a month ago. Since then there had been a decline, the price on the last market day (Friday) being £330. As the result of these conditions, the company's ore, which averaged 71.09 per cent. of metallic contents, realised an average price of £194 12s. 2d. per ton as against £136 5s. 2d. in the previous year. Taking the accounts as a whole, they might be considered very satisfactory under existing conditions. The all-in costs on the ore realised amounted to £119 12s. 8d., leaving a nett profit of approximately £75 per ton. While the plant, machinery, &c., had been still further written down, the tangible and liquid funds of the company stood at a high figure, £63,000. Last year he told the shareholders that they might anticipate results about equal to those of the previous year. On the present occasion, with the development projected and the prospecting work done, they might confidently look for an increase of output over that of 1917 and a corresponding increase in profits, and, as a natural consequence, they would be justified in looking forward to an increased dividend. He concluded by moving the adoption of the report and accounts.

Mr. W. Scott Coutts seconded the motion, which was carried unanimously; and resolutions were also passed declaring a final dividend of 7½ per cent., less income-tax, making 12½ per cent. for the year, and re-electing the retiring director and auditors.

The meeting closed with a vote of thanks to the chairman and the directors and the manager and staff in Nigeria.

# THE FORESTAL LAND, TIMBER AND RAILWAYS COMPANY, LIMITED.

## REPORT OF THE DIRECTORS

TO BE PRESENTED TO THE

Shareholders at the Twelfth Ordinary General Meeting, to be held at River Plate House, Finsbury Circus, London, E.C., on Thursday, the 20th June, 1918, at 11.30 a.m.

The Directors submit the Report and Accounts for the year ended 31st December, 1917.

The results of the year, though they fall considerably short of those of the preceding year, may be regarded as highly satisfactory when taking into consideration the abnormal and very difficult circumstances in which the business of the Company had to be carried on.

There has been written off from the year's profit for depreciation on Buildings, Plant, Machinery, Railways, Felled Timber, &c., the sum of £127,265 19s 3d, and after making sundry adjustments the amount to the credit of Depreciation Account stands at £883,132 5s 9d.

After providing for Debenture Interest, London Charges, Remuneration of Managing Director, London and Local Boards, &c., there remains a profit for the year of £822,395 4s 1d, which the Board recommend should be appropriated as follows:—

	£	s	d	£	s	d
To Reserve for Excess Profits Duty, Income Tax, &c.				200,000	0	0
To Special Reserve Account				150,000	0	0
To the Preference Shares—						
The fixed cumulative Preferential Dividend of 6 per cent. per annum	92,751	0	0			
25 per cent. of surplus profits	94,911	1	0			
				187,662	1	0
To the Ordinary Shares—						
75 per cent. of surplus profits				284,733	3	1
				£822,395	4	1

To the amount of £187,662 1s. 0d., attributable to the Preference Shares has to be added the sum of £46,061 1s. 4d. brought forward from the previous year, making a total of £233,723 2 4

An Interim Preference Dividend of 6 per cent. on 1,545,850 shares paid in January, 1918, in respect of the year 1917 absorbed	£92,751	0	0
The Directors now recommend the payment of a final Dividend on the Preference Shares of 6 per cent. (making 12 per cent. for the year)	92,751	0	0
carrying forward to the credit of holders of Preference Shares	48,221	2	4
	£233,723	2	4

To the amount of £284,733 3s 1d, attributable to the Ordinary Shares must be added the sum of £138,161 12s 5d brought forward from the previous year, making a total of £422,894 15 6

An Interim Ordinary Dividend of 6 per cent. on 1,545,849 shares paid in January, 1918, in respect of the year 1917, absorbed £92,750 18 10

The Directors now recommend the payment of a final Dividend on the Ordinary Shares of 12 per cent. (making 18 per cent. for the year) 185,501 17 8

carrying forward to the credit of holders of Ordinary Shares 144,641 19 0

£422,894 15 6

The elimination of alien enemies from the staff and all branches of the Company's activities, which has been systematically carried out in accord with the British Government, was completed during the year under review.

The Directors deeply regret to report the death of Mr. Victor Negri, late Chairman of the Local Board in Buenos Aires, who had rendered eminent services to the Company since its inception. The Directors desire to place on record their sense of his irreparable loss.

The Directors who retire by rotation are Sir Arthur Lawley, Baron Emile Beaumont d'Erlanger and Mr. Leon Rueff, who offer themselves for re-election.

The Auditors, Messrs. Deloitte, Plender, Griffiths & Co., offer themselves for re-election.

A list of members of the Staff who have joined His Majesty's Forces and the Armies of the Allies is attached to the Report.

A form of proxy is enclosed for the use of shareholders.—By order of the Board,

O. J. BUXTON, Secretary and London Manager.

149 Leadenhall street, London, E.C.3.  
11th June, 1918.

It is proposed to post Dividend Warrants on the 5th July.

### BALANCE SHEET, 31st December, 1917.

#### CAPITAL, LIABILITIES AND RESERVES.

	£	s	d	£	s	d
Share Capital—Authorised:—						
1,612,500 Preference Shares of £1 each (entitled to a fixed cumulative dividend of 6 per cent. per annum and 25 per cent. of the surplus profits available for dividend)	1,612,500	0	0			
1,612,500 Ordinary Shares of £1 each (entitled to 75 per cent. of the surplus profits available for dividend)	1,612,500	0	0			
	£3,225,000	0	0			
Issued:—						
1,545,850 Preference Shares of £1 each fully paid	1,545,850	0	0			
1,545,849 Ordinary Shares of £1 each fully paid	1,545,849	0	0			
	3,091,699	0	0			
Five per cent. First Mortgage Refunding Debentures:—						
Authorised and Issued	£1,200,000					
Amount outstanding per last Account	1,143,000	0	0			
Deduct—						
Debentures drawn in 1917 for redemption	16,500	0	0			
	1,126,500	0	0			
Five per cent. Mortgage Debentures, 1914:—						
Authorised and Issued	£1,200,000					
Amount outstanding per last Account	1,171,900	0	0			
Deduct—						
Debentures drawn in 1917 for redemption	15,000	0	0			
	1,156,900	0	0			
Debentures drawn for redemption: amount outstanding	19,751	10	0			
Debenture Interest accrued to date	47,856	13	4			
Depreciation Account (including sums set aside for redemption of Debentures)	883,132	5	9			
Reserve for Excess Profits Duty, Income Tax, &c.	800,000	0	0			
Less Payments on Account and Balance of Income Tax Account, 1917	660,000	0	0			
	140,000	0	0			
Reserve Account	772,924	15	0			
Special Reserve Account	450,000	0	0			
Sundry Credit Balances, including Debts due by the Company and Bills Payable	1,038,340	12	11			
Unclaimed Interest and Dividends	13,280	19	7			
Undivided Profit per Directors' Report on the Accounts to 31st December, 1916:—						
Preference Shareholders	46,061	1	4			
Ordinary Shareholders	138,161	12	5			
	184,222	13	9			
Profit and Loss Account:—						
Profit for Year to 31st December, 1917, subject to Excess Profits Duty	822,395	4	1			
	£9,747,003	14	5			

NOTE.—There are contingent liabilities in respect of Bills Discounted, Contracts and Disputed Claims.

### PROPERTIES AND ASSETS.

	£	s	d
Freehold Lands (2,623,584 acres of timber lands, 2,323,975 acres of pastoral land); Railways, Factories, Machinery and Plant; Working Bullocks and Horses; Steamers, Barges and Carts; Buildings, Wells, Fences, Furniture, etc.	4,454,904	19	3
Holdings in Associated Undertakings and other Investments, at Cost	571,411	16	2
Livestock	454,152	10	9
Stocks of Extract and Felled Timber	1,662,661	9	7
Stocks of Stores and Materials	372,169	10	4
Sundry Debit Balances, including Debts due to the Company, Bills Receivable and Payments in Advance	960,197	1	10
British Government War Loans, value at 31st December, 1917	456,393	18	9
British Government Treasury Bills	586,518	15	8
Cash at Bankers and in hand	228,593	12	1
	£9,747,003	14	5

### PROFIT AND LOSS ACCOUNT, Year to 31st Dec. 1917.

	£	s	d
Dr.			
London Charges, Legal Expenses, Remuneration of Managing Director, London and Local Boards, Trustees' Fees, &c.	54,590	16	0
Interest on Debentures, Income Tax thereon, and Premium on Debentures redeemed	144,687	10	0
Depreciation	127,265	19	3
Balance—Subject to Excess Profits Duty	822,395	4	1
	£1,148,939	9	4

	£	s	d
Cr.			
Profit on Trading, Dividends from Associated Undertakings, Interest on Investments, &c.	1,148,509	18	4
Transfer Fees, &c., London	429	11	0
	£1,148,939	9	4

On behalf of the Board,

E. B. D'ERLANGER,  
JOSEPH C. BALDWIN, Junr. } Directors.

REPORT of the Auditors to the Shareholders of  
THE FORESTAL LAND, TIMBER and RAILWAYS COMPANY, LIMITED.

We have examined the Accounts of the Company in London and Buenos Aires for the year ended 31st December, 1917. We have obtained all the information and explanations we have required, and in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Company.

DELOITTE, PLENDER, GRIFFITHS & CO.,  
Chartered Accountants, } Auditors.

5, London Wall Buildings,  
Finsbury circus, E.C.  
7th June, 1918.

# The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

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[Price 6d.]

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## THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial  
Japanese Government, 1899.

**HEAD OFFICE - - - - - TAIPEH, FORMOSA.**

Amoy, Batavia, Bombay, Canton, Foochow, Hankow, Hongkong,  
Kuikiang, Kobe, New York, Osaka, Shanghai, Singapore, Swatow,  
Soerabaya, Tokyo, and every important city in Formosa (Taiwan), &c.

The Bank has Correspondents in the Commercial Centres of Russia,  
Manchuria, Indo-China, India, Philippine Islands, Java,  
Australia, America, and elsewhere.

**LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.**

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital .. .. .	Yen 48,000,000
Capital Paid Up .. .. .	Yen 42,000,000
Reserve Fund .. .. .	Yen 23,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Bombay.	Honolulu.	Newchwang.	Shimonoseki.
Buenos Ayres.	Hong Kong.	New York.	Singapore.
Calcutta.	Kobe.	Osaka.	Sourabaya.
Changchun.	Los Angeles.	Peking.	Sydney.
Dairen (Dalny).	Lyons.	Rangoon.	Tientsin.
Fengtien (Mukden).	Manila.	San Francisco.	Tokyo.
Hankow.	Nagasaki.	Seattle.	Tsingtau.
Harbin.		Shanghai.	

The Bank buys and receives for collection Bills of Exchange, issues Drafts  
and Telegraphic Transfers and Letters of Credit on above places and elsewhere,  
and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

## THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £2,000,000; together £4,000,000

Reserve Liability of Proprietors .. .. . 4,000,000

Total Capital and Reserves .. .. . £8,000,000

**HEAD OFFICE - - - - - 71, CORNHILL, LONDON, E.C. 3.**

DRAFTS are granted on the Bank's Branches throughout the Australian  
States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained  
on application.

## THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised .. .. .	£1,500,000
Capital Issued .. .. .	1,125,000
Capital Paid Up .. .. .	562,500
Reserve Fund (Undivided Profits)	708,432

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS  
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and  
Circular Notes, and transacts banking and agency business in connection with  
the East, on terms to be had on application.

**DEPOSITS** received for one year at 5 per cent. per annum. Rates for other  
periods on application.

On **current accounts** interest is allowed at 2 per cent. per annum on  
daily balances.

## THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital .. .. .	£4,000,000
Paid-up Capital .. .. .	1,800,000
Reserve Fund .. .. .	2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia  
Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once  
(Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires),  
Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo,  
Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto  
(Agency). BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Per-  
nambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILI—  
Valparaiso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in  
New York and Agents throughout the world.

Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated,  
advanced upon or sent for collection.—7, Princes Street, E.C. 2.

## UNION BANK OF CANADA.

INCORPORATED 1865.

HEAD OFFICE: WINNIPEG.

PAID-UP CAPITAL .. .. .	\$5,000,000
REST AND UNDIVIDED PROFITS .. .. .	\$3,600,000
TOTAL ASSETS EXCEED .. .. .	\$143,000,000

The Bank has over 300 Branches in Canada, and Agents in the principal  
cities in America. GENERAL BANKING BUSINESS CONDUCTED.

Deposits Received for fixed periods at favourable rates, which may be  
ascertained on application to

London Offices: 8, PRINCES STREET, E.C. 2, and 28, HAYMARKET, S.W.

New York Agency: 49, Wall Street.

## BANKS.

# CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA, 38, Bishopsgate, London, E.C. 2.

INCORPORATED BY ROYAL CHARTER.

Capital, £1,200,000. Reserve Fund, £2,000,000.

## Court of Directors.

SIR MONTAGU CORNISH  
TURNER, Chairman.  
SIR DUNCAN CARMICHAEL.  
THOMAS CUTHBERTSON, Esq.  
SIR ALFRED DENT, K.C.M.G.

WILLIAM HENRY NEVILLE  
GOSCHEN, Esq.  
THE RIGHT HON. LORD GEORGE  
HAMILTON, G.C.S.I.  
WILLIAM FOOT MITCHELL, Esq.  
LEWIS ALEXANDER WALLACE,  
[Esq.]

Managers: T. H. WHITEHEAD and W. E. PRESTON.  
Sub-Manager: J. S. BRUCE.

## Bankers:

THE BANK OF ENGLAND.  
THE LONDON CITY AND MIDLAND BANK, Limited.  
THE LONDON COUNTY, WESTMINSTER & PARR'S BANK, Limited.  
THE NATIONAL PROVINCIAL & UNION BANK OF ENGLAND,  
Limited.  
THE NATIONAL BANK OF SCOTLAND, Limited.

The Corporation buy and receive for collection Bills of Exchange, grant  
Drafts and transact general banking business connected with the East.

DEPOSITS OF MONEY are received for fixed periods on terms which  
may be ascertained on application. Interest payable half-yearly,  
30th June and 31st December.

## CANADA.

# THE BANK OF BRITISH NORTH AMERICA.

Established 1836.

INCORPORATED BY ROYAL CHARTER 1846.

PAID-UP CAPITAL .. £1,000,000. RESERVE FUND .. £620,000.  
Head Office:—5, GRACECHURCH STREET, LONDON, E.C. 3.

## Court of Directors.

Lt.-Col. F. R. S. BALFOUR. Lieut. E. GEOFFREY Hon. A. R. MILLS, M.P.  
J. H. BRODIE. HOARE, R.N.V.R. Major C. W. TOMKINSON  
J. H. MAYNE CAMPBELL. F. LUBBOCK. G. D. WHATMAN.  
E. A. HOARE.

SPECIAL FACILITIES FOR COLLECTION OF BILLS, &amp;c.

Deposits received at rates which may be obtained on application.

ALL KINDS OF BANKING BUSINESS TRANSACTED

## NOTICES.

# IMPERIAL JAPANESE GOVERNMENT 4 PER CENT. LOAN OF 1899.

Coupon Due 30th June, 1918.

# IMPERIAL JAPANESE GOVERNMENT 4 PER CENT. LOAN OF 1905.

Coupon Due 1st July, 1918.

NOTICE IS HEREBY GIVEN that the above COUPONS  
will be PAID on and after the 1st July, 1918 (Saturdays  
excepted), between the hours of 11 and 3, at the Yokohama Specie  
Bank, Ltd., where lists may be obtained.

Coupons must be left three clear days for examination prior  
to payment.

For the YOKOHAMA SPECIE BANK, Ltd.,  
K. TATSUMI.

9, Bishopsgate, E.C. 2, 17th June, 1918.

# SOUTH MANCHURIAN RAILWAY 4½ PER CENT. BONDS.

Coupon Due 1st July, 1918.

NOTICE IS HEREBY GIVEN that the above COUPONS  
will be PAID on and after the 1st July, 1918 (Saturdays  
excepted), between the hours of 11 and 3, at the Yokohama Specie  
Bank, Ltd., where lists may be obtained.

Coupons must be left three clear days for examination prior to  
payment.

For the YOKOHAMA SPECIE BANK, Ltd.,  
K. TATSUMI.

9, Bishopsgate, E.C. 2, 17th June, 1918.

# CITY OF YOKOHAMA FIVE PER CENT. STERLING BONDS FOR £716,500.

NOTICE IS HEREBY GIVEN that the COUPONS due 5th  
July, 1918, will be PAID on and after that date between the hours  
of 11 and 3 (Saturdays excepted), at the YOKOHAMA SPECIE  
BANK, LIMITED, where lists may be obtained. Coupons must  
be left three clear days for examination prior to their payment.

For the Yokohama Specie Bank, Ltd.  
K. TATSUMI.

9, Bishopsgate, London, E.C. 2, 21st June, 1918.

## INSURANCE.

# A GREAT NATIONAL DISTRIBUTION

THE

# PRUDENTIAL

Paid to its Policyholders in 1917 over  
£9,700,000

or over £31,000 for each Working Day.

# ALLIANCE ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C. 2.

ASSETS EXCEED £24,000,000.

## Chairman:

The Hon. N. CHARLES ROTHSCHILD.

The operations of the Company embrace all branches  
of Insurance.

Full information respecting

# ESTATE DUTY AND CHILDREN'S EDUCATIONAL POLICIES

issued by the Company may  
be obtained on application  
to the Head Office as above,  
or to any of the Offices or  
Agencies of the Company.

O. MORGAN OWEN, General Manager.

# A PRACTICAL PENSION POLICY FOR WOMEN WORKERS.

"After the heat and turmoil of the day,  
The sheltered haven of the peaceful years."

A leaflet entitled

# "AFTER"

giving full particulars of a new and attractive  
scheme will be sent post free on application to the

NATIONAL PROVIDENT INSTITUTION,  
48 GRACECHURCH STREET, LONDON, E.C. 3.

## NOTICE.

THE

# CANADIAN NORTHERN RAILWAY COMPANY.

NOTICE to Holders of £2,000,000 Five per Cent.  
Secured Notes to Bearer maturing 12th August, 1918.

Holders of the above Notes are given the option of converting into  
Notes of an Issue of £2,000,000 Five per Cent. Guaranteed Secured  
Notes to Bearer taken at 98½ per cent., receiving the balance of 1½  
per cent. in cash as well as the Coupon falling due on the 12th  
August next. The New Notes, which will mature 2nd August, 1921,  
will carry a full half-year's interest due 2nd February, 1919, and  
will be Unconditionally Guaranteed as to Principal and Interest  
by the Government of the Dominion of Canada.

Full terms and conditions of conversion and the necessary forms can be ob-  
tained from the undersigned, and to be effective the option must be exercised  
and the Old Notes deposited at Lloyds Bank Limited, Lombard Street, E.C. 3,  
before 29th June, 1918, next.

For CANADIAN NORTHERN RAILWAY COMPANY,

H. W. HARDING, Local Secretary.

# The Investors' Review.

Vol. XLI.—No. 1,068  
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SATURDAY, JUNE 22, 1918.

(Registered as a Newspaper) Price 6d.

## PUBLISHER'S NOTICES.

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Cloth cases for binding the half Yearly Volumes price 2s. 6d., postage 6d. extra. Bound Volumes 17s. 6d., or 18s. 6d. post free.

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"Investors' Review,"

Norfolk House, Norfolk Street,  
London, W.C.

Telephone No.:  
Gerrard 9132.

Telegraphic Address:  
"Unveiling, London."

*The Editor cannot undertake to return rejected communications.*

*Letters from correspondents must, in every case be authenticated by the name and address of the writer.*

*The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and he cannot accept responsibility for statements made therein.*

## ANSWERS TO QUERIES.

**One Reply to One Question—One Shilling.** Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

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## A Five Hundred Million War "Refresher."

On Tuesday afternoon, in the House of Commons, the Chancellor of the Exchequer, Mr. Bonar Law, moved his latest vote of credit in Committee of Supply. In doing so he told the House and the country what he wanted, but said hardly a word about how the money was spent. The previous vote of credit, amounting to £600,000,000, the largest ever asked for, is nearly exhausted, and the new one will only carry the nation on to the end of August, for the actual expenditure is nearly £7,000,000 per diem. Nevertheless, Mr. Law, undeterred, went into sundry deft calculations in order to exhibit here and there imaginary surpluses on details. Taking the spendings in the 69 days up to June 8, which have elapsed since the new fiscal year began, a proportional estimated expenditure extended over the whole year would be £482,000,000 for these 69 days. Actually it has been £472,500,000, so there is a balance of £9,500,000 below the estimate. Or, taking the daily figure, the estimate for the year was based on £6,986,000 average daily outlay, and the actual average has been £6,848,000, a saving of £138,000 a day. Think of it!

Could anything be more grotesque than this sort of juggling with bales and hummocks of figures? Yes, there are things more obviously grotesque even than that. They may be found in the estimates for the four fighting services, the Army, Navy, Munitions, and Air Ministry. The expenditure in these ever hungry departments is less extravagant by £15,300,000, a reduction of £13,500,000 on the Admiralty, of £6,000,000 on "munitions," and of £4,000,000 on the Air Force being offset by a rise of £9,000,000 in the Army. Was it the Air Service "saving," we wonder, that moved the War Cabinet—or was it the Fitzfoodles and McToshes of the old permanent staff?—to devise and issue orders for a brand new uniform for it? It is blue, something between our navy blue and the silver blue of the French infantry, and it must be donned forthwith. Who makes the profit by this kind of thing? And how do Cabinet ornaments and members of the military staff contrive to find time to occupy their minds with affairs of the mere tailor or costumier amid the greatest crisis of the war? Are any of them paid to do so? Who bears the cost? What becomes of the discarded khaki

uniforms, many of them brand new and most expensive, now ordered to be discarded.

Somebody is making money here, you may be sure, but the department has "saved £4,000,000!" Perhaps we shall get partial answers to these questions in a proximate list of so-called "honours." A peerage or baronetcy will surely, according to the Georgian habits in political strategy and democracy-betrayal à la the first Napoleon, fall to the lot of the men who stuff their wallets most systematically at the expense of the taxpayer. "The taxpayer? What concern can it be of his? We can always borrow," says the Chancellor.

Mr. Law had to confess that there has been an increase of £9,000,000 in the Army expenditure, but hastened to explain that £3,000,000 of it was "not really an increase." It was merely a feat of bookkeeping, and represented "an excess beyond the estimate," paid by the Army for supplies given to our Dominion forces. And so by trivial, peddling byways the happy Chancellor rambled on until he came to telling us, by way of round off, how our advances to our Allies had taken to dwindling. To the end of last fiscal year the total they owed us was £1,332,000,000. Between April 1 and June 8 of the current year only £38,000,000 more has been advanced, or at the rate of about £180,000,000 a year, and makes the total now £1,370,000,000. For the Dominions alone the amount at the end of the Exchequer year was £194,000,000, and since then £12,000,000 has been advanced, so that they now owe us £206,000,000. But it is all on a diminishing scale. How cheering!

Less has been spent upon the fighting forces of Dominions and Allies, but £21,000,000 more than estimated has gone to pay for foodstuffs, and that money it is claimed will all come back. It is represented very largely by purchases of commodities like bacon, canned meats, and, to some extent, of wheat, and as the stuff is resold the Treasury will recoup itself. Nearly the whole of the returns will come into the accounts of the current year, and ruling that bulge off, the actual decrease on the estimates, for the period elapsed of the current year, is no less than £30,000,000, equivalent to £434,000 per day. Prodigious! You understand it all, of course—as fully, say, as the bookkeepers and Ministers do in the various offices.

These itemised fragments of the accounts, which really told the House nothing at all worth a doit, suit-

ably led up to a statement of our total war obligations. We gave the figures of each year's addition to the pile of debt last week. Up to the end of last year their aggregate was £6,242,000,000. Add the £1,100,000,000 voted in the current year thus far, and the total becomes £7,342,000,000, with much more to follow. "The Committee will agree with me," hazarded Mr. Law, "in thinking that it is large enough."

It will. And that was all.

The Chancellor then drifted away to a review of the position on various military fronts, especially the Western and Italian fronts. He might have compiled it from the essays of military critics in the daily newspapers, or even—most of it—from the By-the-Way War Notes of THE INVESTORS' REVIEW. There was nothing fresh in it, nothing inspiring, and although it was couched in a muffled tone of confidence, its effect was damping.

Naturally the critics who followed Mr. Law had much to complain of. Mr. McKenna, for example, was inquisitive about our "miscellaneous" expenditure, and well he might be, for it grows a bulbous heap. He was also emphatic about the enormous figure of daily expenditure, which is treated so lightly by our wonderful Government. With a total of £7,750,000 a day, Mr. McKenna insisted, "we had reached a point at which the power of the nation to produce more had become almost exhausted." It became more than ever of vital importance that money should not be wasted. "Of all services in the country the public service ought to be the first to insist that there was no wasteful expenditure." If five or ten millions be wasted the public may say, "it is little more than one day's expenditure," "but let them consider what £5,000,000 wasted meant in labour. Putting the average earnings at £4 a week, or £200 a year, it meant a waste of 25,000 men's work for a year." That is a way of putting it with which readers of this REVIEW are familiar, but even it fails to strike home to the public mind, mazed as it is by the hugeness of the figures, and the dancing-dervish whirl of offsets and explanations.

Other speakers followed, and had pertinent observations to make. Sir Joseph Walton wanted to know how our after-war requirements of £800,000,000 to £900,000,000 a year were going to be met, also what steps had been taken to cut down the large profits on contracts, and, seeing how completely the exposures of the Auditor-General are ignored by the Government, the questions were to the point. Mr. Roch and Brigadier-General Croft also had things to say, which even our "War Cabinet" might heed, were it ever so little, because a storm is gathering which will burst one of these days with disastrous results for most of us, for it not least.

The weightiest speech of the evening was Mr. Asquith's. It was dignified, restrained, patriotic, and impressive—the kind of speech which sinks into the public mind and is remembered. Without abating one jot of his faith in the ultimate triumph of the Allies, the late Prime Minister none the less confessed his anxieties and pressed home facts which the Government either slurs over or ignores. Also he manfully stood up for Russia. "I, for one, am not at all disposed to wipe Russia off the slate and treat her as having become a negative and non-existent factor." The stew-in-your-own-juice attitude is not the right one at all. It represented a policy of fatal short-sightedness, and he urged that every opportunity should be taken to help Russia in a spirit of unselfishness, so that we may build up a friendship and an intimate alliance helpful to both countries, but above all to Russia.

There is the true ideal. And, by the way, Dr. Hagerberg Wright, the well-known librarian at the London Library, in a letter printed in the *Times* of the same day, opportunely points out some of the ways in which we can help Russia now without at once sending her military forces. "There is vital need of action—prompt, considered, and sustained," he says. "We must devise new methods to suit new conditions. The personnel of our future Embassies to Russia must be

familiar with Russian life and thought, must be capable of getting in touch with all classes of the population. Still more essential is it that the British democracy should give practical proof of their sympathy and friendship—not in mere words, but in deeds incapable of misconstruction. The Russian people are in sore straits. Universal famine is impending, and they lack many of the sheer necessities of civilised existence; therefore the distribution of such necessities as boots, clothing, farm implements, and tools at cost price would be an act of friendship far-reaching in result, if care were taken to avoid all suspicion of commercial enterprise. The power of genuine sympathy is illimitable." That points the right path to follow, and this is the kind of help that Mr. Asquith pled for in a sympathetic House, whose leaders in office had forgotten.

As a result of the debate, and of the demand from all sides for more information about the war—what is going on, for example, in the various Eastern seats of conflict, about which, Mr. Asquith pertinently remarked, never a word was uttered by the Government—a sort of promise seems to have been made that the Government may open the shutters and let in a little light. Take it all in all, however, it was a depressing rehearsal, and the sloppy character of our Government is vividly illustrated in the incident of the brand new uniform for our Air Service. Will the change of cloth and colour save many lives?

## The Land and the Diseases Thereof.

A letter in the *Westminster Gazette* of the 14th inst. once more calls attention to the habits prevailing with regard to the treatment of land in high quarters. The writer, Mr. Arthur C. Dowding, draws attention to the "scandal," as he calls it, of the eviction brutality now going on all over the country, and by which farmers are being turned out of their holdings. A great gamble has developed in real estate, and, as this writer says, the high prices now being realised for farms are solely due to the fact that landlords can evict their tenants at twelve, and sometimes at six, months' notice, and offer a purchaser vacant possession. This process of evicting tenants at will, which most of the English farmers are, goes on rampantly, while the officials of the Board of Agriculture and other smug individuals keep preaching to the nation to do its duty and cultivate the land, so as to increase the yield of the crops, bribing them the while and supplying them the while with labour of sorts. Doubtless Mr. Prothero knows all about it, but he is only a man of his surroundings and his time. He was the agent of the Duke of Bedford, and cannot help looking at the relations of landlord and tenant from the landowner's standpoint. And not only is the eminent President of the Board of Agriculture obsessed by this attitude, the whole nation may be said to be so. We are not free, in any sense, when dealing with the land or questions relating to it—not free in our opinions, not free to take any course that will tend towards justice between man and his fellow, least of all towards the man who is beneath.

Some noise has been made in the newspapers and elsewhere over that seizure of 600 acres at Chippenham for military purposes. The growing crops are being destroyed upon it, we are assured, and much strong language is being used against the Government for allowing a crime so glaringly in contrast with its rhetoric to be committed. But no one attempts to do anything to stop this sort of tyranny; nor will the Government move a finger to allow the blame to be put upon the right people or the crime to be atoned for. You see, it is not the civil servant who does these things, but our military despots, they and their new allies, and we cannot expect the mere professional soldier to give any consideration to popular rights or prejudices, or to mere sentiments, when in control, still less to look at things from the mere human common-sense business point of view, so that no co-ordination of purpose—not to speak of effort—is ever to be looked for between the military leaders and the enormous multitudes of new civil employees when dealing

with subjects that concern the nation's well-being. But the Government should at least understand that the people are thinking hard about these things and taking note of them. It should also remember that the hunger for land has increased since this war began to an extent that the landlord class appears to have no conception of whatever, except as affording them a glorious chance to make a profit by sales.

If our Army lives to come back, it is coming back to lay hold of the land, of that the present legal owners of our soil may be perfectly sure. Perhaps it is because some among them suspect this demand to be coming upon them that they are in such haste to dispose of their estates, not as the wise and conscientious landlord would do to the present tenants at moderate prices, but to the highest bidder, to the mere speculator who, in order to enhance the profit he sets out to make on what he has bought, turns the estate upside down, evicts tenants who may have been on the land for generations, and clears everything away so that he may be able to offer the highest temptations on resale. To serve notice to quit may stimulate the tenant to offer a ruining price so as to escape the threatened fate. And failing him, there is always the amateur farmer who is ever the greatest dupe in this kind of business. The town dweller is seized with a desire to become a landowner and farmer so as to enjoy the sweets of country life. He has made money in trade, and resolves to put it into land.

So he buys a farm at any price, no matter how excessive, that being the only way in which he can gratify his desires. In England recurring outbursts of land hunger of this kind lead to speculative outbidding for farms just as in Scotland crazes to lease farms break out among shopkeepers. And every now and again the eviction of old and experienced farmers ensues in order to make room for the amateur who, in Scotland, generally ruins himself before his lease is out. The result to many people of the present land boom in farm buying in England will be ruin, and then those who want farms may be able to get them at a reasonable price. Or whole slices of counties may again be swept into the grip of some new speculator who will buy up estates cheap in bits as the tenants become exhausted, and, after waiting a little, will again repeat the unloading process.

It is a sordid business, rooted in heartless injustice of the true Junker stamp, and if this war does not lead to a settling of accounts between the landlord class and the people, then, we again say, it was hardly worth fighting. We might just as well have submitted to the Prussian drill-sergeant and his Junker overlord, who could not have been less humane towards the people his hold over the land made him master of than the average of English landlords have been for many generations. "In the lump" they are bad.

One has but to remember the history of this country during the last two hundred years, to go no further back, to realise with what ruthlessness and untiring energy the few who, buttressed in feudalism, controlled

law-making in England, were able to rob the people and to drive them into the slums of towns there to degenerate and wither. Very early in the eighteenth century, says Mr. A. H. Dyke Acland, an experienced authority, in his introduction to the report of the Land Inquiry Committee, published the year before the war broke out, there began a great series of private Acts of enclosure of which 4,000 in all, covering some 7,000,000 acres, were passed before the General Enclosure Act of 1845. "During the same period, he adds, it is probable that about the same area was enclosed without application to Parliament," that is to say, was filched from the people without even a form of legality. In other words, landowners, the great territorial magnates of this country, the few privileged ones created by favour of kings, enriched through the spoliation of monasteries and Church lands, deprived in cold selfishness the slender population of England of some 14,000,000 acres of soil within the century which ended in 1845. And the process has continued ever since, often still without leave given, down to the present day. By fencing in the margins of broad highways, by shutting the public out of rights of way, by the gradual assertion of manorial or direct irresponsible proprietary "rights" over wastes that no man owns, in a hundred ways the landlord asserts his dominance until there is no room for the landless, no chance of pasturing the poor man's cow by the wayside. But then there is no poor man's cow, the feudal proprietors having taken good care that no serf of theirs shall have the means to keep one.

And the result is that the dwindling population of our rural districts consists of two classes of individuals: the one man or the few who own the soil and all that is thereon or therein, and the humble many who either hire the right to till that soil or who actually cultivate it for wages without having any interest whatsoever beyond the wage in the results of their labour. This was not so down to the beginning of the eighteenth century, the same authority, Mr. Acland, tells us; for at that date there were a great number of small freeholders and small copyholders, and of the land in the possession of the greater landlords, by far the larger portion was let to small tenants. All that has gone, and, under the stimulus of modern industrialism, the country districts have been depopulated and the few remaining inhabitants thereof have gradually become degraded. Deprived of outlet, of hope in life, they shrivel in body and mind.

"But look what the Government has done to remedy all this," we will be told. It has fixed a minimum wage for the labourer, it is looking after the housing of him—or talking about it, though penniless. After a time it may even summon courage to guarantee to him a patch of allotment, a rood or two, perhaps half an acre—who knows to what heights its generosity may soar. So; but does that touch the real grievance? Does that open the land to the use of people, give them any chance of satisfying their craving to "own a bit of land" of their very own? Or

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does it in the slightest degree curtail the power of the landlord to turn them all off his land if a "profit" tempts him to do so? Or will he be forbidden to fill his woods with destructive ground vermin, to waste his rack rents on pheasant breeding, or otherwise to take whatever course he fancies to raise rents, to evict tenants, and so on? It does not.

The Government and Parliament and the Press always shrink from squarely looking the land question in the face, and if they go on in this cowardly fashion, the probability is that the people will intervene and settle the land question for themselves in summary fashion—even as they partially did in France as a result of the Revolution of 1789.

You see, we may be driven to take drastic measures by our enormous burdens. It cannot be too often dinned into the ears of those whose privileged position is threatened, or of those who are attempting to rule us by recurring spates of sentimental oratory, that the mere weight of our debts must force the nation to knock down the old fabric of its civilisation and commence building up again a new one from the very foundation—to do that or sink back into savagery. And the foundation of everything is the land. The land must therefore be in the hands of the people to mould it to their wants, to be the one solid basis for all other developments and outgrowths. Unless the land is delivered from the blight of the *Junker* and his "dead hand," of the man who has created for himself what he calls "rights," and who enjoys privileges for which he is not accountable to his fellows, then it cannot be cultivated in a way that will yield the produce necessary to enable us to carry our debt obligations and provide for their rapid liquidation.

But although this lies at the very core of any reconstruction, and although, without this, whatever civilisation may be evolved in place of the one now being destroyed by this war will be just as full of hypocrisy and make-believe as the one now disappearing, if the product of the land is to be doubled or trebled or quadrupled, as it can be, even that will be of no avail unless we have markets in which we can dispose of the surplus, and these markets must be created by a reshaping of our other industries on a footing which ensures that each individual engaged will have his share in the benefits thereof. In that way consumers able to pay would be evolved, and, extending the view still further, the surplus of one country would become exchangeable for the surplus of other countries, and a great international trade rise up again to a magnitude better sustained and founded than anything that German or American Protectionism, or British stimulus by Stock Exchange finance, could ever give. But the land is the first thing.

Sometimes in thinking over things to come we essay to construct something of an Utopia, and according to our conception the congestion of population in our cities, with the resulting slums and moral and physical degradation, should not be necessary in the new world that is to be built up out of the ruins of the old. If the land were completely free, if the landowner became one with his fellow-men, and took the lead in developing and co-ordinating, each in his sphere, the local efforts, and if the engineering skill available were let loose upon it, then there is surely no insurmountable reason why our other industries should not be dispersed over the land with motive-power from machinery driven by electricity generated at centres where water-power was available. Then all our workmen in fields, factories, and workshops might be endowed with sufficient land to supply them with worthy occupation in their leisure hours and with produce for the use of their families or for sale. It is already thus in Switzerland, and here and there in France. Why could it not come to be the order of life in England likewise? The subject is one of absorbing attractiveness to the altruistic mind. But it is not to be brought into existence by indulging in sentimentalism, nor yet by prophesying all manner of wonderful things to be done by "the State" after the war closes. It can only come by hard thinking and hard work, above all by a resolute spirit of self-denial

and self-sacrifice. The beginning of the attainment of any such ideal can become possible only when the charity by cheque or "fair" is replaced by active, unselfish, systematic effort.

The civilisation now dying which we pride ourselves upon is in some respects attractive enough, but it is clothed in hypocrisy and in essence purely selfish. What is the display of wealth except self-gratification? Why are classes in the community now separated as effectually as if each lived behind a barbed wire fence? Essentially it is because selfishness lies at the root of the progress made, and the highest manifestations of civilisation are concerned with the assertion of the superiority of one class over another. "Progress" is the climbing up of the one class on the shoulders of the others. We must change all that and begin anew.

### Passing Events

Last week's revenue was larger a good deal than usual at this period of the financial year, its total being £19,346,000, but there was no increase in the ordinary sources of income, and only excess profits duty and "miscellaneous" contributed to swell out the aggregate. Income-tax, for instance, gave only £317,000, but excess profits duty produced £6,631,000, and miscellaneous £8,003,000. As a source of income the excess profits tax is sound enough, but we should like to know what "miscellaneous" is made up of, for the total received under that head has grown to formidable proportions since the beginning of the war. Is it the case that interest is charged to our Dominions for the advances, and that this interest is credited in our own revenue accounts, although never received? That point ought to be cleared up. Expenditure was comparatively modest last week, that is to say, only £48,978,000, or £6,854,000 a day. On supply services alone it was £43,650,000, or £6,236,000 a day, so the Government is perhaps trying to economise, at least until the Vote of Credit is well out of the way, but it is forced more and more to lean on Treasury bills, the total of which increased last week by £32,446,000, and now stands at £1,051,772,000. Probably the Government is able to sell these bills more readily now that deposit rates have been lowered, and competition with the Treasury reduced, and it took advantage of the greater demand for bills to raise enough money to enable it to pay off £29,000,000 of the temporary ways and means advances, i.e., converted that amount of them into bills. These advances, however, still amount to £135,028,440, and one form of recurring floating debt is merely substituted for another. Besides these purely finance transactions the Government received £16,528,000, proceeds of War Bond sales, and £16,386,000 from America entered as "other" war debt, as well as £1,600,000, proceeds of War Savings Certificates sold. The floating loan or ways and means advances are shown as £30,000,000 repaid and £1,000,000 borrowed. But with all the help the total expenditure of £139,075,000 was last week £3,768,000 short of the requirements, consequently the Exchequer balances were reduced by that amount to £12,081,000. A year ago the total was £25,313,000. It is delicate skating on thinning ice.

Presumably the great dividend-capturing "stunt" of the Treasury and its advertising agents is now about over. We cannot be sure, because advertisements of the most wonderful ingenuity continue to jump at one out of the pages of the newspapers. Still, it is reasonable to assume that those who were patriotic enough to endeavour to meet the Treasury petition and re-invest their dividend money, all of it, or as much as they could spare, have already carried out their purpose. So we looked at the returns of sales of National War Bonds, Bank of England issue, for the past three weeks ended June 15 and compared them with those of the three preceding weeks ended May 25. In round figures this was the result: During the three weeks ended June 15, nearly £71,000,000 of

National War Bonds (Bank of England issue) was applied for. In the three weeks ended May 25, the applications were under £30,000,000. Therefore it would seem that nearly £41,000,000 out of the £50,000,000 odd of dividend money paid out to the stockholders has been reinvested. In the circumstances that must be regarded as a favourable result, although the real facts probably do not quite correspond to this rough contrast. Many people like Lord Inverclyde invested more than the amount of their dividends, others could only hand back some portion thereof, and we fear a goodly number were unable to return any of their dividend money. They had other and more immediately pressing demands to provide for—their income-tax, for instance, the second half of which becomes payable on July 1. But was it worth while to make the attempt? Yes, perhaps it was, and the percentage of cost presented by advertisements and advertising agents' commission may not be formidable on the amount of money surrendered. It is costly re-borrowing, however, and the dividend money received does not help the Government much. It needs fresh money, and needs it cheap. Other categories of the mounting debt may have helped a little, although there is no distinct evidence that they have in the returns. Only the figures for the Post Office issue of National War Bonds and for the Savings Certificates are as usual a week behind those of the Bank of England issue, that is to say, they bring us down but to the 8th instant, and for the week then ended 29,700 applications for War Bonds were received at the Post Office, or 10,000 more than in the preceding week. This meant that the money subscribed was £203,400 larger at £688,000. Therefore, the total number of applications was brought up to 1,220,294, bringing in £30,388,000, and the number of War Savings Certificates sold in the same week was 2,340,019, bringing up the aggregate to 204,267,000, which means £158,307,000 in cash. To complete the record we add the totals for the Bank of England issue of National War Bonds. There were 21,234 buyers in the week ended the 15th instant, or 13,978 fewer than in the preceding week, and the money subscribed was £11,306,000 less at £21,516,000. Adding these figures to the previous totals we get 662,043 applications for £779,779,000 as product of this emission, and, adding the other two, reach a grand total of £968,474,000, less than half the sum required.

We are glad to see that the Channel Tunnel Co., Ltd., keeps very much alive, and in evidence at every suitable opportunity. The annual meeting of the company took place last Monday, and was presided over by Baron Emile d'Erlanger, who, in his brief speech, dwelt upon "the bull-dog tenacity of the British nation," which had pulled it through the 17 years' struggle of the Revolutionary wars with Napoleon, and may be trusted to do so again. But no more striking example of this tenacity could in his opinion be given than that afforded by the history of the Channel Tunnel enterprise. A small group of men for some 50 years have made the construction of the Tunnel their battle-cry, and gradually they have brought doubters, the timid military fossils, and obstructionists of all kinds either to their side, or to more or less doubting acquiescence in the inevitable. Has the time come to bore that Tunnel? Baron d'Erlanger at least declared that this was no time for discouragement, and he was right. Peace will rise again upon the world, and with it the day of the construction of the Channel Tunnel will dawn. We believe he is right, for unquestionably when the real peace we fight for does come the existence of this Tunnel will be such an inestimable benefit to mankind, and so efficient a help to the new civilisation, whose broadest foundation stone must be a brotherhood of nations, that constructed it must be. The only difficulty we can see is in the finding of the money, but there will doubtless be rich people left in the world when the devastation of war has gone, and to these we shall look for help. Nor need the enterprise be anything like so costly as it would have been in the old days of Tunnel

boring, when first the project took shape. It will be easier to construct and much easier to operate than seemed possible in the days when Sir Edward Watkin worked strenuously to make it a dependent of the South-Eastern Railway. When actually made it will be something altogether greater than that.

Early in 1916 a number of Departmental Committees were appointed by the Board of Trade to study the probable position of various home industries after the war, especially in relation to foreign competition, and they were instructed to report what measures, if any, might be considered necessary or desirable to safeguard British interests. Several of the reports appear to have been drawn up more than a year ago, but they are only now being issued, and we are not at all sure that, in these days of paper shortage, any particular benefit has been derived from taking them out of their pigeon-holes. We search through them in vain for any novel suggestions of a really sound practical character. There are plenty of trivial commonplaces, and, of course, the decimalisation of measures and money crops up as an infallible panacea for many ills, real or imaginary. Also, as a matter of course, protection in one guise or another is put forward more or less shamefacedly to complete the "Alice in Wonderland" mockery of things as they ought to be. The Committees of the Textile, Iron and Steel, Electrical, and Engineering trades all agree that the importation of enemy goods should be prohibited after the war, except under licence, for a period of from one to three years, and there is reason in the proposal, although it is not quite the same as these good people seem to imagine. We have frequently contended that German trade will have to be controlled, not for the benefit of its rivals in Allied countries, but because otherwise it will scarcely be able to exist, and because in no other way can some reparation be exacted for the devastation wrought in Belgium, France, Poland, Serbia, and Rumania. But to dream of nicely graduated tariffs to shut out the United States, France, Italy, and Japan a little and other countries rather more is an idea fit only for a world ruled by Bedlam. This horrible war has already mortgaged the wealth of the world for the next century, and at the end of it there will be far other things to think about than the raising of artificial barriers in restraint of trade which, on the contrary, must flow more freely than ever if civilisation is not to be completely submerged. Capital and labour will have to pull together as never before and on more equitable terms; the land must belong to the cultivator, and pay tribute only to the State. There are still people who seem to think that things can be resumed much as they were before the present orgy of bloodshed and waste. Ah, no! it is a new world we are on the threshold of, and these Committee reports are not very helpful in guiding our footsteps.

It was wise to form a committee from among bankers and finance houses in the City to watch over the interests of the creditors of Russia, State and corporate. The lead was taken by Messrs. Baring Bros., and the following is the list of members. It constitutes a strong and representative body:—

Lord Revelstoke (Messrs. Baring Brothers and Co.), Mr. Lionel de Rothschild (Messrs. N. M. Rothschild and Sons), Mr. Charles E. Barnett (Lloyds Bank), Mr. Walter Leaf (London County, Westminster, and Parr's Bank), Sir Everard Hambro (Messrs. C. J. Hambro and Son), Sir Robert Kindersley (Messrs. Lazard Brothers and Co.), Mr. R. G. H. Boulton (Messrs. Boulton Brothers and Co.), Mr. C. Birch Crisp (Anglo-Russian Trust), Mr. W. Koch de Gooregud (Messrs. Panmure, Gordon and Co.), and Mr. L. W. Lodge (Messrs. Campion and Co.). Mr. G. C. Hollings has been appointed secretary to the committee.

Although the total revenue of the Trust and Loan Company of Canada in the year to March 31 was £4,000 less at £277,460, the nett profit was £2,600 larger at £126,900, and £2,000 more was brought in. As only £29,400, or £15,000 less, has to be placed to statutory reserve, and income-tax also was smaller, the balance available is £17,000 up at £83,350, after placing

£5,000 (new) to contingencies account. Consequently the dividend can be raised from 10 per cent. to 12½ per cent., and still leave £2,300 more at £8,350 to be carried forward. The statutory reserve now amounts to £600,000, and is equal to the paid up capital, so that under the company's charter further contributions to the fund are no longer compulsory, and the shareholders may therefore look forward with some confidence to increased dividends in the future. Mortgages have been reduced by £200,000, and cash is down £195,000 at £133,000, but temporary investments have increased £380,000 to £563,000, and the position looks as strong as could be desired. Depreciation on reserve fund investments and losses in Canada amounted to only £1,470, which has been written off. During the year debentures for £90,000 were redeemed, and the showing is a fine one at all points.

It is hoped shortly to convene meetings of the various security holders to make effective the scheme for the reorganisation of the Brazil Railway Co. Meanwhile a statement has been issued by the company setting forth the position of the 5 per cent. convertible debenture holders, in view of the proposed acquisition of the Central Uruguay system by the Uruguayan Government. The collateral security for the £2,000,000 5 per cent. convertible debentures consisted of £1,150,000 of 5 per cent. Bonds of the Brazil Land, Cattle, and Packing Co. and £1,150,000 4½ per cent. Bonds of the Uruguay Railway Co. out of a total of £1,507,000. Both of these subsidiary companies are in receivership. The Uruguay Railway Co.'s assets, upon which its bonds are secured, yield practically no income, and their total present value is very considerably less than the par value of the bonds which they secure. These assets include the Paloma Line of 30 kilometres, £463,754 of ordinary stock, and £45,800 of 5½ per cent. preference shares of the Central Uruguay Railway Co., and £62,507 of ordinary shares of the Uruguay East Coast Railway Co., besides other securities of Uruguay railways. It has been arranged to sell the Paloma Line to the Government for \$1,000,000 of 5 per cent. Internal Government Bonds, and the East Coast Railway for £605,000 of External Bonds. These two sales should result in the Uruguay Railway Co. receiving about £200,000 of Government Bonds, of which about £175,000 will belong to the convertible debenture collateral. Negotiations have also resulted in the sale of 51 per cent. of the Uruguay Railway Co.'s bonds for £180,000 in cash, apart from the proceeds of the sales already referred to. This sale, when completed, will reduce the convertible debentures' interest in the Uruguay Railway Co. to about £560,000 bonds, but will give them about £135,000 in cash. In view of the suggested terms for the purchase of the Central Uruguay Railway, the sale of over half of the Uruguay Railway Bonds for £180,000 does not seem likely to be a very profitable transaction from the point of view of the convertible debenture holders. But this sale was negotiated early in the year, and the necessity of providing funds for the cattle business was one of the principal inducements to the debenture holders' committee to assent to the sale of the Uruguay Railway Bonds at a price which was then regarded as satisfactory. No doubt if it had been known that the Government was going to acquire the Central Uruguay system a different decision would have been arrived at.

Affairs in Mexico do not seem to be settling down so successfully as we have been led to hope recently, and the report of the Mexican Railway Co., Ltd., for the December half-year is again a very desponding document. "Conditions during the half-year under review," it is stated, "showed very little signs of improvement. Numerous bands of rebels carried on their operations in various parts of the country, and assaults on the trains running on the line caused loss of life and damage to the rolling stock. The shortage of gold and silver currency has continued, and there have been increases in export and import dues, and in internal

taxation, all of which have resulted in a curtailment of business." For the period from September 1, 1916, to April 2, 1917, when the line was worked by the company, the gross receipts in Mexican currency amounted to \$4,458,000, and the nett revenue converted into sterling was £165,000, but interest absorbed £364,000, and after bringing the balance of the reserve fund (£82,600) into account there was a deficiency at March 31, 1917, of £116,600. Since then the line has again been operated by the Government, and repeated applications for its restoration to the company have been unsuccessful. In April last the Government promised to pay, "provided that circumstances permit," the sum of \$50,000 monthly, in order to assist the company in meeting some of its commitments, but so far only \$10,000 has been received. It is, of course, useless under present conditions to attempt to press claims against the Government, and the patience of the stockholders must be sorely tried, but perhaps there are brighter days in store for them. In any case, however, a great deal will have to be spent on the line when it is restored to the company, and the outlook is not exactly cheerful.

Last year's results of the Anglo-Chilian Nitrate and Railway Co., Ltd., were not so favourable as those for 1916, but, all the same, they may be regarded as very satisfactory. Traffic carried was 128,000 tons smaller at 292,520 tons, and the gross profits fell £160,000 to £473,000, but as this followed a gain of £280,000, the decline may be regarded with equanimity. Nett profit comes out at £332,500, but the directors have not thought it necessary this year to make any addition to depreciation and general reserve account, to which £185,000 was allocated last year, and, with a larger amount brought in, the available balance is higher at £508,300. The dividend of 25s., or 25 per cent., tax free, is repeated, but last year there was a bonus of 5s. in addition. Now the carry forward is increased by £70,000 to £283,000, subject to excess profits duty, on account of which £38,000 has been paid in respect of 1916. Last year the amount of nitrate produced was 2,590,000 quintals, and the company is an exceedingly prosperous one.

### Our Foreign Trade in May.

We are beginning to be rather anxious about the trend of our overseas commerce as the adverse movements which have been noted for some time past are becoming accentuated. The position is so serious that we think the Board of Trade ought to reconsider its decision to withhold many of the statistics relating to quantities. We were always a little doubtful about the wisdom of this course, but if it was justified as a temporary measure the time has surely come to revert to the old practice. The information afforded to the enemy would be of no practical value, and, as Mr. Asquith pleaded in the House of Commons the other day, the country ought to be told the whole truth, or, at any rate, as much as is compatible with military exigencies. Here is our usual summary of the principal figures, and it will be especially noted that the excess of imports is growing at an alarming rate:—

	May, 1918.	Compared with 1917.	Compared with 1916.
Imports .....	125,883,581	+ 38,257,866	+ 42,090,851
Exports .....	44,967,221	+ 1,529,965	— 2,057,190
Re-exports .....	3,400,208	— 2,936,169	— 7,583,285

#### FIVE MONTHS.

Imports .....	550,588,335	+ 136,073,910	+ 163,066,988
Exports .....	201,806,418	— 5,689,463	+ 7,273,100
Re-exports .....	14,663,384	— 25,154,858	— 30,585,023
Excess of imports .....	334,118,533	+ 166,918,231	+ 180,378,911

Comparison is to some extent vitiated by the fact that certain Government stores are now included which were omitted previous to July 1 last, but they do not greatly affect the totals. It will be seen that imports have created a fresh record, being six millions larger than in April and 16 millions above the previous highest. The increase for the month is equal to 43½ per cent., and for the five months almost 33 per cent. On the other hand, exports for the five months are down 2½ per cent., and re-exports 63 per cent., this valuable trade having been reduced almost to vanishing point. Imports of food and drink rose nearly 25 millions, or 55 per cent., but how much of this is due to higher prices or whether there has been any increase in quantities we are not permitted to know. Meat, including animals for food, increased 16 millions, or nearly 180 per cent., and we may hope that the quantity in this case is substantially

larger. Grain increased £2,880,000 and other non-dutiable articles of food five millions, while imports of tobacco more than doubled at £1,027,000.

Where quantities are given they are almost invariably lower, with the exception of wood and timber, which shows an increase of 41 per cent. in amount and 94 per cent. in value. Practically the same amount of raw cotton was received, but it cost 71 per cent. more. Flax fell off 93 per cent., and the decline in value was about the same, but hemp rose 30 per cent. in cost, although the amount was 29 per cent. smaller. Wool dropped over 70 per cent. in quantity and approximately the same in value. Oil seeds, nuts, oils, &c., of which quantities are now suppressed, advanced nearly three millions, or 48 per cent. Hides fell 10 per cent., but cost 2½ per cent. more, and paper-making materials dropped 60 per cent. in amount but only 44 per cent. in value. Among manufactured articles the principal increase is in chemicals, which have advanced £2,380,000, or 120 per cent., and miscellaneous (presumably mainly Government purchases) total about ten millions, against two.

With regard to exports, the record is a depressing one, quantities being lower under every important heading. Coal fell 17 per cent. in weight and 12½ per cent. in value, and the total decline in raw materials is £1,292,000. Manufactured articles have increased £2,850,000, but as cotton alone accounts for an advance of 4½ millions, it is evident there must have been heavy declines elsewhere. As a matter of fact, except for an increase of £1,227,000 in carriages, motors, &c., nearly every branch shows a decrease, the important item of miscellaneous being down £1,142,000, or 30 per cent. Iron and steel manufactures, apparel and other materials showed declines of £584,000, £634,000, and £396,000 respectively, and if it were not for our wonderful cotton trade we might begin to despair. As it is, the reduction in quantities creates grave apprehension, and we are afraid that the Prussianised military intelligence which tries to turn elderly but very useful citizens into perfectly helpless conscripts—a liability to the country from the very start instead of an asset—must tend to make things still worse in the near future. Surely we are not being forced to the hopeless conclusion that the House of Commons does not exercise any intelligent control over affairs at all! Or is the nation really to be dragged at the tail of the Northcliffe office-boy chariot? Umph!!

## A German Philosopher on German Trade Aims and Methods.

Last Saturday's *Times* contained an interesting summary by the late correspondent of that paper in Berlin of some utterances of a Dr. Paul Lensch, a Teutonic philosopher, aged 45, who has been enlightening his countrymen and the world on the real nature of German Socialism, the value of Protection, and the essentially brutal, one might say slaughter-house, character of German aims in conquest and trade ideals. He tells us that German Protection was "quite obviously" directed against England, and that it kept foreign industrial products from the home market while giving German industries complete domination there. While it did this, while it stripped the poor, that is to say, and held the workman more and more in bondage, it created conditions which gave German industry an organised superiority over English industry. That is interesting and might be alarming if true, only it happens not to be true. "Organised industry," this philosopher of the out-of-his-inner-consciousness-evolving Teutonic type, assures us "when foreign competition was warded off by Protection, was able at the same time to produce more cheaply and yet to raise prices in the home market." So far as cheapness of production goes that also is a falsehood, and Dr. Paul Lensch would have known it to be so had he taken the trouble to look outside his own preconceived notions. But the whole essay is a farrago of nonsense, and to the mind living in the freer atmosphere of England its assumptions are grotesque. The "cartels" and combinations fostered and forced the foreign trade of Germany until it was on the verge of a disastrous collapse, and was not at all to the benefit to the German industrial or to the home market. The learned noodle acknowledges this by his boasting over the great part played by the State in the campaign—higher bounties, favoured transport terms, more ruthless protection, all were used—and brought ruin in sight.

Dr. Lensch boasts that profits thus evolved at home by oppressing the people "were used for the conquest of the foreign market. The powerfully extended and extremely efficient German industries required more business than the home market could give them. So they began to work for the foreign market, and, in order to meet competition there, the cartel created for its members which were working in foreign countries a special fund, which was fed from the extra profits of the home market. From this fund the cartel paid the so-called export premiums. With this support behind them, the German industrialists were very soon able to appear in the foreign market and there to sell their goods more cheaply than in the German market. . . . There was no longer any question of protecting the home market; it was purely a question of attacking the foreign market. Protection, which was intended to break the monopoly of the superior English industry and to create free competition for German industry, was converted into the monopoly of a handful of cartel magnates, and had finally driven free competition out of the German market."

A truly astonishing result on which the man proceeds to boast of "the triumph of Germany." German Customs duties went on rising, and the higher the duties the higher were the

extra profits of the home market, the higher the export premiums, and the more powerful the position of Germany in the world market." The which is also a lie. Have we any Protectionists capable of talking balderdash of this type? We did have, and they may exist still, but if they do they are generally quiet. Not even Page Croft and his ultra cohort can attain to such heights of selfishness and falsehood.

The results of Protection in the home market could not be more succinctly stated than in the above sentence. As regards foreign markets the writer, while boasting, admits the utter failure of the German method of conquering the world's trade. Crisis followed crisis, and after Europe had twice in ten years narrowly escaped war, "the third time what was inevitable became a fact." Why was it inevitable? Not because the world outside Germany was in danger of disaster, but because the Germans had pushed their trade with such stupid assiduity and unscrupulous insistence everywhere the world over that it had become a losing trade, and disaster for themselves was imminent. So much was that the fact that even the most prudent among the Teuto-Judaic industrialists in the Hohenzollern Empire concluded that it might be better to gamble in a war on the chance of escaping the certain bankruptcy to which their trade methods had brought them face to face. By war they hoped to gain much and to thrust their bankruptcy on us. Is it any wonder that Dr. Paul Lensch glories in German barbarism, and looks forward with eager covetousness to the obliteration of Austria and the unchallengable dominance of Prussianised Germany over Russia, the Balkans, and the further East? But the Slavonic races this exuberant savage exults over will perchance have more than he wots of to say on that part of the insane dream of a professor gone crazy with vanity, brooding over savage lusts in an ecstasy of ignorant conceit.

## By-the-Way War Notes.

Strange though it may seem, it is none the less true that this writer always feels easement of mind when he turns from affairs domestic to the turmoil of war. Home affairs have become so muddled and mismanaged that their contemplation generates the fear that our civilisation is but a hypocrisy, and as such destined to perish as one consequence of this war. The intrigues and spites; the jealousies, incompetence, and inconceivable waste; the wholesale distribution of shoddy decorations and titles no self-respecting man can touch, least of all no genuine respecter of his fellow-men—all these and countless other manifestations of social decay and rotteness in things political fill us with a dread of the future at times almost amounting to despair.

But at the front we enter fresh air and are amid realities. The spirit of the troops there can never be studied without exhilaration. They may not always be well led, and it is but too true that the work of our General Staff has often been slack, and even at times fusionless. We have again and again lost opportunities and missed the aim of great and well-planned assaults through the failure of the High Command and its staff to display the perspicacity, foresight, and energy demanded of them; but the men always stand true through the worst hours, and fight in a manner which makes them ever worthy comrades to the heroic citizen armies of France. Looking on that ever steadfast courage of the men, our gloom disappears. We are able to hope again.

At the present moment we are in the pause between two German onslaughts. "They have the initiative," these Germans, we are always assured, and the assertion is true to the extent that, after each check or beating they experience, it rests with them to renew the wholesale murder. But they have no choice. They *must* attack again and again with all their might, or perish. The only point of doubt, therefore, is as to where the next attack may be delivered, and the enemy, as a matter of course, consequently does his best to mislead us. Between onslaughts each side is busy with raids and scoutings of discovery.

This week has been characterised on the Western front by a furious assault on the French defending Rheims. It has failed, as nearly all direct assaults on the French do fail, such is the heroism inspiring the troops, but the onslaught of some 20,000 to 25,000 German shock troops sent forth to capture Rheims does not tell us decisively what the enemy is aiming at with the next monster offensive which he is now busy organising. It is equally essential to the safety of his advance that he should hold that city, whether he designs to drive forward on Paris by way of Compiègne and the Oise, or whether he means to stake all upon a drive forward from Château Thierry along the valley of the Marne. That is assuming his aim is to capture or try to beleaguer, or even to come within bombarding distance of Paris.

But it is almost equally necessary that he should hold these cities to safeguard his flanks and lines of communication if he means to make another dash for the Channel Ports and try once more to crush the British Army in Flanders. So our leaders have to be ever on the watch and strain, ready for any contingency. And they never give the enemy peace; ceaselessly our airmen and the French airmen spy over the German lines, and rain destruction upon them. Their success in this work is itself a goad driving the enemy on to try once more to reach some definite result favourable to himself at some point.

Happily we have been taught something by our experiences in this war, and, foul fighter though he usually is, we know that the German pawn does not lack courage—the courage of the deluded.

But we know most of his tricks and can counter them. So one can feel our men nerving themselves for the ordeal in serene confidence. We and the French have also now probably quite 750,000 American troops to assist us. Already some of them are fighting in the line with the French along various parts of the front from Alsace north-westward. If the Prussian drovers keep back their sheep for much longer, General Foch may order the armies under his command to begin their shepherding. Ah! that day is coming, never doubt.

The next assault of the Germans promises to be desperate and formidable in proportion to the imminence of the ruin and despair now confronting the Prussian brute. We see this despair at its full abandon in the Austrian assaults upon Italy, begun a week ago. They have failed, not because they were not elaborately prepared for and backed up with enormous masses of artillery and troops—no less than 7,500 guns, it is reported—but because the Italian Army has risen to a level with the French and British in fighting power and sublimely heroic dash in attack, as well as undaunted tenacity in defence.

Austria, doubtless, obeyed the orders of William Hohenzollern in organising and making this attack, which has failed, but her own necessities also dictated a last effort before surrender. And just for a brief moment Habsburg Charles may have felt a gleam of hope that his imposture of Empire might be saved. There seemed to be a chance of success, for the best troops that the Habsburg can now lay hold of were flung in masses against an upland bastion, and at first seemed to succeed in seizing the Montello heights. Had these been won and the Italians driven finally out, the whole Italian Army on the Lower Piave would probably have had to withdraw, uncovering Treviso, leaving the way open for the enemy to enter Venice. A disaster like this would not have beaten Italy, but it might have prolonged the war, and also the life of one of the vilest tyrannies on earth—the Habsburg Empire. But the assault just missed success, and everywhere else, whether on the Upper Piave, where the British and French are, or down towards the marshes and low ground at the mouth of the river and on the Sile stream, the Austrians have been held up and punished severely. Their very successes in forcing the passage of the river have made them the prey of the brave Italian troops. A little more of this punishment and Austria will be paralysed, driven out of the fight for good, and brought face to face with an agony of hunger and disease probably the like of which Europe has not seen for centuries. Every day that passes the food situation in Austria grows more desperate, as we have all along insisted it would do this summer. Grain from Ukraina has not come forward at all as was expected, and soon there will be no bread at all for millions of the population. In Vienna the bread ration is now reduced to little more than 3 ozs. a day, and it is little other than a form of speech. There is no bread at all for many of the people!

Meanwhile, the population of the Empire is split into antagonistic fragments. It is but in small part Germanic, and the Czechs of Bohemia, the Poles of Galicia, the Slavs and Yugoslavs, as well as the Rumanians within the kingdom of Hungary are surcharged with the determination to revolt and assert their right to live independent lives. Even now they are busy doing their utmost to throw off the vile Austrian domination, and such is the cleavage that Charles and his German ministers dare not summon the Reichsrat to reassemble. One cause of the failure of the great Austrian assault upon Italy lies unquestionably in the half-heartedness with which the divisions composed, in whole or in part, of these antagonistic oppressed races join in the fight.

And things are not so very much better behind the tawdry, blood-smear'd façade of the Hohenzollern Empire itself. The truth is suppressed there, even as in Austria, perhaps with a more ruthless thoroughness than in Austria, but enough leaks through to indicate the approach of famine over most of the land. The bread rations have been reduced in Berlin and the price of grain raised everywhere. Germany cannot get corn from Ukraina any more than Hungary or Austria, and there are yet two months and more to the harvest. No wonder Ludendorff and his generals are desperately wasting the rest of Germany's manhood in vain efforts to snatch such a transitory gleam of success as would avert their impending surrender at discretion. We therefore look in the immediate future for a renewal of the conflict on a gigantic scale, and hope that all the armies will prove equal to the ordeal, because the more thoroughly the Germans are beaten the sooner will the war cease. We should know now soon whether Prince Rupert of Bavaria really has all that mass of reserve gun-fodder at his disposal rumour bestows upon him. No doubt the Russian "conquests" have been denuded of troops, but a million or so extra of men will be hard to feed these days!

It is stated by the *Times* correspondent in Buenos Ayres that half the quantity of cereals stipulated by the Convention to be supplied to the United Kingdom, or 1,250,000 tons, has already been shipped, and this in spite of frequent strikes throughout the period. "The co-operation of the railways," he adds, "has been most valuable, and the outcome has been achieved by a generous policy, honest dealing, and capable organisation, while the presence of numerous Allied vessels loading grain in all the Argentine ports illustrates the Allies' power to fulfil her obligations as well as the enemy's failure to interrupt Argentine trade." No wonder that the reception accorded at Rosario to Sir Maurice de Bunsen and the other members of the British Missions has been of the most friendly character.

## COMPANY RESULTS IN BRIEF.

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re-serves.	Dividend.	Carried Forward.
Aibheel Tea Co. .... (Dec.)	£ —	£ 6,250	£ 3,000	15	£ 4,110
Do. .... (Prev.)	—	12,370	3,000	25	6,890
Andrew Knowles and Sons (Feb.)	—	33,430	110,000	9	5,870
Do. .... (Prev.)	—	74,780	110,000	9	2,440
Baraora (Sylhet) Tea Co. (Dec.)	—	40,710	70,000	30	27,290
Do. .... (Prev.)	—	46,370	65,000	30	23,760
Consolidated London Properties ..... (Mar.)	92,720	12,540	22,000	4½	3,400
Do. .... (Prev.)	89,980	10,840	18,717	4½	3,490
Cranston's Hotels Co. (May)	35,600	9,690	—	2½	11,000
Do. .... (Prev.)	36,420	8,740	—	2½	8,670
Grand Junction Canal Co. (½ Dec.)	58,780	20,500	8,970	3½	13,680
Do. .... (Prev.)	46,890	9,860	10,220	2	11,240
Highland Tea Co. of Ceylon ..... (Dec.)	16,190	4,510	4,000	10	1,670
Do. .... (Prev.)	19,240	6,480	4,000	10	2,420
Mayfield (Dimbula) Tea Co. of Ceylon. (Dec.)	32,350	8,980	4,000	10	3,460
Do. .... (Prev.)	26,120	6,750	3,000	5	1,670
Mazdehee Tea Co. .... (Dec.)	7,380	1,250	—	7½	3,420
Do. .... (Prev.)	9,640	2,840	—	14	3,390
Michell and Aldous (Mar.)	29,590	26,320	68,000	10	3,440
Do. .... (Prev.)	18,230	12,870	62,500	6	3,140
New River Co. .... (Mar.)	32,540	16,990	4,500	12½	2,980
Do. .... (Prev.)	31,410	16,490	4,500	12½	3,000
North British Cold Storage and Ice Co. .... (April)	12,100	3,560	6,500	7½	2,400
Do. .... (Prev.)	10,900	2,870	6,000	6	1,720
Panawatte Tea and Rubber Estates ..... (Dec.)	35,650	31,700	63,000	22½	12,520
Do. .... (Prev.)	41,140	39,000	60,500	25	10,190
Poongalla Valley Ceylon Co. .... (Dec.)	15,520	13,750	8,000	8	7,220
Do. .... (Prev.)	13,930	13,000	8,000	8	6,420
The Brightside Foundry and Engineering Co. (June)	—	18,460	40,000	15	2,630
Do. .... (Dec.)	—	17,810	35,000	12½	2,420
The General Scottish Trust (April)	5,660	3,810	2,500	4	1,490
Do. .... (Prev.)	6,360	4,730	2,500	4	1,360

## American Business Notes.

The complete figures relating to the Third Liberty Loan puts the total subscriptions at \$4,170,020,000, or £834,000,000. In the Federal Reserve district of New York alone about \$1,115,000,000 were tendered, and we wonder how long the money will last. At the present rate of expenditure it cannot be expected to provide the means for very many months. For the United States is in this war with a thoroughness unrivalled at any period of her history, and excelled by none of the Allied belligerents.

The Washington correspondent of the *Times* telegraphed on Wednesday that a strong intimation had come from the Secretary to the Treasury that the next Liberty Loan will be floated on November 1, and will amount to £1,200,000,000. Meantime short term certificates will be sold to the banks at the rate of about £150,000,000 every fortnight. This foreshadows a rate of expenditure which puts even ours into the shade, but then the United States means to finish this killing business to the order of kaisers and kings for good and all. The correspondent adds that this £1,200,000,000 loan will no doubt be followed by an even larger loan next spring for the war expenses in the twelve months, July, 1918, to June, 1919, are estimated at £4,800,000,000, of which £1,600,000,000 only will be raised by taxes, and after allowing for the £1,200,000,000 loan coming in November, will leave at least £2,000,000,000 to be borrowed early next year. "The amount will not cause even a flutter amongst the American people," he says. "They are prepared to furnish the money to any amount needed to carry this war to a successful conclusion, and are merely waiting for the word to subscribe." We have no doubt at all that this is the case.

A considerable expenditure of capital has been sanctioned by the Railroad Administration of the United States. The sum is \$937,961,000, of which \$440,071,000 are assigned to additions and betterments, \$479,687,000 to equipment, and \$18,204,000 for extensions. Most of the money is thus to be put out upon what we call in our English fashion "lines open for traffic," and very little upon extensions. The Pennsylvania system, east and west, does, it is true, contemplate the issue of \$6,775,000 on extensions, but that is the only line in the long list whose requirements in that direction amount to as much as \$1,000,000. The Atchison, Topeka, and Santa Fé is to be allowed to spend \$41,466,000 on additions and betterments and equipment, but only \$701,000 is assigned to extensions, and the New York Central puts down a mere \$75,000 under that head, while its expenditure on additions and betterments is entered at \$32,429,000, and on equipment at \$38,168,000, or \$70,672,000 in all. The whole of this money cannot be spent now, and some

of it perhaps may not be disbursed for many years to come. On the other hand, there will be considerable additions from time to time to the amounts raised for particular improvements which were not foreseen when this list was prepared. Are our railways doing anything in this way, or are they being allowed to run down? The answer is silence.

The Atlantic Coast Line Railroad, which extends to 4,700 miles, of which, however, only about 330 miles are double tracked, earned \$44,063,000 last year, or \$7,000,000 more than in 1916, and its working expenses were about \$6,000,000 up at \$29,774,000. If followed that the nett revenue of \$14,289,000 was just about \$1,000,000 up. That, however, was before deducting taxes, and these took \$2,264,000, against \$1,843,000 in 1916, so that the final nett income of \$12,013,000 was only \$600,700 up. The company's dividend on its holding in Louisville and Nashville stock was again 7 per cent., or \$2,750,000, and increases were received under other heads of revenue, so that the final clear income of \$17,192,000 was fully \$1,200,000 higher, and the common stock got 7 per cent. Two years ago it got 5 per cent. The property seems to be thriving as the land which it serves is being developed.

Few people here have any interest in the Wabash Railway Company now, at any rate in its present form, but it may be well to mention a figure or two. Its gross earnings were about \$2,650,000 up at \$40,472,000, but working expenses were over \$3,500,000 higher, so that the nett revenue from working was \$840,000 lower at \$12,003,000. Taxes rose a little, and rentals paid and hire of equipment cost a little more, but in the end the "A" preference stock got 4 per cent., as compared with 1 per cent. for 1916, and the balance over was \$2,324,000, or about \$2,500,000 less than in the previous year. In each of the two previous years 1914 and 1915 there was a deficit.

### Insurance News.

Improved results were achieved by the Gresham Life Assurance Society in 1917, the number of policies issued being 76 larger at 2,876, while the amount assured was £255,992 more at £1,510,058. The corresponding nett new premium was £6,670 higher at £64,135, but the total income declined by £17,505 to £1,223,079. But this is due to the fact that only partial returns have been received and the figures are not final. As regards claims, the experience was more favourable than in the previous years, claims by death, which were well within the expectation, being £40,141 less at £375,227, including bonus additions, while endowments maturing were £11,626 smaller at £572,280. A slight decrease was shown in the nett rate of interest earned on the funds, namely, £4 2s. 11d. per cent., as contrasted with £4 1s. 10d. per cent. in 1916, and as the result of the year's operations the assets were increased by £198,660 to £11,347,803. At £399,353 the investment reserve account stands unchanged.

Policyholders who a year ago took out aircraft insurance policies of the personal accident variety at a premium of £1 per £1,000, payable in the event of death, with subsidiary benefits for disablement, are now receiving renewal notices, in which the premium appears at twice the amount paid last year. It was only the earlier applicants who obtained their cover at £1, as after the first rush for policies the rate was soon raised to £2, and possibly the bulk of the business transacted was at the original rate. The offices are believed to have done very well out of this class of business, and it will be interesting to see whether they will maintain their volume with the new rates in force.

A new undertaking has been formed as a subsidiary company of the British Trade Corporation with the object of providing insurance against bad debts abroad. The new company is entitled the Trade Indemnity Company, and its subscribed capital, which is entirely owned by the Trade Corporation, is £100,000, of which £20,000 has been paid up. The endeavour of the new company will be to assist British merchants and manufacturers in developing overseas business by insurance. This particular form of insurance was developed very actively by Germany in the interests of her foreign trade, and the new undertaking should prove of considerable value to British exporters, as it furnishes a novel combination of finance and insurance.

The quinquennial valuation of the Scottish Equitable Life Assurance Society fell to be made as at March 1 last. The valuation has been made on the same basis as in former years. A revision of values of investments showed a total depreciation of £444,116, and after providing for this and for loss on realisations during the period, the surplus was £64,189, which has been carried forward in reserve, the exceptional circumstances arising out of the war, losses by death of members on active service, the largely increased income-tax, and the uncertainty of the general financial outlook precluding any division of profits on this occasion. With regard to intermediate bonuses in the case of policies which become claims, and which of late have been at reduced rates owing to the prevailing conditions, it is proposed to continue these rates in respect of the past five years, and to allow a rate of £1 per cent. for each year's premiums, as from March 1 last, in the case of whole life and endowment assurance policies of the ordinary participating class.

The society's new business for the past year exceeded that of the previous year by about £50,000 nett, while claims were well within the expectation.

### MAY RUBBER OUTPUTS.

Company.	Current Estimate.	Last All-in Cost.	May lbs.	(+) or (-) lbs.	Months.	Aggregate lbs.	(+) or (-) lbs.
Aboyne Clyde	444,374	1/0.50	36,049	+ 2,556	11	442,539	+ 35,481
Allagar ..	300,000	1/4.30	22,000	+ 6,000	5	99,300	+ 47,000
Alliance ..	208,394	—	16,220	+ 164	5	51,826	+ 1,877
Alor Pongsu	221,000	1/1.86	16,400	+ 5,600	5	88,197	+ 14,400
Ampat ..	230,000	1/3.53	13,150	+ 4,350	8	132,520	+ 3,980
Anglo-Java ..	2,525,395	—	237,830	+ 2,230	5	1,195,955	+ 105,650
Anglo-Johore	302,123	1/3.20	19,295	+ 4,494	2	34,476	+ 13,144
Anglo-Malay	1,410,000	1/0.85	98,082	+ 29,167	5	485,503	+ 161,700
Anglo-Sum..	940,000	1/0.2	55,576	+ 23,242	12	789,429	+ 156,146
Asahan ..	550,000	1/3.26	48,130	+ 13,048	10	405,211	+ 45,361
As. T. Ceylon	255,000	—	19,228	+ 1,454	12	253,472	+ 17,960
Ayer Kuning	660,066	1/0.38	35,000	+ 19,000	5	255,500	+ 67,771
Bagan Serai..	413,182	1/1.52	25,000	+ 11,426	5	116,500	+ 48,030
Bah Lias ..	640,000	1/9.88	44,291	+ 18,094	7	342,000	+ 203,732
Bajoe Kidool.	470,000	1/6.81	52,000	+ 18,862	2	116,000	+ 52,094
Bakap ..	285,000	—	20,400	+ 2,750	11	193,000	+ 62,750
Bambrakelly	239,023	1/4.96	18,843	+ 2,492	2	34,888	+ 8,113
Bandar Sum.	440,000	—	35,664	+ 1,649	10	375,044	+ 51,316
Bandjarsarie	243,019	1/2.48	16,304	+ 5,766	5	102,134	+ 18,613
Bandarapola	285,600	—	26,500	+ 3,020	5	87,300	+ 8,700
Bantardawa..	340,000	—	7,554	+ 23,466	11	245,918	+ 30,300
Bantam ..	915,000	1/1.65	97,479	+ 10,789	11	894,195	+ 127,819
Batang ..	434,000	1/1.37	26,340	+ 3,180	1	26,340	+ 3,180
Batak Rabit..	440,000	1/1.64	21,500	+ 13,249	11	313,370	+ 30,668
Batang Mal..	320,000	—	20,407	+ 4,293	5	105,513	+ 13,896
Batu Caves ..	—	—	48,993	+ 15,672	5	216,981	+ 85,214
Matang ..	185,000	—	11,334	+ 1,166	11	162,792	+ 10,080
Rata ..	495,030	1/1.50	28,700	+ 9,390	11	441,830	+ 14,090
Tiga ..	—	1/0.25	4,000	+ 18,000	5	241,000	+ 73,500
Be'uff'ri'bn'o	236,000	1/5.75	19,000	+ 3,000	1	19,000	+ 3,000
Bekoh ..	540,000	—	45,784	+ 3,284	11	422,938	+ 15,140
Beranang ..	325,000	1/2.65	20,736	+ 5,976	11	268,003	+ 6,156
Bernam-Perk	300,000	—	24,092	+ 2,292	11	238,931	+ 17,119
Bidor ..	454,000	1/1.83	19,200	+ 21,800	2	37,320	+ 40,770
Bikam ..	312,500	1/5.71	23,175	+ 10,825	5	135,975	+ 14,925
Bode ..	264,930	1/5.22	27,023	+ 5,023	5	99,775	+ 3,525
Bradwall ..	442,142	1/2.58	23,469	+ 3,498	5	172,168	+ 8,230
Braunston ..	500,000	1/1.80	30,700	+ 643	8	304,600	+ 13,743
Brit Born Para	208,330	1/1	17,000	+ 2,250	1	17,000	+ 2,250
British Malay	718,388	—	51,500	+ 3,049	4	271,896	+ 102,007
Brooklands ..	620,000	1/2.5	44,527	+ 7,594	11	585,906	+ 41,377
Broome ..	450,000	1/4.42	38,914	+ 6,305	11	372,899	+ 23,555
Bruas-Perak ..	114,673	1/6.47	10,999	+ 2,199	3	24,835	+ 952
Bukit Cloh ..	229,000	1/0.38	31,504	+ 17,500	5	116,504	+ 26,524
Ilok ..	304,500	1/1.57	26,000	+ 2,500	5	137,000	+ 21,000
Kajang ..	940,000	—	53,000	+ 21,092	11	798,810	+ 63,669
Lintang ..	280,000	1/2.73	24,000	+ 700	11	236,520	+ 15,970
Mert'ng ..	836,746	1/0.74	48,867	+ 19,859	2	91,994	+ 41,431
Pan'ng ..	550,000	1/1.60	35,000	+ 4,000	5	196,200	+ 10,800
Rajah ..	950,233	1/11.20	39,542	+ 24,786	2	65,354	+ 48,342
Semba ..	700,000	1/4.65	42,400	+ 14,600	5	245,115	+ 64,885
Carey United	450,000	1/0.07	27,700	+ 8,848	8	275,501	+ 78,734
Castlefield ..	680,000	—	36,400	+ 8,428	11	482,687	+ 38,845
Cent. Trav..	230,275	1/2.34	19,322	+ 5,078	5	49,927	+ 10,603
Ceylon Para ..	1,055,584	—	44,674	+ 845	2	140,623	+ 11,011
Ceylon T. & R.	235,031	1/4.31	22,633	+ 5,122	5	106,536	+ 27,867
Changkat-Sal.	1,013,000	1/0.47	51,000	+ 28,000	5	277,000	+ 92,000
Chemb Malay	457,102	1/1.37	29,011	+ 11,378	5	124,122	+ 39,510
Cheras ..	284,300	1/5.39	20,500	+ 907	5	107,000	+ 10,174
Chersonese ..	689,659	1/0.58	49,662	+ 13,807	5	235,787	+ 45,299
Cherviot ..	700,000	1/3.33	35,000	+ 14,330	5	184,050	+ 35,120
Chimpul ..	250,000	1/6.9	19,323	+ 3,097	11	246,729	+ 21,992
Chota ..	228,515	—	10,226	+ 8,633	5	61,986	+ 26,612
Cicely ..	406,889	1/1.44	45,945	+ 796	2	85,153	+ 613
Cluny ..	244,892	1/2.54	14,703	+ 3,961	5	79,230	+ 10,427
Cons. Malay	917,590	—	49,850	+ 28,350	5	308,765	+ 97
Dalkeith ..	475,000	1/4.78	25,000	+ 4,000	5	169,000	+ 25,500
Damansara ..	690,000	—	47,865	+ 21,841	5	264,100	+ 83,319
Dangan ..	225,000	—	21,182	+ 2,886	11	238,905	+ 37,384
Dennistown..	580,671	—	41,416	+ 9,084	5	192,726	+ 43,138
Devittul ..	276,536	—	13,640	+ 9,610	3	101,870	+ 19,380
Dimbula ..	273,000	—	17,300	+ 2,798	5	74,175	+ 10,392
Djasinga ..	625,500	1/6.57	64,000	+ 17,058	11	585,045	+ 205,166
Djember ..	266,700	—	27,000	+ 3,200	5	157,000	+ 49,000
Doranakande.	200,000	1/5.01	14,600	+ 1,000	4	48,500	+ 1,400
Duff Develop.	804,170	1/7.40	75,831	+ 10,381	5	343,779	+ 48,129
Dusun Durian	790,371	1/0.71	50,376	+ 1,404	5	263,884	+ 41,939
E. Ind. & Cey.	110,000	1/1.15	21,457	+ 6,112	4	69,817	+ 18,207
Edinburgh ..	360,000	1/9.14	20,000	+ 12,000	5	122,000	+ 50,500
Elphil ..	252,000	1/5.88	17,114	+ 4,238	5	82,798	+ 6,848
Emerald ..	565,700	1/2	31,500	+ 14,900	4	142,200	+ 9,550
Eow Seng ..	172,450	—	78,500	+ 4,750	4	40,950	+ 13,560
Escot ..	195,000	1/5.51	13,020	+ 7,980	8	121,820	+ 33,400
Fed. Malay S.	1,845,000	1/9.50	68,000	+ 66,000	11	1,676,000	+ 35,000
Fed. Selangor	402,706	1/11.68	21,900	+ 13,735	2	40,730	+ 24,630
Galaha ..	125,583	—	9,345	+ 618	5	34,640	+ 5,377
Galang Besar	450,000	—	23,750	+ 11,250	11	394,700	+ 17,050
Gan Kee ..	200,000	—	9,500	+ 3,129	11	147,525	+ 10,011
Garing ..	—	1/5.38	17,700	+ 500	7	105,226	+ 42,026
Gedong ..	232,000	1/0.64	15,840	+ 8,415	7	147,668	+ 1,412
Gen. Ceylon ..	868,000	1/1.27	57,880	+ 27,816	5	274,798	+ 84,112
Glen Bervie..	300,000	—	20,052	+ 3,997	5	174,386	+ 5,613
Glendon ..	275,000	—	9,012	+ 12,141	11	132,933	+ 32,073
Glenshiel ..	488,940	1/2.18	29,710	+ 12,741	5	156,840	+ 32,216
Golconda ..	—	1/0.63	31,787	+ 13,524	5	189,492	+ 73,467
Golden Hope	287,000	1/4.80	31,118	+ 9,085	5	137,790	+ 82,224
Grand Cent.	4,759,405	1/0.72	256,384	+ 152,898	5	1,604,701	+ 146,040
Gula Kal'p'g.	1,066,000	1/12	82,400	+ 31,669	5	430,600	+ 138,012
Harpenden ..	511,107	1/11.49	24,600	+ 10,830	5	107,750	+ 79,971
Hayoepe ..	512,405	—	40,957	+ 2,922	5	212,212	+ 14,196
Heawood ..	275,000	1/1.5	15,927	+ 4,142	5	88,727	+ 7,170
Hewagam ..	—	—	33,000	+ 24,500	5	105,500	+ 20,300
Hid. Streams	242,739	—	15,000	+ 4,000	5	80,500	+ 22,588
Highlands ..	1,142,675	1/11.75	92,607	+ 13,762	5	424,356	+ 114,479
Inch-Kenneth	440,000	1/3.71	25,200	+ 11,150	12	431,550	+ 6,030
Insulinde ..	330,000	1/0.39	21,100	+ 2,400	10	245,200	+ 10,690
Java Amal. ..	315,000	—	54,700	+ 2,700	5	316,700	+ 28,400
Java R & Prod	620,000	—	36,900	+ 2,100	5	180,000	+ 24,700
Java Para ..	265,692	1/1.20	27,000	+ 19,674	5	192,095	+ 23,474
Jeram ..	261,509	—	19,500	+ 6,297	2	17,388	+ 14,075
Johore Para..	190,362	1/2.14	19,700	+ 3,000	12	192,500	+ 19,068
Rub. Lds ..	1,147,348	1/3	74,620	+ 18,355	5	487,550	+ 84,024
Jong Landor	680,000	—	42,848	+ 999	11	553,054	+ 53,216
Jugra Estate	416,564	1/0.60	27,376	+ 27,028	1	51,330	+ 4,654
Jugra Land ..	1,169,345	1/10.02	48,159	+ 2,800	5	48,159	+ 27,028
Juru Estates..	165,200	1/1.88	6,700	+ 2,800	1	6,700	+ 7,800
Kajang ..	391,000	1/4.43	27,210	+ 2,090	5	142,670	+ 7,430
Kali Glagah..	224,617	—	17,430	+ 970	2	36,530	+ 1,630
Kamp Kua't'n	362,500	1/2.07	23,000	+ 6,500	5	128,500	+ 20,500
Kamuning ..	810,000	1/1.49	41,420	+ 25,610	11	724,370	+ 117,240
Kapar Para ..	1,075,138	1/0.91	67,810	+ 4,492	5	404,215	+ 522
Karak ..	241,019	—	14,923	+ 2,554	5	86,454	+ 9,660
Kasintoe ..	582,675	1/8.56	37,000	+ 26,040	5	225,275	+ 27,100

Kawie Java ..	543,5700	—	54,008	+ 1,008	2	107,482	+ 4,782	Taipang ..	700,000	1/10.29	50,794	+	2	8	611,378	—	68,048
Kepitigalla ..	588,6500	—	39,333	+ 8,406	2	79,783	+ 10,262	Tall Ayer ..	893,5590	1/10.25	66,500	—	16,843	1	65,500	—	16,823
Kepong ..	334,5000	—	20,500	—	5	115,500	+ 5,000	Tamang ..	—	—	43,750	—	24,293	8	505,578	—	18,509
Kerala ..	250,000	—	17,056	+ 7,955	4	50,889	+ 17,885	Tangau Batu ..	138,000	—	11,666	—	3,334	5	61,023	—	12,713
Khota Tamp'n ..	184,400	1/3.30	14,000	+ 3,500	4	51,000	+ 10,300	Tangkah ..	530,000	1/6.41	34,771	—	5,021	8	345,509	—	58,221
Killinghall ..	344,000	—	18,867	+ 8,495	11	261,867	+ 30,675	Tanj. Malim ..	1,400,000	1/5.50	85,000	—	32,870	11	1,242,310	—	122,620
Kimanis ..	390,000	1/9.22	29,600	+ 1,600	2	168,800	+ 22,300	Tandjong ..	1,595,000	1/3.18	92,337	—	21,302	11	1,115,327	—	158,669
Kinta Kellas ..	553,3850	—	34,400	+ 5,813	2	62,545	+ 14,761	Tangoel ..	308,000	1/1.1	35,530	—	7,641	11	328,221	—	65,896
Klabang ..	301,4120	1/4.30	12,335	+ 13,959	5	80,641	+ 41,621	Tebrau ..	1,046,480	1/10.70	77,406	—	23,708	11	739,877	—	82,362
Klanang ..	502,0100	1/1.02	24,272	+ 10,666	5	127,064	+ 53,796	Teekoy ..	250,000	1/5.12	13,640	+	3,070	7	—	—	—
Konbok ..	594,000	1/11.88	29,500	+ 22,230	5	165,050	+ 68,460	Teloregidojo ..	854,0200	—	86,000	—	—	5	441,000	—	81,980
Kuala Klang ..	200,000	1/10.80	10,185	+ 5,236	11	102,897	+ 32,453	TenomB'neo ..	480,000	1/3.06	40,000	—	4,000	5	224,000	—	9,500
" Kubu ..	158,950	—	10,360	+ 2,285	11	125,529	+ 19,510	Third Mile ..	198,8350	—	23,000	—	8,100	5	118,987	—	53,452
" Lumpur ..	1,700,000	1/2.34	89,000	+ 53,560	11	1,502,720	+ 22,870	Tremelby ..	750,000	1/10.54	32,500	—	11,000	11	527,700	—	103,300
" Nal ..	187,8000	1/2.36	14,000	+ 8,500	5	88,000	+ 10,000	Trolak ..	285,500	1/2.1	24,377	—	3,129	8	214,583	—	7,676
" Pah ..	202,400	1/2.95	21,000	+ 1,714	5	96,213	+ 21,151	Ulu Rantau ..	285,0660	1/1.16	16,121	—	4,225	5	99,935	—	7,669
" Selangor ..	505,000	1/8.5	46,692	+ 1,339	5	239,233	+ 20,214	U. Sua Betong ..	930,7240	1/1.15	55,230	—	23,853	5	251,668	—	111,010
Kura ..	283,3000	1/11.75	20,100	+ 3,272	5	99,350	+ 20,187	U. Serdang ..	3,395,000	1/3.96	194,716	—	68,252	9	2,117,912	—	381,131
Labu ..	970,000	1/1.72	47,200	+ 28,880	5	294,900	+ 4,970	U. Sumatra ..	1,137,750	1/2	71,250	—	7,470	4	361,910	—	20,203
Lanadron ..	1,121,000	1/3.53	85,899	+ 35,352	5	495,644	+ 103,892	U. Temiang ..	800,000	1/5.80	47,754	—	18,066	10	582,860	—	71,558
Langat River ..	—	—	26,986	+ 76	5	144,471	+ 17,349	Uva ..	185,6920	—	12,506	—	1,142	5	73,800	—	2,046
Langen, Java ..	735,000	1/3.96	82,228	+ 35,228	9	593,034	+ 12,333	Val d'Or ..	360,000	—	21,000	—	7,000	7	143,450	—	61,750
Langkat Sum ..	400,480	—	29,000	+ 1,232	5	172,209	+ 11,061	Victoria ..	250,000	1/4.40	19,120	—	1,880	11	246,595	—	89,019
L'ngk'n N.Br ..	290,000	1/3.1	22,500	—	2	47,000	—	Windsor ..	404,2000	1/3.18	27,700	—	6,198	5	141,100	—	15,749
Ledbury ..	691,4960	1/11.74	45,063	+ 10,233	11	200,731	+ 78,043	Woodend ..	256,7720	—	13,142	—	9,193	5	70,234	—	14,880
Lendu ..	207,6220	—	15,520	+ 2,500	2	28,500	+ 7,100	Yam Seng ..	—	—	17,273	—	17,293	7	195,704	—	45,351
Lingi ..	2,026,857	1/2.32	135,373	+ 61,460	5	755,032	+ 194,790	Yatiantota ..	520,8230	—	41,455	—	1,275	5	176,753	—	7,070
Lochnagar ..	175,000	1/11.62	59	+ 13,001	3	27,467	+ 31,117	a Last year's crop. * For April, or previous month.									
Lon. Asiatic ..	1,250,000	1/5.27	80,111	+ 47,848	5	464,127	+ 167,105										
Lumut ..	—	1/11.54	76,400	+ 3,600	8	680,100	+ 23,000										
Madingle ..	199,7310	1/2.52	12,018	+ 3,817	3	34,239	+ 13,066										
Majedie ..	170,243	1/11.62	11,259	+ 4,404	11	143,261	+ 17,167										
Mahavale ..	320,000	—	22,402	+ 3,133	5	84,893	+ 20,292										
Malacca ..	4,043,8000	1/2.12	244,400	+ 77,500	5	1,305,300	+ 242,050										
Malayalam ..	1,354,1790	1/4.67	110,497	+ 18,089	5	306,896	+ 9,870										
Malaysia ..	400,000	1/3.48	29,750	+ 4,233	5	139,426	+ 30,859										
Malay Fl'nt's ..	337,3660	1/4	23,500	+ 4,600	5	211,768	+ 14,760										
Manch' N.B ..	488,9230	—	48,489	+ 7,850	9	92,176	+ 15,618										
Membakut ..	488,000	1/3	33,500	+ 5,500	9	228,500	—										
Mergui Crown ..	559,6250	—	35,500	+ 9,000	11	84,353	+ 5,351										
Merlimau ..	1,470,2360	—	108,380	+ 5,780	5	616,166	+ 62,805										
Merakelle ..	155,000	1/6.32	13,000	+ 8,436	11	195,101	+ 10,025										
Mount Austin ..	2,230,0580	1/4.3	178,900	+ 27,303	2	351,900	+ 49,913										
Nagolle ..	—	1/3.04	21,116	+ 19,500	5	186,755	+ 10,497										
Narborough ..	278,1000	1/5.8	18,000	+ 9,000	11	256,100	+ 6,300										
Neboda Cey ..	500,000	—	35,220	+ 5,285	5	169,220	+ 11,350										
N'w Croc. Riv ..	—	1/14.07	38,915	+ 6,960	5	230,295	+ 12,115										
Nordanal ..	—	1/3.55	38,529	+ 15,101	11	232,102	+ 38,799										
N. Borneo St. ..	213,5000	—	12,800	+ 5,200	5	65,600	+ 33,900										
N. Hummock ..	750,000	1/1.41	44,348	+ 12,476	11	584,407	+ 39,837										
N. Labis ..	350,000	1/7.05	14,310	+ 3,882	11	190,929	+ 93,770										
Oriental ..	716,4500	1/3.30	40,000	+ 11,040	4	170,000	+ 38,989										
Padang Jawa ..	243,2840	—	13,242	+ 5,492	2	22,933	+ 11,646										
Panawatte ..	617,2090	—	31,092	+ 15,205	5	164,773	+ 30,068										
Panagula ..	360,000	1/2.306	21,741	+ 3,005	5	87,891	+ 3,298										
Pantiya ..	206,1000	—	16,010	+ 990	5	75,650	+ 2,795										
Parambe ..	253,8420	—	11,231	+ 9,749	5	60,179	+ 29,780										
Pataling ..	584,000	1/10.14	38,782	+ 19,672	5	182,241	+ 90,515										
Pegoh ..	600,000	—	42,880	+ 9,807	8	—	—										
Peimadulla ..	813,1970	—	45,042	+ 28,606	5	252,222	+ 12,335										
Perak ..	531,5680	1/11.38	32,547	+ 14,399	2	63,959	+ 24,891										
Permas ..	—	1/5.3	18,250	+ 1,855	11	218,118	+ 25,915										
Pilmoor ..	353,5000	1/1.41	20,980	+ 7,020	11	335,650	+ 12,440										
Port Dickson ..	672,3500	1/4.85	46,980	+ 7,760	2	80,540	+ 21,340										
P.P.K. ..	348,2280	1/11.89	30,340	+ 3,176	5	117,839	+ 1,102										
Preanger ..	329,2420	—	15,303	+ 14,346	11	250,254	+ 49,963										
Prye ..	240,4900	—	16,900	+ 3,300	11	27,200	+ 11,980										
Rani Travani ..	929,9310	—	58,320	+ 49,929	4	208,158	+ 73,818										
Ratanui ..	264,0000	—	18,000	+ 6,500	8	171,203	+ 29,561										
Rangoon Para ..	400,000	—	34,500	+ 2,000	5	141,000	+ 3,300										
Rembia ..	455,000	—	24,453	+ 18,438	8	215,278	+ 13,734										
Ribu ..	296,8730	48.690	28,400	+ 4,885	5	124,280	+ 15,680										
Rim ..	433,5000	1/3.20	19,000	+ 8,700	2	32,200	+ 19,300										
Riverside ..	300,000	1/6.58	25,600	+ 600	5	133,700	+ 18,300										
Rubana ..	800,6710	1/10.64	44,000	+ 15,743	1	44,000	+ 15,743										
R. Es. Ceylon ..	472,0040	—	38,752	+ 375	5	158,902	+ 6,147										
R. Es. Johore ..	577,800	1/3.64	39,500	+ 22,184	5	219,530	+ 62,323										
R. Es. Krian ..	465,5000	1/6.27	26,000	+ 15,121	5	111,000	+ 69,930										
Rubber Trust ..	520,4130	1/6.10	56,538	+ 22,616	5	302,412	+ 141,791										
Sagg ..	502,5000	1/2.82	29,000	+ 3,000	9	369,000	+ 23,000										
Sampang Java ..	136,3000	1/6	16,849	+ 77	4	74,755	+ 17,428										
Sapong ..	338,000	1/10.38	28,000	+ 1,519	5	142,000	+ 5,068										
Sapulm'k'nde ..	400,000	1/5.51	23,276	+ 18,538	5	128,713	+ 24,073										
St. George ..	427,000	—	23,854	+ 16,410	5	127,568	+ 43,227										
Scot. Malay ..	—	1/10.13	34,000	+ 11,000	5	195,000	+ 46,000										
Seafield ..	832,400	—	58,074	+ 17,896	11	318,068	+ 91,928										
Seaport ..	435,000	1/1.52	21,832	+ 10,269	11	376,366	+ 12,423										
Sedenak ..	653,000	—	42,187	+ 1,265	7	351,941	+ 49,880										
Segamat ..	450,000	1/11.185	24,800	+ 19,850	5	136,279	+ 45,195										
Sekong ..	162,153	1/8.8	13,000	+ 500	10	137,378	+ 518										
Selaba ..	528,000	1/5.34	31,396	+ 18,172	5	199,932	+ 56,621										
Selangor ..	828,0930	1/9.52	51,724	+ 11,622	5	290,081	+ 48,384										
" Riv. Utd ..	571,800	1/2.68	26,533	+ 13,867	5	212,147	+ 48,443										
" Utd ..	220,000	1/3.17	16,250	+ 1,150	2	20,210	+ 1,070										
Seletar ..	210,000	—	14,443	+ 1,780	10	166,055	+ 6,080										
Sembilan ..	551,200	1/4.4	37,590	+ 4,199	10	396,044	+ 15,626										
Sempah ..	240,1230	—	14,409	+ 9,136	2	26,149	+ 20,227										
Sengayan ..	—	1/1.61	17,052	+ 13,828	8	279,381	+ 24,371										
Sengat ..	515,000	1/10.80	31,000	+ 15,000	11	443,527	+ 26,587										
Sennah ..	1,700,000	1/3.88	89,771	+ 46,231	11	1,471,894	+ 57,803										
Serdang Cent. ..	355,5350	—	20,726	+ 6,150	5	127,793	+ 6,795										
Seremban ..	974,7500	1/10.1	69,074	+ 8,825	5	363,382	+ 8,905										
Shelford ..	177,650	1/10.67	23,771	+ 4,519	11	118,292	+ 14,826										
Siak ..	220,800	—	17,812	+ 8,584	10	100,181	+ 21,682										
Sialang ..	1,386,6440	1/1.76	76,504	+ 34,327	4	355,266	+ 92,881										
Sing. Para ..	675,000	1/1.77	42,644	+ 10,877	11	518,241	+ 65,780										
" United ..	515,000	1/10.84	40,500	+ 2,300	11	—	—										
Straits Rub. ..	2,316,052	1/1															

papers  $\frac{1}{2}$  to  $4\frac{1}{2}$ . Of the West Africans, Taquahs rose 1-32 to  $\frac{1}{2}$  on the dividend announcement.

#### COPPER AND MISCELLANEOUS.

Copper shares have been fairly firm, with Mount Lyells in fair demand on colonial account, the price rising 1s. 6d. to 29s. Broken Hill shares have been in request, especially South Silvers, which are  $\frac{1}{2}$  higher at 12. Norths at  $\frac{1}{2}$ , British at 50s., and Block Tens at 1 29-32 are all higher. Russian shares have been in some demand, notably Kyshtims at 20s. and Tanalyks at 31-32. Of the Americans, St. John del Reys improved to 17s. 9d. on the report, while Camp Birds have relapsed to 11s. Mining Corporations of Canada have fallen 1s. to 14s. on the announcement that a portion of the plant is being used for treating more tailings, which will temporarily involve a reduction in output. In the Tin group Geevors have risen 1s. 6d. to 23s. 3d., and Tronohs  $\frac{1}{2}$  to 2.

#### MINING NEWS.

**VILLAGE MAIN REEF.**—During 1917 there were milled 322,950 tons as against 333,885, the yield being £447,976 against £480,979. The yield per ton was 27s. 8d. against 28s. 9d. Costs averaged 19s. against 19s. 1d. per ton, and consequently the rate of profit was 8s. 8d. against 9s. 8d. per ton. Profit from working amounted to £140,530, a decrease of £21,099. The nett profit was £120,308 against £106,507. Dividends amounting to 4s. per share have been paid against 5s. for 1916, £42,775 against £36,253 have been written off investments, and £180,999 against £197,865 is carried forward. The property is now almost completely developed. Reserves of ore are estimated at 628,150 tons, valued at 7.1 dwts. per ton, a decrease of 122,054 tons in quantity and of 0.5 dwt. in value. The life of the mine is estimated at between two and three years from January, 1918. An interim of 2s. per share, tax free, has been declared for the current half-year.

**APEX MINES.**—This company, having disposed of its gold mining interests, is purely a colliery concern now. Last year its output was increased by 15,420 tons to 196,449 tons, and its nett profit was £22,061 larger at £24,288. Dividends amounting to 12½ per cent. against 10 per cent. have been paid, and £28,518 is carried forward against £25,204.

**ANGLO-FRENCH (TRANSVAAL) NAVIGATION COAL ESTATES.**—The output of this company in 1917 decreased from 374,559 tons to 370,265 tons, but the nett profit was £28,322 against £22,412. Preference dividends have absorbed £11,530, depreciation and extensions £3,000, and £23,223, against £10,631, is carried forward. Interest due to the preference shareholders to December 31, 1917, has been fully met, and the directors anticipate being able to make a distribution on the ordinary shares at the end of the present financial year.

**RAND COLLIERIES.**—During 1917 expenditure, including interest on loans, exceeded the revenue by £13,041. The company's debt to the General Mining and Finance Corporation has been reduced from £215,010 to £203,250, refunds having been made from time to time during the year out of the proceeds of sales of machinery, plant, and stores. The mine is still closed down, but in view of the increased activity on the Far East Rand the possibilities of putting fresh energy into the property after the war seem more favourable, especially with the passing of the Mining Leases Bill.

**MOUNTAIN COPPER.**—The accounts for 1917 show that £43,932 has been charged for depreciation, £19,810 for taxes, and that the debenture interest absorbed £45,000. After making these deductions a credit balance of £69,674 is to be carried forward, subject to British income-tax and excess profits duty. Last year £50,000 was placed to the general depreciation fund, and £138,149 was carried forward.

**GLENCOE (NATAL) COLLIERIES.**—Although the output decreased from 186,800 tons to 140,955 tons, the profit in 1917 was £13,385 larger at £44,441, owing to the higher prices realised. The nett profit, after providing for depreciation, was £34,972 against £23,067. Dividends amounting to 5 per cent. have again been paid, and £37,750, an increase of £13,972 is carried forward. Shortage of railway trucks was mainly responsible for the reduction in output.

**BUENA TIERRA MINING.**—The report for 1917 shows a nett loss of £3,607, but after allowing for income-tax refunded, amounting to £3,759, the credit balance carried forward is reduced from only £5,826 to £5,737. Political conditions in the State of Chihuahua made it impossible to operate the mine. Reserves of ore remain at 281,500 tons.

**ROFF TIN.**—The report for 1917 states that the £30,000 of First Mortgage debentures has been reduced to £17,960 and the second debentures to £15,000, which will be paid off on December 31, 1918. A sum of £20,000 lent to the company has been reduced to £12,000. The output of tin was 670 tons against 467 tons, and the profit was £36,099 against £15,568. The dividend is raised from 1s. (25 per cent.) to 3s. (75 per cent.) per share, less tax, and £12,077 against £13,134 is carried forward. Practically no prospecting has been done, and the ore reserves amount to 11,573 tons. Both dredgers are now in operation, and for the first four months of this year the output was 337 tons.

**NAMAQUA COPPER.**—The report for 1917 states that only a comparatively small proportion of the copper output was sold before the Government price was reduced from £147 to £121

per ton. Thus while in 1916 profits amounted to £64,961, the result of last year's operations was a reduction in the balance carried forward from £16,241 to £6,882. The board has suspended all principal operations until the copper produced can be brought to market with advantage. It is hoped, however, soon to secure a sufficient supply of coke in the current year to keep smelting in continuous operation, or nearly so. Reserves of ore have been reduced by 10,701 tons to 40,563 tons, worth 2,368½ tons of fine copper, a decrease of 591 tons. It is many years since this company was unable to pay a dividend.

#### PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1918, and June 15, 1918:—

	Estimate for the Year 1918-1919.	Total Receipts into the Exchequer from April 1, 1918, to June 15, 1918.	Total Receipts into the Exchequer from April 1, 1917, to June 16, 1917.
Balances in Exchequer on April 1—Bank of England ..	£ —	£ 19,361,578	£ 25,209,947
Bank of Ireland ..	—	1,668,452	1,225,912
		21,030,030	26,435,859
<b>REVENUE.</b>			
Customs .....	—	18,240,000	14,814,000
Excise .....	—	8,801,000	8,223,000
Estate, &c., Duties .....	—	6,253,000	6,912,000
Stamps .....	—	1,677,000	1,402,000
Land Tax .....	—	275,000	300,000
House Duty .....	—	—	—
Property and Income Tax and Super Tax .....	—	23,231,000	20,994,000
Excess Profits Duties, &c. ....	—	53,075,000	35,552,000
Land Value Duties .....	—	111,000	136,000
Post Office .....	—	6,100,000	6,000,000
Crown Lands .....	—	110,000	90,000
Receipts from Sundry Loans, &c. ....	—	895	9,453
Miscellaneous .....	—	11,121,616	856,195
Revenue .....	—	128,995,511	95,288,648
Total .....	—	150,025,541	121,724,507
<b>OTHER RECEIPTS.</b>			
Repayment of Advances for Bullion .....	—	1,170,000	560,000
For Treasury Bills (for supply) .....	—	882,878,000	387,714,000
For 5 per Cent. Exchequer Bonds, 1922 .....	—	—	39,654,000
For 3 per Cent. Exchequer Bonds, 1930 .....	—	803,600	—
For War Savings Certificates .....	—	19,200,000	8,500,000
For other Debt (War Loan Acts, 1914-1917) ..	—	132,106,743	109,190,879
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .....	—	—	161,100,000
For National War Bonds .....	—	*159,564,000	—
Temporary Advances—Ways and Means .....	—	179,023,440	175,605,000
Total .....	—	1,524,776,324	1,004,048,386

\*Excluding sales through joint stock and private banks not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1918-19.	Total Issues out of the Exchequer to meet payments from April 1, 1918, to June 15, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1917, to June 16, 1917.
<b>EXPENDITURE.</b>			
Permanent Charge of Debt ..	£ —	£ 3,278,855	£ 4,104,606
Interest, &c., on War Debt ..	—	85,421,206	51,619,674
Payments to Local Taxation Accounts, &c. ....	—	462,205	462,146
Other Consolidated Fund Services .....	—	302,290	267,784
Supply Services .....	—	527,664,900	493,530,300
Expenditure .....	—	616,529,456	549,984,510
<b>OTHER ISSUES.</b>			
For Advances for Bullion .....	—	1,700,000	800,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	84,909	84,909
Under Telegraph (Money) Act, 1913 .....	—	15,000	30,000
Under Post Office (London) Railway Act, 1913 .....	—	12,000	—
Under Housing Act, 1914 .....	—	106,300	175,400
For Treasury Bills for Supply .....	—	†203,888,000	236,871,000
For War Loans, Exchequer Bonds, &c., under Section 34 of Finance Act, 1917 .....	—	10,622,818	155,120
For War Expenditure Certificates under War Loan Act, 1916 .....	—	†5,109,600	—
For other Debt under the War Loan Acts, 1914 to 1917 .....	—	15,286,924	3,134,523
For Depreciation Fund under the Finance Act, 1917 .....	—	5,320,045	—
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	20,000	—
Temporary Advances repaid—Ways and Means .....	—	54,000,000	187,500,000
		1,502,695,052	978,735,462
<b>Balances in Exchequer—</b>			
Bank of England .....	1918. June 15. £ 11,035,702	1917. June 16. £ 23,992,509	
Bank of Ireland .....	1,045,570	1,320,415	
		12,081,272	25,312,924
Total .....		1,524,776,324	1,004,048,386

MEMO.—Treasury Bills outstanding on June 15, 1918. .... \*£1,051,772,000.

\* Includes £200,000, the proceeds of which were not carried to the Exchequer within the period of the account, besides a part (not yet ascertained and brought to account) of the Bills tendered as subscriptions to National War Bonds.

† Includes part payment of Bills and Certificates tendered as subscriptions to National War Bonds

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## The Investors' Review.

### Money and Credit Notes.

**BANK RATE 5 PER CENT.** (Reduced from  $5\frac{1}{2}$  per cent. on Thursday, April 5, 1917.)

*Norfolk House, Friday Evening.*

Credit was made scarcer in the middle of the week by the suction of the Government, and that made a difference by Thursday of about  $\frac{1}{2}$  per cent. in the price of call loans. They cost 3 per cent. instead of occasionally and at the tail of the business day  $2\frac{1}{2}$  per cent. Seven-day rates are as before. Discount rates also stand just where they did, except perhaps for 60-day remitted paper, which was sometimes taken at  $\frac{1}{16}$  below  $3\frac{1}{2}$  per cent. The movements of foreign exchanges attract a certain amount of attention, but all that need be said about them will be found below.

The Bank return appears to show traces of last week's attempt on the part of the Government to pay off some of its formidable mass of Ways and Means advances. Public deposits are accordingly down £6,898,000, and other deposits £1,376,000. These changes are reflected in reductions of £2,399,000 in Government and £5,869,000 in other securities. Other securities, in fact, are now £10,837,000 below the total of a year ago. Bullion continues to come back to the Bank, and is £327,000 up on the week, making the total holding £64,206,000, which is £7,571,000 above the figure of a year ago. The note circulation, however, rose £359,000 on the week, so that the reserve is actually £31,000 down, and at £30,272,000 is £5,973,000 below what it was a year ago.

The issue is announced of £2,000,000 in 5 per cent. three-year notes of the Canadian Northern Railway Co. to replace those falling due on August 12 next. Holders of the existing notes are invited to convert into the new issue at  $98\frac{1}{2}$  per cent., the remaining  $1\frac{1}{2}$  per cent. being payable in cash. The notes are unconditionally guaranteed as to principal and interest by the Dominion Government.

The new Canadian loan is said to be fast getting ready for issue. It is not yet settled what the amount is to be, but the *Times* Ottawa correspondent says it will probably be fixed at £50,000,000, with the hope that twice that amount may be subscribed.

New credits have been created for her Allies by the United States, amounting to \$175,000,000, or £35,000,000, for the United Kingdom, and \$9,000,000, or £1,800,000, for Belgium. The total advances to the Allies are, therefore, now raised to £1,191,000,000, including £634,000,000 lent to the United Kingdom.

When first Lord Northcliffe set on his Press terriers to worry the Government and Sir Wm. Plender over the delays in closing the London branches of German banks we put the outburst down to his crass ignorance. But now that—probably for want of anything more sensational to employ them on—the pack

has been set yapping again on the same trail, we have been driven to the conclusion that the root motive is not ignorance but malignity. What has stirred that malignity we are not curious to know—some trivial incident, probably, such as often sways conduct by distilling venom in minds of a certain type—for it would be hopeless to try to change the spite into reasonableness by argument. We, therefore, merely assert the truth and leave it to do its own cleansing. It is not true that the Germans banks are kept open here because traitors are at work. It is not true, either, that they remain open in order to be able to resume business after the war as if it had never occurred. The man or hack who maintains these falsehoods is either an ass or a knave, or both ass and knave. The branches of German banks are kept open in London in the interests of their British—and probably also of their French and neutral—creditors, and for no other reason whatsoever. To peremptorily shut them now without realising the remaining assets would condemn their non-German creditors to losses amounting to many hundreds of thousands of pounds. What does Lord Northcliffe care for that? Obviously nothing at all. But the public may take note of the truth, with results, by-and-by!

An interesting account illustrative of the raising of money to the belligerents has been compiled by the *New York Commercial Chronicle*. Our own first loan, for example, issued in December, 1914, was obtained at 3.95 per cent., our second, issued in June of the following year, at  $4\frac{1}{2}$  per cent. In January, 1916, the third War Loan cost the Exchequer 5.41 per cent., and the fourth loan, of October last, was sold at a price yielding 5.50 per cent. to the investor. Between the first and the fourth loans, therefore, the cost of money to the State rose 1.55 per cent., and that, too, in spite of the fact that the price of money was artificially kept down. France's first loan, issued in February, 1915, cost 5.60 per cent., her second, in November of the same year, cost 5.68 per cent., her third, in October, 1916, 5.63 per cent., and her fourth, issued in November last, 5.83 per cent. Between the first and the last, therefore, the increase was 0.23 per cent. Without going into details, Russia's first loan in 1914 cost 5.30 per cent. in interest, and her sixth, issued in March, 1916, 6.25 per cent., an increase of 1.05 per cent. Germany systematically kept down the price of her loans more rigorously than any other borrower, the yield being practically stationary at 5.13 per cent. on the first loan and 5.10 per cent. on the eighth. Austria's first loan, issued in November, 1914, cost 6.15 per cent., and the seventh, put forth in November last, was raised at 7.40 per cent., so the increase was 1.25 per cent. Hungary paid 6.50 per cent. on her first loan of November, 1914, and the seventh, issued in January of this year, cost 7.15 per cent., the loans between fluctuating between 6.50 and 6.90 per cent. So the advance here was 0.65 per cent. Between the first and fourth Canadian loans the rise has been 0.40 per cent., and in the United States from  $3\frac{1}{2}$  per cent., the cost of the first Liberty Loan, issued in May last year, the price in interest has risen to  $4\frac{1}{2}$  per cent., an increase of 0.75 per cent. This is the rate paid for the money raised by the Third Loan, recently floated with splendid success.

The United States Government has made a new regulation which will prevent the transfer of funds to foreigners and foreign institutions unless full particulars are supplied of the transactions, and the purpose of the transfers is explained. The object of this regulation is to put a check to the speculation which has resulted in the neutral exchanges moving steadily against the United States.

On the whole, the foreign exchanges have moved in favour of this country. The outstanding feature has been the sharp rise in the Spanish exchange on the announcement that the Allied Governments are taking measures for reducing the premium on the peseta. It is understood that important operations are being conducted in Madrid by the American Mission which is engaged in the task of readjusting the exchange situation, and that about £500,000 of exchange has already been provided for. The market for Spanish exchange is a limited one, and the knowledge that steps were being taken to increase the supply of pesetas was sufficient to cause the rate to rise  $62\frac{1}{2}$  points to 17.40 pesetas to the pound. Barcelona has risen 16 points to 17.85. Amsterdam at 9.33 $\frac{1}{2}$  florins, Christiania at 15.04 $\frac{1}{2}$  kr., and Copenhagen at 15.32 $\frac{1}{2}$  kr. are all cheaper to purchase. Stockholm, however, has declined 13 to 13.74 $\frac{1}{2}$  kr. The efforts of the Italian commission to regulate exchange do not appear to have been very successful, for the lira has depreciated still further this week, though a partial recovery took place on reassuring news from the Italian front. The rate of exchange has risen on the week 30 points to 44.75 lire to the pound. The premium on New York funds in Montreal has increased still further, despite the shipment of gold to New York. The exchange rate is now \$4.85 $\frac{1}{2}$ , or about 9 points higher than in New York. An improvement may be expected as soon as the Canadian grain bills become available. The sterling value of the milreis has fallen to 13d., and of the Uruguayan dollar to 61 $\frac{1}{2}$ d.

#### SILVER.

Silver continues to be quoted at 48 $\frac{3}{4}$ d. per oz., and all interest has ceased in a market so stagnant. In India, Mocatta's circular tells us, the demand for rupees appears to be as great as ever, and in spite of the huge amounts of coin both in Bombay and Calcutta, the reserve of rupees does not show the increase which might have been expected. Montagu's circular reports the stock in Shanghai on the 15th instant at 25,000,000 ozs. in specie and \$14,400,000. This is a decrease of 1,500,000 ozs. and \$900,000.

## BANK OF ENGLAND.

AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, June 19, 1918.

## ISSUE DEPARTMENT.

	£		£
Notes Issued .. ..	22,065,495	Government Debt ..	11,015,100
		Other Securities ..	7,434,900
		Gold Coin and Bullion ..	63,615,495
		Silver Bullion ..	—
	£82,065,495		£82,065,495

## BANKING DEPARTMENT.

	£		£
Proprietors' Capital ..	14,553,000	Government Securities ..	53,749,732
Res ..	3,200,091	Other Securities ..	95,050,461
Public Deposits (including		Notes ..	29,681,530
Exchequer, Savings		Gold and Silver Coin ..	590,431
Banks, Commissioners			
of National Debt, and			
Dividend Accounts) ..	36,121,637		
Other Deposits ..	125,187,133		
Seven Day and other Bills	10,093		
	£179,072,154		£179,072,154

Dated June 20, 1918.

E. M. HARVEY, Chief Cashier.

## BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. June 20.		June 12, 1918.	June 19, 1918.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,184,080	Rest ..	3,224,722	3,200,091	—	24,631
50,143,000	Pub. Deposits ..	43,019,897	36,121,637	—	6,898,260
119,456,166	Other do. ..	126,563,205	125,187,333	—	1,375,872
26,193	7 Day Bills ..	10,522	10,093	—	429
	Assets.			Decrease.	Increase.
45,230,106	Gov. Securities.	56,143,732	53,749,732	2,399,000	—
105,887,648	Other do. ..	100,919,204	95,050,461	5,868,743	—
36,245,194	Total Reserve ..	30,303,410	30,270,961	31,449	—
				8,299,192	8,299,192
				Increase.	Decrease.
£	Note Circulation	£	£	£	£
58,839,580	..	52,025,115	52,383,965	358,850	—
56,634,774	Coin and Bullion	63,878,525	64,205,926	327,401	—
21.4 p.c.	Proportion ..	17.9 p.c.	—	—	—
5 ..	Bank Rate ..	5 ..	5 p.c.	—	—

## PUBLIC INCOME AND EXPENDITURE.

(For 7 days ended June 15.)

REVENUE.	EXPENDITURE.
Customs .. ..	National Debt Service ..
Excise .. ..	Interest, &c., on War Debt ..
Estate, &c., Duties ..	Development & Road Impvt ..
Stamps .. ..	Payments to Local Taxation ..
Land Tax and House Duty	Other Consolidated Fund ..
Property and Income Tax	Charges .. ..
Excess Profits Tax ..	Suppl. y Services .. ..
Land Values .. ..	Bullion Advances .. ..
Post Office .. ..	For Advance for Interest ..
Crown Lands .. ..	on Exchequer Bonds under
Sundry Loans .. ..	Capital Expenditure ..
Miscellaneous .. ..	(Money) Act, 1904 .. ..
Bullion advances repaid ..	For Treasury Bills .. ..
For Treasury Bills for Supply	Other Debt under War Loan ..
5% Exchequer Bonds, 1930 ..	Acts, 1914-16 .. ..
5% Exchequer Bonds, 1922 ..	For War Loan and Ex-
6% Exchequer Bonds, 1920 ..	chequer Bonds under
National War Bonds ..	Section 61 of Finance Act,
War Savings Certificates ..	1916, and Section 34, 1917
4% War Loan, 1929-1942 ..	Under Telegraph (Money)
5% War Loan, 1929-1947 ..	Act, 1913 .. ..
Other Debts created under	Under Post Office (Lon-
War Loan Act, 1915, and	don) Railway Act, 1913 ..
Finance Act, 1916 ..	Under Military Works Acts ..
Telegraph Money Act, 1913 ..	Under Housing Act, 1914 ..
Under Post Office Rly. Act,	Public Buildings Expendi-
1913 .. ..	ture Act, 1903 .. ..
Under Military Works Act,	Old Sinking Fund, 1907-8 ..
1897-1903 .. ..	Sinking Fund, 1910-11 ..
Under Public Buildings ..	China Indemnity .. ..
Under Housing Act .. ..	East African Loan .. ..
Repayment of Advance for	Cunard Agreement Act ..
Interest on Exchequer	Expenditure Certificates ..
Bonds .. ..	Depreciation Fund .. ..
China Indemnity .. ..	Suez Canal Drawn Shares ..
East Africa Loan repay-	Temp. Advances Repaid ..
ments .. ..	Increase in Exchequer
Suez Canal Drawn Shares ..	balances .. ..
Ways and Means Advances ..	
Decrease in Exchequer	
balances .. ..	
£139,074,570	£139,074,570

\*Excluding sales through banks which have not yet been brought to account

## LONDON BANKERS' CLEARING.

Date.	1918.	1917.	Increase.	Decrease.
January	2,073,224,000	1,865,125,000	208,099,000	£
February	1,605,654,000	1,779,524,000	—	173,870,000
March	1,784,836,000	1,492,825,000	292,011,000	—
April	1,440,306,000	1,403,902,000	42,404,000	—
May	1,837,751,000	1,779,366,000	58,385,000	—
June 5	395,902,000	396,033,000	—	2,131,000
" 12	385,311,000	342,330,000	40,981,000	—
" 19	382,394,000	388,145,000	—	5,751,000
Total ..	9,707,328,000	8,447,220,000	641,880,000	181,752,000

## CURRENCY NOTES.

Return of Currency Notes for the week ended June 19, 1918.

	Issued.	Cancelled.	Outstanding.
£1 notes .. ..	4,015,181	3,597,509	180,604,453
10s. notes .. ..	1,151,124	1,437,113	39,613,033
Note certificates .. ..	1,140,000	430,000	29,790,000
Previous total .. ..	935,387,115	686,161,132	—
	941,693,430	691,625,934	250,067,486

Ratio of gold held against notes, this week, 12.06 p.c.; last week, 12.91 p.c.

## FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	May 17, 1918.	May 10, 1918.	May 18, 1917.
Gold coin and certificates ..	£ 95,958,400	£ 96,116,000	£ 70,053,800
Gold Settlement Fund ..	83,667,400	87,488,800	37,593,800
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks ..	190,073,200	194,104,800	107,647,600
Gold with Federal Res. Agent ..	183,107,200	177,005,400	89,662,200
Gold Redemption Fund ..	5,700,400	5,516,800	559,800
Total gold reserves ..	378,880,800	376,627,000	197,860,600
Legal tender notes, silver, &c. ..	11,661,600	11,873,000	5,488,400
Total reserves ..	390,542,400	388,500,000	203,349,000
Bills discounted—Members' ..	168,453,000	187,008,200	8,969,200
Bills bought in open market ..	55,977,200	57,207,200	20,055,400
Total bills on hand ..	224,430,200	245,015,400	29,004,600
U.S. Gov. long-term sec. ..	8,208,200	8,023,200	7,277,200
U.S. Gov. short term sec. ..	14,608,600	21,352,400	15,600,800
All other earning assets ..	298,400	368,800	2,956,800
Total earning assets ..	247,515,400	274,759,800	54,839,400
Due fm other Fed Res bks—n. ..	376,400	42,208,800	611,400
Uncollected items ..	76,878,200	92,444,400	38,566,000
Total deducts. fm gross dep. ..	76,501,800	91,145,200	39,177,400
5% Red. Fund ag Fed. Res. bks ..	106,000	80,800	80,000
All other resources ..	15,400	13,200	1,167,200
Total resources ..	714,711,000	754,499,000	208,613,000
Capital paid in ..	15,063,000	15,023,600	11,373,600
Surplus ..	226,800	226,800	—
Government deposits ..	9,750,600	27,705,800	20,533,200
Due to members—Res. account ..	292,227,600	309,627,400	140,099,800
Collection items ..	56,495,600	61,954,600	27,350,000
Other deps inc. For Govt crdts ..	22,119,200	22,122,200	—
Total gross deposits ..	381,392,400	421,420,000	197,583,000
F.R. notes in actual circulat'n ..	313,889,000	313,923,600	89,306,200
F.R. bk nts in circn—nett liab. ..	1,575,600	1,575,600	—
All other liab. in for Gov crdts ..	2,564,200	2,337,400	356,200
Total liabilities ..	714,711,000	754,499,000	208,613,000
Gold res. ag nett deposit liab. ..	62.3%	58.9%	68.0%
Gold res ag F.R. nts in act circ ..	60.1%	58.1%	101.0%
Ratio of gold res to nett dep. ..	—	—	—
and F.R. nts liabilities combnd ..	61.2%	58.5%	79.9%
Ratio of total res. to nett ..	—	—	—
deposit and F.R. note liab-	63.1%	60.3%	63.1%
ilities comb ned ..	—	—	—

\* Difference between net amounts due from and net amounts due to other Federal Reserve Banks.

## NEW YORK ASSOCIATED BANKS AND TRUST COMPANIES (dollar at 4s.).

	June 15, 1918	June 8, 1918	June 1, 1918	June 16, 1917
Loans, Discounts, etc. ..	£ 909,352,000	£ 900,698,000	£ 904,740,000	£ 760,254,000
Cash in Vaults of Members ..	—	—	—	—
Fed. Res. Bk. ..	20,240,000	19,972,000	20,234,000	—
Aggregate Reserves ..	110,866,000	107,004,000	108,364,000	—
Excess Reserve ..	10,850,000	7,498,000	9,424,000	10,020,000
Net Demand Deposits ..	753,170,000	749,394,000	744,810,000	714,654,000
Net Time Deposits ..	31,518,000	31,288,000	32,256,000	34,532,000
U.S. Deposits Deducted ..	59,470,000	59,386,000	71,212,000	—
Circulation ..	7,426,000	7,434,000	7,412,000	5,918,000

## BANK OF FRANCE (25 francs to the £).

	June 20, 1918.	June 13, 1918.	June 6, 1918.	June 21, 1917.
Gold in hand ..	£ 134,414,320	£ 133,942,120	£ 133,865,440	£ 130,009,400
Silver in hand ..	10,242,560	10,142,080	10,156,600	20,347,040
Bills discounted ..	53,395,680	59,102,720	55,966,240	19,592,480
Advances ..	38,402,360	38,265,920	37,471,520	46,015,200
Note circulation ..	1,136,571,880	1,129,282,920	1,120,487,840	791,117,000
Public deposits ..	2,713,280	2,129,080	2,187,360	4,453,040
Private deposits ..	157,124,840	155,050,920	154,435,010	103,697,520
Foreign Bills ..	228,880	277,280	346,680	116,080

Proportion between bullion and circulation 19.98 per cent., against 20.06 per cent. last week. Advances to the State £728,000,000, increase £10,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £18,954,600, decrease £5,920, and at the branches £24,192,560, decrease £33,280.

## BANK OF SPAIN (25 pesetas to the £).

	June 8, 1918	June 1, 1918	May 25, 1918	June 9, 1917
Gold ..	£ 82,675,479	£ 82,675,354	£ 82,434,917	£ 59,394,483
Silver ..	28,159,951	28,340,131	28,347,212	30,090,133
Foreign Bills ..	3,813,496	3,813,371	3,833,594	5,624,353
Discounts and Short Bills ..	32,934,536	33,039,224	32,168,254	31,307,338
Treasury Account, &c. ..	25,405,616	25,209,919	25,329,553	25,616,861
Notes in Circulation ..	117,538,517	117,424,483	117,070,644	97,748,045
Current Accounts, Deposits ..	40,279,566	40,115,188	39,551,336	30,991,752
Dividends, Interests, &c. ..	1,699,391	2,429,090	1,755,270	1,289,642
Government Securities ..	2,504,248	1,953,843	2,069,026	8,880,520

## SWISS NATIONAL BANK (25 francs to the £).

	June 7, 1918.	May 31, 1918.	May 23, 1918.	June 7, 1917.
Gold and silver ..	£ 17,492,112	£ 17,537,176	£ 17,316,888	£ 12,142,288
Bills ..	11,435,184	12,195,380	10,873,444	6,236,568
Note circulation ..	27,582,824	28,201,024	26,873,776	16,580,980
Current and deposit ..	4,263,476	4,239,172	4,110,464	4,953,532

## NETHERLANDS BANK (12 Florins to the £).

	June 15, 1918	June 8, 1918.	June 1, 1918	June 16, 1917
Gold and Silver	£ 60,467,250	£ 60,661,333	£ 60,671,916	£ 50,849,000
Bills and Advances	14,282,166	14,759,000	15,804,000	12,937,250
Note circulation	76,208,166	76,633,250	77,541,333	62,046,000
Deposits	4,881,250	4,758,033	4,916,500	5,392,500

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	June 15, 1918.	June 7, 1918.	May 31, 1918.	June 15, 1917.
Total Coin & Bullion	£ 123,319,250	£ 123,308,500	£ 123,305,250	£ 129,159,000
Treasury Notes	81,561,650	81,549,350	81,037,530	26,374,400
Bills discounted	746,833,850	715,445,500	727,238,600	473,710,160
Advances	473,850	398,600	348,100	510,000
Note circulation	602,103,000	601,709,700	600,134,400	411,201,200
Deposits	595,237,000	568,201,200	581,739,700	240,814,800

Clearing House return during March £459,815,355, against £420,879,905 in February.

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	June 19, 1918.		June 21, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam	Cable transfers	9.32	9.37	9.32	9.36
Paris	Cable transfers	27.15	27.18	27.14	27.17
	Three months' bills	27.55	27.60	27.54	27.64
Switzerland	Cable transfers	18.75	18.85	18.70	18.80
	Three months' bills	19.10	19.20	19.05	19.15
Genoa, &c.	Cable transfers	45.35	45.55	44.20	44.35
Spain	Cable transfers	16.88	16.95	17.10	17.30
	Three months' bills	65.2	66.1	65	66
Lisbon and Oporto	Cable transfers	30.3	31.1	30.4	31.2
Copenhagen	Cable transfers	15.32	15.42	15.25	15.35
Christiania	Cable transfers	15.07	15.17	15.02	15.12
Stockholm	Cable transfers	13.78	13.88	13.65	13.75

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques	Francs to £1	25.22 1/2	27.10 1/2	27.15
Amsterdam, cheques	Florins to £1	12.107	9.31 1/2	9.31 1/2
Italy, sight	Lire to £1	25.22 1/2	44.90	44.70
Madrid, sight	Pesetas to £1	25.22 1/2	16.65 1/2	17
Lisbon, sight	Pence to milreis	53 1/2	30 1/2	31 1/2
Switzerland, sight	Francs to £1	25.22 1/2	18.84	18.70 1/2
Christiania, sight	Kroner to £1	18.159	15.07	15.10
Stockholm, sight	Kroner to £1	18.159	15.07	15.10
Copenhagen, sight	Kroner to £1	18.159	15.07	15.10
Petrograd, sight	Roubles to £10	94.57	nom.	nom.
Alexandria, sight	Piastres to £1	97 1/2	97 1/2	97 1/2
Bombay, T.T.	Sterling to rupee	1/4	1/5 1/2	1/5 1/2
Calcutta, T.T.	Sterling to rupee	1/4	1/5 1/2	1/5 1/2
Hong Kong, T.T.	Sterling to dollar	—	3/2 1/2	3/3
Shanghai, T.T.	Sterling to tael	—	4/7 1/2	4/7 1/2
Singapore, T.T.	Sterling to dollar	—	2/4 1/2	2/4 1/2
Yokohama, T.T.	Sterling to yen	24.58d.	2/2 1/2	2/2 1/2
New York, cable	Dollars to £1	4.86 1/2	4.76 1/2	4.76 1/2
Buenos Aires, T.T.	Pence to dollar	47.58d.	51 1/2	51 1/2
Valparaiso, 90 days	Pence to peso	—	17 1/2	17 1/2
Montevideo, T.T.	Pence to dollar	51d.	63d.	61 1/2
Rio de Janeiro, 90 days	Pence to milreis	16d.	13 1/2	12 1/2

## OPEN MARKET DISCOUNT.

	Last week.	This week.
Per cent.	Per cent.	Per cent.
Thirty and sixty day remitted	3 1/2 - 3 3/4	3 1/2
Three months	3 1/2 - 3 3/4	3 1/2
Four months	3 1/2 - 3 3/4	3 1/2
Six months	3 1/2 - 3 3/4	3 1/2
Three months fine inland bills	4 1/2 - 4 3/4	4 1/2
Four months	4 1/2 - 4 3/4	4 1/2
Six months	4 1/2 - 4 3/4	4 1/2

## BANK AND DEPOSIT RATES.

	Last week.	This week.
Per cent.	Per cent.	Per cent.
Bank of England minimum discount rate	5	5
Bankers' rate on deposits	—	—
Bill brokers' deposit rate (call)	3	3
" 7 and 14 days' notice	3	3
Current rates for 7 day loans	3 1/2	3 1/2
" for call loans	2 1/2 - 3	3 - 3 1/2

## The Week's Stock Markets.

It is as wonderful as it is gratifying how the Stock Exchange keeps such a cheerful face to the world in good and evil report. This week, on the whole, things have been in its favour, and it has taken full advantage of them not only by increasing the volume of business (and the outsider has little idea how much the Stock Exchange can foster it), but by pushing up the prices of all the leading stocks. War Loans shaded off at the finish, but Home, Colonial, and Foreign Rails would have been described as booming in the old days, and Shipping, Iron, Oil, and Brewery shares forged ahead in grand style. It is the only expression the House can give of its admiration for the magnificent stand of the Italians against the Austrian onrush, and the tribute it pays to the valiant manner in which the thin French lines have held the Western front with the aid of the American and British divisions. It is all right; we are doing splendidly, and although experience has proved that it is dangerous to prophesy, we believe the end is not so very far off. Look at Austria, Turkey, and Bulgaria, and pluck up courage.

There has been quite a substantial increase in the amount of business passing on the Stock Exchange this week, at any rate as judged by the number of transactions officially recorded.

	Last Week.	This Week.	Last Week.	This Week.
Consols	56	56	N.S.W. 5%, 1921-3	97 1/2
War Loan 3 1/2%	87 1/2	87 1/2	" 5 1/2%, 1920-2	100
" 4 1/2%	99 1/2	99 1/2	" 5 1/2% Debs	102 1/2
" 5% 1920-47	93 1/2	93 1/2	New Zealand 4 1/2%, 1920	87
" 4% 1920-42	101 1/2	102	Queensland 4 1/2%, 1920-5	93 1/2
India 3%	55	55	S. Australian 5 1/2%, 1922-7	100 1/2
3 1/2%	64	64 1/2	Union of S. Africa 4 1/2%	94 1/2
Australian 5 1/2%, 1920-22	100 1/2	100 1/2	1920-5	94 1/2
Canada 4%, 1940-60	84	84 1/2	Victoria 4 1/2%, 1920-5	93 1/2
" 4 1/2%, 1920-5	95	95	Westn. Aus. 4%	77 1/2
Argentine 5% 1886	100	100	French War Loan, 5%	77
Belgian 3%	63 1/2	63 1/2	Japan 4 1/2% (1st), 1905	95 1/2
Brazil, 1913	70 1/2	70 1/2	" 5%, 1907	80
" 5%, 1914	86	86	Mexican 5%, 1899	52
Chinese 1896	92	92	Russia 4	32 1/2
" 1912	81	81	" 4 1/2%, 1909	30 1/2
Egypt Unified 4%	89	89	" 5%, 1906	44
Caledonian defd.	8 1/2	9	London and N.W.	90 1/2
Gt. Central defd.	13	13 1/2	London and S.W. defd.	22
" defd.	6 1/2	6 1/2	Metropolitan	20 1/2
Gt. Eastern	35 1/2	36	Met. District	16 1/2
Gt. Northern defd.	35 1/2	36 1/2	Midland defd.	56 1/2
Gt. Western	85 1/2	87 1/2	Nth. British defd.	13 1/2
Lancs. and Yorks.	66	67 1/2	Nth.-Eastern	94 1/2
London Brighton defd.	56	56	Sth.-Eastern defd.	27 1/2
London Chatham ord.	8	8 1/2		
Canadian Pacific	15 1/2	15 1/2	Chesapeake	50 1/2
E. Indian Guar. 4 1/2% debs.	84	84	Erie	19
Grand Trunk ord.	108	112 1/2	Southern	25 1/2
Do, 1st pf.	56	60		
Do, 3rd pf.	22 1/2	26		
Antioagasta defd.	153 1/2	154 1/2	Leopoldina	37
B. A. & Pacific	33 1/2	34 1/2	Mexican ord.	18 1/2
B. A. Gt. Southern	60 1/2	60 1/2	San Paulo (Brazilian)	183 1/2
B. A. Western	66	69 1/2	United of Havana	72 1/2
Cent. Argentine ord.	56 1/2	59 1/2		
Anglo-South American	8 1/2	8 1/2	London & Brazilian	25
Bank of Australasia	122	124	London City & Midland	15 1/2
Bank of N.S. Wales	34 1/2	35 1/2	London County & West.	15 1/2
Barclay & Co. "A"	7 1/2	7 1/2	London Joint Stock	28 1/2
Do, "B"	12 1/2	13	Nat. Prov. (£100 pd)	25 1/2
Capital & Counties	26	26	Do, (£12 pd)	30
Chartered of India	76	76	Standard of S.A.	11 1/2
Hongkong & Shanghai	86 1/2	88	Union Discount	10 1/2
Lloyds	25	25 1/2		
Armstrong, Whitworth	42 1/2	43 1/2	Kynochs	41 1/2
Birmingham Small Arms	68 1/2	69 1/2	Mond Nickel ord.	3 1/2
Cammell-Laird	6 1/2	6 1/2	Nobel, £1	74 1/2
Cargo Fleet	26 1/2	26 1/2	South Durham Steel	46 1/2
Davis, D. & S.	11 1/2	11 1/2	Thornycroft	36 1/2
Dorman, Long	35 1/2	35 1/2	Vickers	43 1/2
Associated Cement	4	4	Forestal Land	43 1/2
Borax defd.	37 1/2	37 1/2	Hudson's Bay	7 1/2
Bovril	21 1/2	21 1/2	Imperial Tobacco "C" pf.	32 1/2
British Amer. Tobacco pf.	18 1/2	18 1/2	Lever Bros. "C" pf.	21 1/2
British Aluminium	34 1/2	34 1/2	Lyons, J.	4 1/2
British Oil & Cake	33 1/2	33 1/2	Marconi	3 1/2
Brunner, Mond	1 1/2	1 1/2	Maypole Dairy defd.	15 1/2
Castner-Kellner	38	38	Pears, A. & F.	1 1/2
Eastern Telegraph	159 1/2	159 1/2	Underground Inc. Bds.	76 1/2
Eastmans	11 1/2	11 1/2		
Gunard	4 1/2	4 1/2	Coats	5 1/2
Furness, Withy	67 1/2	70 1/2	Courtaulds	7 1/2
P. & O. defd.	34 1/2	34 1/2	English Sewing Cotton	58 1/2
Royal Mail	122 1/2	123 1/2	Fine Cotton Spinners	33 1/2
			Harrods Stores	2 1/2
Anglo Argentine 1st Pf.	3	3	Dennis Bros.	35 1/2
Brazil Traction	41	42 1/2	National Steam Car.	16 1/2
Draacq	31 1/2	32 1/2	Rolls-Royce	1 1/2
Anglo-Egyptian "B"	38 1/2	38 1/2	Shell	6 1/2
Bumah	7 1/2	7 1/2	Spies (10/-)	6 1/2
Lobitos	1 1/2	1 1/2	Trinidad Leaseholds	35 1/2
Mexican Eagle pf.	3 1/2	3 1/2	Ural Caspian	8 1/2
North Caucasian	1 1/2	2 1/2	Venezuelan	2 1/2
Roumanian Cons.	8 1/2	8 1/2		
Allagar 2/-	2 1/2	2 1/2	Pataling 2/-	35 1/2
Anglo-Dutch, £1	27 1/2	28 1/2	Perak 2/-	61 1/2
Anglo-Java Rub. 2/-	5 1/2	5 1/2	Port Dickson 2/-	3 1/2
Anglo-Malay 2/-	11 1/2	12 1/2	Rub. Estates Krian 2/-	3 1/2
Ayer Kuning £1	40 1/2	40 1/2	Rubber Trust £1	22 1/2
Brit. N. Borneo Trust £1	16 1/2	16 1/2	Sampang (Java) 2/-	2 1/2
Bukit Cloh 2/-	4 1/2	4 1/2	Seaport £1	24 1/2
Bukit Mertajam 2/-	4 1/2	4 1/2	Sengat 2/-	21 1/2
Bukit Sembawang 2/-	3 1/2	3 1/2	Seremban £1	29 1/2
Carey United £1	35 1/2	35 1/2	Sialang £1	57 1/2
Chersonese	3 1/2	3 1/2	Singapore Para 2/-	3 1/2
Cheviot 2/-	5 1/2	5 1/2	Singapore United 2/-	2 1/2
Dalkeith 2/-	2 1/2	2 1/2	Straits Bertam 2/-	5 1/2
Grand Central £1	22 1/2	22 1/2	Sumatra Para 2/-	7 1/2
Highlands £1	49 1/2	50 1/2	Sungei Bahr £1	30 1/2
Java Investment £1	23 1/2	23 1/2	Taiping 2/-	3 1/2
Johore Rubber Lands £1	28 1/2	28 1/2	Tandjong £1	78 1/2
Kamuning 2/-	3 1/2	3 1/2	Tandjong Malim £1	27 1/2
Kinta Kellas 2/-	3 1/2	3 1/2	Tebrau £1	56 1/2
Labu 2/-	7 1/2	8 1/2	Teloregido £1	35 1/2
Langen Java £1	36 1/2	36 1/2	Tempeh 2/-	2 1/2
Linggi 2/-	23 1/2	23 1/2	United Serdang 2/-	9 1/2
London Asiatic 2/-	8 1/2	8 1/2	Val d'Or 2/-	3 1/2
Malayalam £1	36 1/2	36 1/2	Vallambrosa 2/-	19 1/2
Merlimau 2/-	5 1/2	5 1/2		
Bechuanaland Exp.	7 1/2	7 1/2	Kyshtim	1 1/2
Brakpan	4 1/2	4 1/2	Mashanaland Agency	6 1/2
Broken Hill Prop. (8/-)	71 1/2	70 1/2	Meyer & Charlton	4 1/2
Cam & Motor	12 1/2	11 1/2	Modder "B"	7 1/2
Central Mining (£12)	6 1/2	6	Do, Deep	2 1/2
Chartered	14 1/2	15 1/2	Mysore	2 1/2
City Deep	3 1/2	3 1/2	Nigerian Tin	12 1/2
Cons. Gold Fields	32 1/2	32 1/2	Pahang (3/-)	12 1/2
Cons. Langlaagte	17 1/2	17 1/2	Rand Mines (5/-)	2 1/2
Crown Mines (10/-)	1 1/2	1 1/2	Renong	2 1/2
De Beers defd. (£2 10s)	13 1/2	14 1/2	Rio Tinto (£5)	66 1/2
East Pool (5/-)	29 1/2	29 1/2	Russo-Asiatic	2 1/2
East Rand	2 1/2	2 1/2	South Africa (5/-)	2 1/2
Geduld	1 1/2	1 1/2	Spring Mines	3 1/2
Geeword (10/-)	2 1/2	2 1/2	Tanganyika	3 1/2
Gov. Areas Mod	3 1/2	3 1/2	Tanahlyk	3 1/2
Gt. Boulder (2/-)	11 1/2	11 1/2	Van Kyn Deep	3 1/2

These have got up to a level of about 3,000 per day, and although that is less considerably than was the case, say twelve months

ago, it is a decided improvement on recent experiences. On the whole, the tone has been exceedingly cheerful, and while gilded securities have been inclined to give way towards the end of the week the active securities are mostly fractionally higher. Nothing much was done in the Colonial section, but Foreign stocks showed considerable strength, with Chinese, Japanese, Brazilians, and a few others particularly prominent. On the other hand, Spanish Fours gave way, but the price is probably higher than prudent investors would care to buy the stock at.

Home Railways have been exceptionally strong, owing doubtless to the near approach of the dividend period, and the whole list advanced  $\frac{1}{2}$  to 1, with business showing a tendency to increase at the end of the week. Americans have not been conspicuous at all, and apart from a decline of 2 points in International Mercantile Marine preference, the movements are comparatively trifling. Canadian Pacifics have been more or less neglected, but there has been a very active market in Grand Trunks, which are going ahead in fine style owing to the expectation that the Canadian Government Commission on this side will be able to arrange satisfactory terms for the expropriation of the line. Argentine Railways, after a dull opening, made great strides, and it is possible to hope that the labour difficulties which alone have retarded the market for some considerable time past may now be settled in a satisfactory manner. Mexicans advanced a point or two in spite of the disappointing report, but with the more amicable feeling between the Republic and the United States, there is the possibility that a settled Government will become effective sooner than appears probable at the moment. Antofagasta improved on the report, and San Paulo, United of Havana, and a few others also advanced.

Bank shares were well supported, and many of the issues which are usually dealt in gained a fraction. Breweries also were good, but the changes have not been very numerous, and nothing of special interest has occurred. Egyptian issues continue in favour, but Land shares have been rather neglected, and even Hudson's Bays do not move to any appreciable extent. Forestal Land were steady round about 45s., and Pahangs were firm at 12s. 6d., while Pekin Syndicates received a fair amount of support in the neighbourhood of 10s. Iron and Steel shares generally showed very substantial improvement, with the Explosive and allied industries—about which the amalgamation rumours are still active—appearing to most advantage. Shipping shares were very prominent, and strongly supported at different times, but on balance the changes are not very striking. Among Miscellaneous Industrials the business was extremely small, and except, in a few outside shares, nothing of any consequence happened.

Oil shares have been better supported than the conditions would generally lead us to expect, but with the Shell bonus and talk of the Burmah once more making a huge distribution, the best class of shares certainly has attractions. With regard to Rumanian, Russian, and the smaller class of speculative counters, the outlook is so uncertain that prudent people are standing out. Rubbers have been dull, as was only natural in view of the repeated reductions in the dividends announced, and, with the price of the commodity steadily falling, in spite of output restrictions, it cannot be expected that the market should be recklessly cheerful. With restricted outputs, costs must in time and dividends must fall.

## LONDON PRODUCE MARKETS.

A generally steady tone prevailed in the various sections, although the volume of business passing shows no material expansion.

**SUGAR.**—No change occurred in prices during the week, while allotments were on a fair scale.

**Cocoa.**—There is a steady inquiry at graded prices, but trade still checked.

**COFFEE.**—Auctions of moderate extent passed off with a fair demand, and steady prices were realised. Santos, quay terms, sold, 70s. to 80s. 6d.; Venezuelan, good ordinary dull greenish, 80s.; Uganda, common to good brown and palish, 92s. to 101s. 6d.; Nairobi, good middling greyish, 115s. 6d.; peaberry, 116s. Futures remain idle, and values nominally unaltered.

**SPICE.**—Cloves quietly steady, with fair Zanzibar, spot, sellers, 2s. 5d. Pepper again firmer, with sustained inquiries. Fair black Singapore, spot, sold 1s. 7 $\frac{1}{2}$ d. to 1s. 8d.; Tellicherry, 1s. 8 $\frac{1}{2}$ d.; and white Muntok, 3s. to 3s. 1d. Pimento quiet, at 5 $\frac{1}{2}$ d. Tapioca steady. Fair flake, spot, sold, 8d. per lb. Fair Penang seed pearl, quoted, 80s.; medium ditto, 77s. 6d.; and fair small sago, 30s. Broken cassia, sold, 8s. per cwt.

Rice, also beans, meet with steady support at fixed prices.

**SHELLAC.**—Market steady, with sales on the basis of 340s. for fair free second orange, spot.

**ISINGLASS.**—In auction a liberal quantity offered met with fair support, though prices were somewhat irregular. Bombay rather easier, but Brazil firm to dearer. Lump, fair to good palish, sold, 12s. to 13s. 6d.

**RUBBER** in fair support, and rates firm, with holders more reserved. Plantation crepe, spot, changed hands at 2s. 2d. to 2s. 1 $\frac{1}{2}$ d., and 2s. 2 $\frac{1}{2}$ d.; July-December, 2s. 3 $\frac{1}{2}$ d. to 2s. 3d., and 2s. 4d.; October-December, 2s. 4d. to 2s. 3 $\frac{1}{2}$ d., and 2s. 4 $\frac{1}{2}$ d. Ribbed smoked sheet, spot, 2s. 1d. to 2s. 0 $\frac{1}{2}$ d., and 2s. 1 $\frac{1}{2}$ d. Fine hard Para, spot, done, 3s. 1 $\frac{1}{2}$ d., and soft fine ditto quoted 3s. 1 $\frac{1}{2}$ d. per lb.

**CORN** (Mark Lane).—Trade was of a quiet character, small available supplies being absorbed at full rates. Native wheat quoted at 77s. 9d. per 504 lbs. Imported grades nominal. No. 1

Northern Manitoba, 82s. 3d.; No. 2 ditto, also hard winters, 80s. 9d.; Australian, 83s. 6d. to 85s. 6d.; Indian, 77s. to 78s.; and La Plata, 82s. 6d. per 496 lbs., landed terms. Flour in steady supply, with a fair demand for G.R. at 44s. 3d. per sack, ex mill. Imported grades nominally 50s. 3d. to 51s. 3d., ex warehouse, 280 lbs. Barley maintained. English, 62s. 9d. to 63s. 9d.; Californian, 93s. to 95s., ex quay, 448 lbs. American malting, 82s. 6d.; and Canadian, 81s. to 85s. per 400 lbs. Maize firm, but quiet. American mixed, 79s. 6d. to 79s. 9d., ex ship, and 81s. 3d. to 81s. 6d., landed terms. Oats are in rather better supply. Native quoted 48s. 6d. per 336 lbs. Of imported American, white clipped ranges from 61s. 6d. to 62s. 6d., and Canada Western No. 2, 63s. 6d. per 320 lbs., both ex quay.

COTTON (from our Manchester correspondent).—The restric-

## CURRENT PRICES OF CHIEF ARTICLES.

WEEK ENDING JUNE 21, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 25/8, 98% polarisation	£ s. d.	£ s. d.	<b>Wool</b> —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	3 4 9	3 4 9	Australian	nom.	nom.
Crushed ..	2 17 9	2 17 9	Scoured Merino	nom.	nom.
Granulated ..	2 17 9	2 17 9	Scoured Cr'sabr'd	nom.	nom.
Lyle's granulated	2 17 9	2 17 9	Greasy Merino ..	nom.	nom.
Foreign granulated, first marks f.o.b., spot	nom.	nom.	New Zealand (scoured) Merino	nom.	nom.
German Cubes f.o.b.	nom.	nom.	Greasy Crossbred	nom.	nom.
French Cube	nom.	nom.	Cape snow white	nom.	nom.
India ..	2 17 9	2 17 9	<b>Indiarubber</b> p. lb.		
Beet, 88% f.o.b.	nom.	nom.	Plantation, Spot	0 2 2	0 2 2 $\frac{1}{2}$
<b>Tea</b> —per lb., duty 1/-	s. d. s. d.	s. d.	Crepe ..		
Indian Pekoe ..	1 4	1 4	<b>Coal</b> —per ton		
Broken ..	1 4	1 4	Durham, best ..	nom.	nom.
Orange ..	1 4	1 4	Seconds ..	nom.	nom.
Broken ..	1 4	1 4	East Hartlepool ..	nom.	nom.
Pekoe Souchong ..	1 4	1 4	Seconds ..	32 6	32 6
Ceylon Pekoe ..	1 4	1 4	Steamers, best ..	32 6	32 6
Broken ..	1 4	1 4	Seconds ..	28 6	28 6
Orange ..	1 4	1 4	<b>Lead</b> —per ton.	£ s. d.	£ s. d.
Broken ..	1 4	1 4	English Pig ..	nom.	nom.
Pekoe Souchong	1 4	1 4	Foreign soft, net	£29 $\frac{1}{2}$ -£29 $\frac{1}{2}$	£29 $\frac{1}{2}$ -£29 $\frac{1}{2}$
<b>Cocoa</b> —per cwt., duty 6d. per lb.	s. d. s. d.	s. d. s. d.	<b>Quicksilver</b> —per bottle first hand	nom.	nom.
Trinidad—per cwt.	86 0 90 0	86 0 90 0	<b>Tin</b> —per ton		
Grenada ..	79 0 85 0	79 0 85 0	English Ingots ..	£333-£334	£330
West Africa ..	55 0 65 0	55 0 65 0	Do, bars ..	£334-£335	£331
Ceylon Plantation	85 0 100 0	85 0 100 0	Standard cash ..	£329	£328-£329
Guayaquil ..	up to 90 0	up to 90 0	Fin Plates, per box	nom.	nom.
<b>Coffee</b> —per cwt., duty 42/- per cwt.			<b>Copper</b> —per ton.		
East India ..	110 0 135 0	110 0 135 0	English, Tough	nom.	nom.
Jamaica ..	80 0 160 0	80 0 160 0	per ton ..	nom.	nom.
Costa Rica ..	110 0 137 0	110 0 137 0	Best Selected ..	£119-£123	£119-£123
<b>Provisions</b> —			Sheets ..	£149	£149
Butter, per cwt.			Standard ..	£110-£110 $\frac{1}{2}$	£110-£110 $\frac{1}{2}$
Australian finest	252/-	252/-	<b>Jute</b> —per ton.		
Argentine ..	252/-	252/-	Native firsts for shipment	nom.	nom.
Irish Creameries	nom.	nom.	<b>Oils</b> —		
Dutch ditto ..	nom.	nom.	Linseed, per ton ..	nom.	nom.
Russian finest ..	nom.	nom.	Rape, crude ....	£66	£66
Paris baskets ..	nom.	nom.	Cott'n Seed, crude	£60	£60
Danish finest ..	nom.	nom.	Petroleum Oil, per 8 lbs.	1/10 $\frac{1}{2}$	1/10 $\frac{1}{2}$
Brittany rolls ..	nom.	nom.	Water White ..	1/11 $\frac{1}{2}$	1/11 $\frac{1}{2}$
doz. lb. ..	nom.	nom.	Oil Seeds, Linseed	—	—
<b>Bacon</b> —per cwt.			Calcutta—per ton	£37 10	£37 10
Irish ..	188/-	188/-	Spot		
Continental ..	172/-	172/-	Rape ..	£29-10 £30	£29-10 £30
Canadian ..	169/-172/-	169/-172/-	<b>Iron</b> —per ton		
American ..	169/-180/-	169/-180/-	Cleveland Cash ..	nom.	nom.
<b>Hams</b> —per cwt.			<b>Tobacco</b> —duty, unmanufactured		
Irish ..	nom.	nom.	8 1/2-10 1/4 per lb.		
Canadian ..	162/-165/-	162/-165/-	Virginia leaf ..	1 6-2 6	1 6-2 6
American ..	125/-165/-	125/-165/-	Kentucky leaf ..	1 0-1 6	1 0-1 6
<b>Cheese</b> —per cwt.			Latakia ..	nom.	nom.
Dutch ..	nom.	nom.	Havana ..	1 6-6 6	1 6-6 6
Canadian ..	nom.	nom.	Cigars, duty 15/7 per lb.	2/ upds.	2/ upds.
English Cheddar	102/8-149/4	102/8-149/4	<b>Turpentine</b> —		
Wilts loaf ..	nom.	nom.	American Spot ..	11s	11s
New Zealand ..	nom.	nom.	<b>Copra</b> —per ton		
<b>Rice</b> —per cwt.	£ s. d.	£ s. d.	Malabar ..	46 0 0	46 0 0
Japan ..	41 3	41 3	Ceylon ..	46 0 0	46 0 0
Rangoon stars ..	26 3	26 3	F.M.S. Singapore	45 10 0	45 10 0
<b>Eggs</b> —per doz.			F.M. Straits ..	45 10 0	45 10 0
English ..	40 0-42 0	41 0-43 0			
Irish ..	38 0-38 6	37 6-38 0			
Danish ..	nom.	nom.			
<b>Spelter</b> —					
G.O.B. as to position ..	£54 £50	£54-£50			
<b>Flour</b> —per sack.					
G. R. ex Mill ..	44/3	44/3			

tions upon business in the market tend to increase, and the general tone during the past week has been rather quieter. There is no probability of lower values in the near future, but buyers hesitate to commit themselves to deliveries a long way ahead at the high figures which have to be paid to-day. Many spinners and manufacturers have plenty of work to go on with, and there is no disposition to extend engagements. The weather conditions in the American belt continue very favourable. Some rather diverse reports have been received relating to the Egyptian growth. There has been a good deal of discussion with regard to the hitch in the negotiations for the amalgamation of British Dyes, Limited, and Levinstein, Limited. It is stated that the Control Board has made

a request to certain users of raw cotton who have large stocks to resell a part of their holdings to firms who are engaged on Government work. Export business in piece goods has been within a narrow compass. The offers mentioned for India have only been of a tentative character, and there is no probability of trade maturing just at present. Isolated sales have occurred in fancies for China, but standard goods remain very slow. There has been rather less activity for most of the minor outlets. Big contracts have been placed in jeans for the Government. Light fancy materials have moved off freely for the home trade. American yarns for home use have been in demand, but much difficulty has been experienced in meeting the requirements of users. Only retail lots have changed hands in shipping counts. Steady buying has occurred in Egyptian spinnings, and certain counts and qualities are getting distinctly scarcer.

### DIVIDENDS ANNOUNCED.

Apex Mines.—Interim of 5 per cent. for half-year ending June 30, same as a year ago.

"Bodega."—For six months ending June 30 on 5 per cent. cum. pref. shares, payable July 1.

Briseis Tin and General Mining Co.—No. 27 of 6d. per share, less tax, payable July 11, the same as a year ago.

Charter Trust and Agency.—For half-year ended May 31, on preference stock, at rate of 5 per cent. per annum, payable, less tax, on August 2.

Clerical, Medical, and General Life Assurance Society.—Half-yearly payment of 9s. 6d. per share, tax free, on July 1, the same as a year ago.

Cluny Rubber Estates.—Final for 1917 of 5 per cent., less tax, against 12½ per cent.

Consolidated Gas, Electric Light, and Power Co.—Regular quarterly \$2 per share on the capital stock, payable July 1.

De Beers Consolidated Mines.—20 per cent. (10s. per share), less tax, on preference shares for half-year ending June 30. Also 20 per cent. (10s. per share) and a bonus of 5s. (both less tax) on deferred shares for same period. A year ago on the deferred shares 40 per cent. was declared for the year to June 30, 1917.

Eagle, Star, and British Dominions Insurance Co.—Interim on ordinary shares at rate of 15 per cent. per annum, free of tax.

Eastern Assam Co.—Balance and bonus of 10 per cent., making 15 per cent., free of tax, for 1917.

Eastern Extension Australasia and China Telegraph Co.—First quarterly interim of 3s. per share, payable, free of tax, on July 15, for 1917.

European Gas Co.—6s. per share, free of tax, making a total of 5 per cent., free of tax, for the past year.

Grand Central (Ceylon) Rubber Estates.—Final for 1917 of 5 per cent., less tax, making 10 per cent. for year, against 14 per cent.

Glencoe (Natal) Collieries.—2½ per cent. (6d. per share) for half-year ending June 30, the same as a year ago.

Hardy's Crown Brewery, Manchester.—Final of 7s. 6d. per share, making 45s., or 22½ per cent., for year, tax free, against 18½ per cent. last year.

Harrisons and Crosfield.—On the Cumulative preference shares at rate of 5½ per cent. per annum for the two and a-half months ending June 30.

Ipoh Tin Dredging.—Interim for 1918 of 5 per cent., free of tax, payable July 9.

John Lysaght.—Bonus of 4s. per share (free of tax) on ordinary shares, in addition to interim of 10 per cent. distributed in January. This bonus will be payable out of interest on investments, and not out of trading profits.

Kinta Tin Mines.—5 per cent., free of tax, payable to-day, for year to June 30, the same as a year ago.

Ledbury Rubber Estates.—Final for 1917 at rate of 10 per cent., less tax, against 22½ per cent. a year ago.

Montreal Light, Heat and Power.—2 per cent. (being at rate of 8 per cent. per annum) for the quarter to July 31.

Montreal, Light, Heat and Power Consolidated.—1 per cent., being at rate of 4 per cent. per annum) for the quarter to July 31.

Mount Morgan Gold Mining Co.—No. 204 of 1s. per share, less Commonwealth income-tax at 6d., and British income-tax at 2s. 9.08d. in the £, payable August 1, the same as a year ago.

Natal Navigation Collieries and Estate Co.—3½ per cent. (9d. per share) for half-year ending June 30, the same as a year ago.

National Mortgage and Agency Co. of New Zealand.—Interim at rate of 7½ per cent. per annum (free of tax), for six months ended March 31.

Northern Assurance Co.—Interim of 4s. 6d. per share, less tax, on the participating preference shares.

New Zealand and River Plate Land Mortgage Co.—Interim of 6 per cent. (less tax), payable July 1, the same as a year ago.

Oriental Telephone and Electric Co.—Final of 6 per cent. on ordinary shares, making 10 per cent. for the year, and a bonus of 1s. per share, free of tax. For 1916 the distribution was 10 per cent., tax free.

Philippine Dredges.—No. 2 of 1s. per share, less tax, payable on July 9.

Pernambuco Tramways and Power Co.—On the participating preference shares at rate of 3½ per cent., less tax.

Plymouth Consolidated Gold Mines.—Interim (No. 10) of 1s. per share, less tax at 6s., payable on July 31, the same as a year ago.

Reliance Marine Insurance Co.—Interim of 4s. per share, less tax, to be paid July 1, being at rate of 20 per cent. per annum, the same as a year ago.

Ruston, Proctor, and Co.—Final 5½ per cent., which, with interim, is equal to 8 per cent. per annum, together with a bonus of 2 per cent. (both subject to tax).

South African Breweries.—Final 1s. 3d. per share on the ordinary shares (free of tax).

Stretton's Derby Brewery.—Interim on the ordinary shares for half-year ended March 31 at the rate of 9 per cent. per annum (less tax), the same as a year ago.

## GRESHAM LIFE OFFICE

FOUNDED  
1848.

CHIEF OFFICE: St. Mildred's  
House, Poultry, London, E.C.2

*Extract from the 69th Report of the Directors on the operations of the Society for the twelve months ending 31st December, 1917.*

**POLICIES ISSUED 2,876 for £1,510,058**

**NEW ANNUAL PREMIUMS (net) £64,135**

**ANNUAL INCOME ... £1,223,079**

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**GRESHAM LIFE ASSURANCE SOCIETY, Limited.**

ALEX. LAWSON, Manager & Secretary.

Tredegar Iron and Coal Co.—Final for the year ended March 31 of 2½ per cent., making 10 per cent. for year, together with a bonus of 5 per cent., both free of tax. Warrants will be posted on or before June 28.

Tongkah Harbour Tin Dredging.—2s. (10 per cent.) and a bonus of 1s. (5 per cent.), payable July 22. A year ago the distribution was 2s.

Upper Assam Tea Co.—12½ per cent. (2s. 6d. per share), less tax, for 1917, payable July 1.

Union-Castle Mail Steamship Co.—5 per cent., tax free, on ordinary stock, making 8 per cent. for 1917, the same as for 1916.

United Sua Betong Rubber Estates.—Final 7½ per cent. (actual) in respect of 1917, making 17½ per cent., against 25 per cent. for 1916.

Vulcan Motor and Engineering, Southport.—Interim of 1s. per share, tax free.

## Tea, Oil and Rubber.

There is nothing much new to be said about the Rubber market this week. After dropping to 2s. 1½d. the price of standard crêpe recovered to 2s. 2½d. on the idea that the Government may be persuaded to take control of the industry. What a farce, at a time when every business in the country which has had any experience of what that means is praying to be released from the horrible affliction of "flappers" in Whitehall! That is really what it comes to, and the male flappers without any experience of the trades with which they interfere are much more dangerous than the china-saucer tea-making phalanx which is the outer defence of the existing bureaucratic system. Let us suppose, however, that the panic-mongering stale bulls get the control they desire, what will be the result? Why, that every pound knocked off output increases the cost of production and reduces the possible dividend that may be paid! It is true that in a free market prices would possibly fall, for a time at any rate, more than they will temporarily under control, but it is very difficult to see where the compensation comes in. It is of the essence of the scheme that the rubber shall be stored in the trees—a most excellent idea—but when everybody knows it is there, and growing all the time, when is the boom going to materialise?

BATU CAVES RUBBER CO., LTD.—Year to December 31. Capital £26,750, in £1 shares; reserve £5,000. Output 780,800 lbs., increase 78,000 lbs. Net profit £6,000 less at £61,240, and the dividend for the year is reduced from 210 per cent. to 180 per cent., while the carry forward is increased by £7,000 to £17,940. The company is one of the oldest and best, but it is terribly out of date in the matter of supplying full information about its operations. No details are given as to average selling price, costs, age of trees, and other items which are of public interest, but doubtless the shareholders regard even the reduced dividend paid this time as sufficient compensation.

LANADRON RUBBER ESTATES, LTD.—Year to December 31. Capital, £215,000 in £1 shares. Reserve, £60,000. Output, 1,401,400 lbs.; increase, 120,000 lbs.; average price, 2s. 4.02d. against 2s. 7.85d.; all-in cost, 1s. 3.90d. against 11.74d. Net profit amounted to £39,300, a decrease of £47,000, and after paying an interim dividend of 5 per cent. (against 10 per cent. for 1916) it is proposed to place £8,000 to reserve (raising it 691,500 lbs., increase 50,000 lbs.; average price, 2s. 3.32d. was paid for excess duty, and this time £4,130 is deducted in respect of 1915, but there is a claim for refund of duty up to the end of 1917, and when this is settled the shareholders may get a bit more out of the profits. The planted area is 5,200 acres, of which 4,300 date from 1908 or previously, while there are 6,200 acres in reserve. It is quite certain that the output can be increased to over two million lbs. whenever it is considered desirable to do so, and the large area in reserve gives the company great scope for future development.

LEDURRY RUBBER ESTATES, LTD.—Year to December 31. Capital, £108,600 in £1 shares. Reserve, £30,000. Output, 691,500 lbs.; increase, 50,000 lbs.; average price, 2s. 3.32d. against 2s. 7.85d.; all-in cost, 1s. 3.90d. against 11.74d. Net profit, £34,760, a decrease of £20,000, and the dividend for the year is reduced from 32½ per cent. to 20 per cent., half of which has been paid as interim. On the other hand, the carry forward is increased by £12,000 to £20,550. Excess profits duty absorbed £14,800 up to the end of 1916, but nothing is said about any further payment, and it is possible even that there may be a small refund. The planted area is 2,220 acres, of which 1,360 acres go back nine years or more, so that the trees ought to be nearly at their full tapping strength if it should be desired to put them to the test. There are 550 acres

in reserve, but apart from that the company could produce nearly a million lbs. a year without being too greedy, and in that case the all-in cost might be reduced to 11d. under war conditions and 9d. subsequently.

## Answers to Correspondents.

**\* A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.**

**Deposits against future queries may be lodged with the Publisher.**

Safety.—Your schemes are most ingenious, but we require time to weigh them, and cannot give a satisfactory reply in this column.

J. S.—No, we think they should be kept. Good reason is given for postponing the interest. It is turned into capital.

Henry.—(1) Good; pays about 6 per cent. at 4½. (2) Rather uncertain, but pays about 6½ per cent. if bought at 4 or under. (3) Also risky, but if bought at 3½, or under, yields about 7½ per cent. meantime and while the war lasts. (4) Probably all right for a present if bought under par.

John Street.—We do not know what you consider "cheap." Russian shares, for instance, are in one sense "dirt cheap," but before they come back to yields you may have years to wait. They offer the far-off chance, however, and may be worth picking up at from 1s. to, at most, 2s. 6d. the pound share.

Ruskin.—Hardly on its merits just now, but there is the possibility that the Government may be forced to do something.

M. I. G.—The report is due shortly, and you might wait until it is published. It is expected to be good, but should the price advance sharply on it, you might take your profit.

Underground.—(1) Very doubtful. We do not think they are worth touching. (2) Has had considerable trouble with its plant, but company is well supported, and the shares are a fair speculative purchase if you are prepared to wait.

N. H. S.—The report is a good one and the position strong. Having waited, we think you might hold on a little longer, as there is a possibility of a further rise.

A. L.—Yes, quite the right thing to do. You can probably get nearly the middle price, and the difference between that and the redemption value will be more than made up by the premium on the Government bonds.

Mains.—You can consider it as 5s. for the past year, but if you are in any doubt you are always entitled to ask the company.

S. P. B.—You can only do so by cashing sufficient certificates each year to represent 5 per cent. on your actual outlay; this will leave you with your original capital to be returned to you.

G. H. I.—The dividends are paid free of tax, there are expectations of a bonus, and also rumours of amalgamation. Under the circumstances there is no haste to sell, but the market should be watched.

BRITISH SOUTH AFRICAN EXPLOSIVES CO., LTD.—In the year to October 31 last results were very much the same, as in the previous 12 months. Sales were larger, but the bulk of them were under a co-operative arrangement which came into force on March 1, 1917, and net profit is £4,000 lower at £73,000. However, less was required for factory depreciation, and after again paying a dividend of 11 per cent., the amount carried forward is practically unchanged at £63,560. Nothing in the balance-sheet calls for remark.

The production of Turkish tobacco from the crop now growing in the Union of South Africa is estimated at 250,000 to 300,000 lbs.

As a token of practical sympathy, the Red Cross South Africa has just cabled £10,000 to the British Red Cross Society, London, to assist in meeting the additional strain imposed upon its resources by the present great struggle.

## THE LONDON CITY AND MIDLAND BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Company will be closed on the 22nd June, 1918, for that day only, for the preparation of the Dividend payable on the 15th July, 1918.

J. F. DAVIS, Registrar.

15th June, 1918.

## COMPANY MEETINGS.

## EBBW VALE STEEL, IRON AND COAL.

## BROAD POLICY OF EXPANSION.

## ADDITIONAL CAPITAL APPROVED.

The fifty-first ordinary general meeting of the shareholders of the Ebbw Vale Steel, Iron and Coal Company, Ltd., was held on Wednesday at the Cannon Street Hotel, E.C., under the presidency of Colonel Sir Charles Allen, V.D. (the chairman of the company).

The Secretary (Mr. Bertram Northgrave, A.C.I.S.) having read the notice calling the meeting,

The Chairman said: You understand that there is no auditors' report to-day, so there is nothing to be read in that respect. Ladies and gentlemen, in rising to move the adoption of the report circulated among the shareholders for this meeting, I presume it is your wish that we may take it as read. You will gather from the first paragraph that in consequence of the delay in arriving at a settlement with the Government Control authorities upon minor questions relating to excess profits tax, munitions levy, and coal mines control finance, your board are unable to present a balance-sheet and statement of accounts for the past financial year. They regret, therefore, there is no alternative but to adjourn this part of our usual annual proceedings until some future date. There is, however, no need for anxiety, as I am pleased to be able to assure you to-day that this omission by no means prevents your board from dealing with the approximate figures placed before them, and they have come to the conclusion, after making liberal allowance for contingencies, with the sanction of the Treasury and concurrence of our auditors, that they are fully justified in recommending the distribution and confirmation of the dividends as set forth in the report. It is my intention to submit for your adoption the necessary resolution to this effect in due course.

## CONTINUED IMPROVEMENT.

Before approaching the more important subjects of to-day's proceedings, I feel it would be agreeable to you to have a brief statement concerning the past year's operations, as you may well imagine that our various manufacturing departments and collieries, in common with all controlled establishments, have experienced their full share of anxiety and difficulties. This condition of affairs, however, has not to any serious extent interfered with the steady output of materials and continued improvement of our productive capacity. As a convincing proof of the volume of work executed under these strenuous conditions, I have only to mention that the wages paid to the workmen exceeded all previous records, amounting to over two millions sterling. In addition to this, the company has continued the patriotic grant to the dependents of their officials and workmen who are still gallantly fighting the country's battles, the amount distributed this year being £35,000, bringing up the total since the outbreak of war to the formidable figure of about £150,000. Altogether, after passing through this trying year, we consider the results quite satisfactory. They could not, however, have been attained without the untiring energy and patience of our managing director, Mr. Mills, and the loyal staff of officials under him, who have so bravely borne the heat and burden of the day. As regards the working of our collieries, they have been, and are still, under rigid Government control, but I propose to leave any other matters of interest on this subject in the hands of my colleague, Mr. Beynon, when he rises to second my resolution.

## GROWTH OF THE BUSINESS.

As the business we have to bring before you to-day will necessarily take rather longer than is usual at our annual meetings, I have purposely restrained my remarks on the past, and come at once to the elaborate scheme set forth in detail in our report for raising the necessary additional capital and adjusting the financial affairs of the company so as to place them on a sound and permanent footing. It is really the outcome of our persistent and vigorous policy of expansion and consolidation which your board have for so many years past strongly advocated, and consider now, more than ever, an imperative enterprise in order to succeed in maintaining our position in the first rank of iron, steel, and coal producers. It is due to your generous confidence and support in the past that the scheme has matured and grown much more quickly than was originally expected; besides, we have to thank our Government administrators for giving it a helping hand by their most sympathetic support and rendering every possible assistance in speeding up our development schemes. They fully realise how very important it is that not only in time of war, but in peace, the manufacturers of this country should be assisted on a sufficiently substantial scale in order to be prepared to satisfy all home, colonial, and foreign demands, and become independent of the importation of any foreign articles we are able to produce ourselves. It is with this important object in view that your board ask for additional capital, which will place our establishment in an impregnable position against foreign competition and foreign imports of raw material in the future.

## PROPOSED NEW CAPITAL.

Ladies and gentlemen, you will see from the report in your hands and in the notices which have been sent out with that report that we have obtained the sanction of the Treasury for

an increase of our capital and debentures to a total nominal amount of £2,000,000, of which £600,000 will be debentures, £800,000 preference shares, and £600,000 ordinary shares. This meeting will be followed by an extraordinary general meeting of the company and separate meetings of both the preference and ordinary shareholders, at which I shall have to explain in detail the effect of the resolutions for carrying out the proposals referred to in the report, but as this is a general meeting at which both classes of shareholders are represented it may be convenient for me to give you now a general outline of the matter. Firstly, as regards rate of interest on debentures and preference shares, which in the case of the existing debentures and preference shares is to be raised respectively from 5 per cent. to 6 per cent. and from 6 per cent. to 7 per cent., the directors, after taking the best financial opinion available, were advised that, having regard to the high rate of interest which money now commands (it is only necessary in this connection to refer to the fact that the premier security in the world—namely, British Government stocks—pay 5 per cent.), it would be difficult to obtain the large sum of money required on debentures and preference shares of an industrial company at a lesser rate of interest than 6 per cent. and 7 per cent. respectively, and it was obvious, therefore, that as the new securities would bear this rate of interest the corresponding classes of the company's existing issues would have to be increased to the same figure, and I do not suppose that either the existing debenture holders or preference shareholders will have any objection to receiving such increased rate of interest. As regards the ordinary shareholders, we are following on this occasion the precedent of the last issue—that is to say, we are going to offer at 25s. per share the whole of the 600,000 ordinary shares to the existing preference and ordinary shareholders in the proportion, as nearly as may be, of two new shares for every £5 of capital held by the existing shareholders. As the existing £5 preference shares are to be sub-divided into five shares of £1 each, this will give every holder of five preference shares or five ordinary shares the right to take up two of the new ordinary shares at 25s. per share, and as the present price of the shares, including the dividend now payable, is in the neighbourhood of 30s. per share, the shareholders will see that the offer is advantageous from their point of view.

## UNDERWRITING ARRANGEMENTS.

The sum of money to be raised—namely, £2,000,000—is, as the shareholders will appreciate, a very large sum to raise in times like the present, and therefore the directors, in the interests of the company, thought it desirable to make arrangements by which, whatever happens, the money required will be secured. They have, therefore, entered into a contract with the Imperial and Foreign Corporation, Ltd., by which that corporation has agreed to buy the whole of the debentures at £92 10s. per cent. and the whole of the preference shares at par, and to underwrite the 600,000 ordinary shares at the issue price of 25s. a share. The debentures will be issued at 95, and the corporation will receive a commission of 1s. 4½d. per share on the preference shares and a commission at the rate of 3 per cent. in respect of the ordinary shares. The corporation will, of course, bear the whole of their own expenses in regard to the placing by them of the debentures and preference shares. Having regard to the magnitude of the issue and the critical times in which we stand, the directors are satisfied that the terms arranged are not only reasonable, but favourable to the company. The directors have received an assurance from the Imperial and Foreign Corporation that in the event of any of the existing debenture holders or shareholders of the company, when the debentures and preference shares are offered for sale, making application therefor, that such applications will receive full and favourable consideration from the corporation. I ought, perhaps, to tell you that it has been thought desirable to insert in the agreement a provision enabling either party to ask for a postponement of the issue if times are unfavourable, and we have made arrangements, should we not agree, for a gentleman in whom we have every confidence being the referee as to the time for which the issue should be postponed, but such postponement does not relieve the Imperial and Foreign Corporation, Ltd., from their obligations, but only postpones them.

## DEVELOPMENT OF HOME INDUSTRIES.

Now, gentlemen, having explained the terms and conditions upon which our new capital will be raised, it is only reasonable you would wish to know something as to how it is to be profitably employed. I will, therefore, endeavour to explain the principal features of advantage which your board feel sure will fully justify the expenditure, and with firm conviction that few commercial undertakings can offer more promising and brighter prospects when the happy days of victory and peace follow this terrible war. In the first place, we must reflect for a moment upon the perilous position of the iron and steel trade in this country prior to the outbreak of war. It is impossible to forget that the unscrupulous dumping process of the Germans had nearly succeeded in driving our ordinary heavy steel trade on the rocks of ruin. Thank goodness, this incubus is being effectually removed, with no chance of it ever appearing again. Manufacturers can expand without the fear of being stifled by unfair treatment. It, therefore, becomes more than ever a question of national and vital importance to us to make up for lost time by encouraging the production of home industries. I wish now particularly to emphasise the fact that we shall be the first establishment in South Wales producing steel entirely independently of foreign imports of raw materials.

**IMPORTANT PURCHASE.**

I would remind you also that it is about four years ago since your board paid their first visit of inspection to the iron ore-bearing properties in Northamptonshire in contemplation of providing for their needs a regular supply of mineral from the deposits in this country. Since then, as reported from time to time at general meetings, we have concluded a purchase of an extensive property, which is estimated to yield a mineral eminently suited for our steel-making process, and to satisfy our needs for at least the next 40 years, upon such terms as will always compare most favourably with the lowest prices of imported ore of a similar character. Step by step in all our deliberations your board have consulted and been guided by the advice of the most reliable and experienced experts available. This, gentlemen, has been our ambition for years past, and may be regarded as the main plank in our broad policy of expansion as iron and steel manufacturers. You will readily understand that there is always an element of speculation in any deposit underground which has not been actually seen and inspected. I am therefore very pleased to be able to inform you to-day that any misgivings in this connection entirely disappeared last Friday, when your board paid one of their periodical visits of inspection, and had the gratification of examining for themselves, in company with their experts, the underground workings driven into the main body of these deposits, and I am able to declare that both the quality and quantity are fully up to our expectations and absolutely assured. The general development work has been pushed ahead as quickly as present circumstances will permit. A tunnel measuring some 15 ft. by 12 ft. and 1,000 yds. in length, has been driven in order to convey the ore direct to the new cluster of calcining stoves, which are capable of dealing with some 10,000 tons per week. These stoves are erected on a site in direct communication with the mine, and are constructed upon the most advanced and economic methods. They are now on the point of completion, and it is estimated that they will be ready for starting about next September. The railway sidings have been connected up with the main line, and altogether excellent and rapid progress has been made in the completion of the whole of this vast undertaking.

**CONTROL OF ADJOINING COLLIERIES.**

Our programme of expansion includes an arrangement by which we control the adjoining collieries to our own, thereby removing competition and reducing the standard charges upon an output of something like 4,000,000 tons of the best Welsh coal raised in this country. We have augmented and equipped our magnificent steel and coke plants with the most up-to-date and advanced machinery, and may justly claim to be absolutely self-supporting, and in the happy position of being able to declare that not only every penny in wages paid for the manufacture of our products will go directly into the pocket of the British workman, but every article we produce will be manufactured from our own raw materials, and will be labelled "entirely British." It is possible some shareholders might imagine that the expenditure already incurred upon plant for the production of munitions of war might become unproductive when peace is restored. I am very anxious that it should be distinctly understood that such is not the case, and that every penny outlay on expansion can be turned to profitable account whenever the demand for war material ceases.

**USE OF ELECTRIC POWER.**

As doubtless many of you are well aware, the rapid growth of the use of electric power is becoming a matter of vital importance to all manufacturing concerns, and a most valuable asset to those who possess cheap means of production. Now, I am anxious that you should understand that with the large extensions to our blast furnace plant, coke oven and by-product plant, we have an enormous increase in the volume of what is commonly termed "waste gases," which not many years ago were thrown to the winds. These are now being turned into a most useful and profitable purpose—that is to say, the production of sufficient electric power to enable us to electrify the whole of the company's property, not only the iron and steel works, but the collieries in Ebbw Vale and the adjoining valleys. This alone is an immense saving upon antiquated practices. Work is now in hand and nearly completed, which will connect our newly acquired coal properties with our central power station at Ebbw Vale, so that these mines, situated several miles distant, will derive their power from the so-called "waste gases" available from the production of iron and coke. It will therefore be seen that the most economical and up-to-date use is being made of the company's resources and the profitable utilisation of what at one time was entirely lost. Your board have not lost sight of the importance of providing modern dwelling houses and comfortable surroundings for their workmen. In conclusion, gentlemen, I wish to express my thanks for your presence here to-day, and your kind consideration and patience in listening to my somewhat lengthy remarks. Your board were particularly anxious to emphasise the advantages of their enterprising scheme of expansion, and while we may be hampered and restricted at the moment by war conditions, there is no time like the present to prepare by every means in our power towards rendering a helping hand in the economic recovery from the wastage of this great war—a matter of such national and vital importance to the future welfare of this country and an assured protection to our own future prosperity and that of the rising generation. With these remarks, gentle-

men, I beg to ask my colleague, Mr. Beynon, to second the resolution which I now beg to move—namely, "That the directors' report be approved and adopted."

**MR. BEYNON ON THE POSITION.**

Mr. John W. Beynon said: Ladies and gentlemen, I rise to second the resolution which has been proposed by our chairman, Sir Charles Allen. After the admirable way in which he has, as usual, placed the position before you, and in view of the fact that we have this afternoon a very considerable amount of formal business to transact, I propose to limit my remarks to the briefest possible dimensions. As the director most intimately connected with the colliery side of your undertaking, I would just say a few words as regards the collieries. As all shareholders are aware, it is of vital importance to all collieries, and more particularly to South Wales collieries, to be able to rely on regular working for profitable production. Unfortunately, the activities of German submarines during the year under discussion have very considerably interfered with the regular supplies of tonnage, with the result that, in common with most Monmouthshire collieries, your collieries have suffered a very considerable amount of lost time, with the result that the cost of production has very materially increased. It is no doubt within the remembrance of shareholders that some time ago the Government granted to all workmen employed in collieries a war bonus of 1s. 6d. a day, which bonus was paid whether there was work at the colliery or whether the colliery was idle. Naturally, with the irregular working, the incidence of that war bonus very considerably increased the cost of production. I am glad to say that now the British Navy has successfully grappled with the submarine menace, the supply of tonnage has for the past few months been adequate for our requirements, with the result that your collieries have been able to work full time, and so long as your collieries have regular work they will be a satisfactory and a remunerative property. Naturally, the comb out of young miners of Grade A between the ages of 18 and 23 is affecting the man power of all collieries throughout the kingdom, but, in common with all other staple industries, we must accept this as one of the many burdens placed upon our shoulders by this terrible war. I may say that the output of all your collieries has for some time past been strictly controlled by the Government; the bulk of the production is being taken by the British Government either for use in His Majesty's Navy or for use among the consumers of Great Britain and by the Governments of our Allies, leaving but a very small portion for sale in neutral countries. I should like to mention, in passing, the honour which has been bestowed upon the Coal Controller, Sir Guy Calthrop has filled a very difficult position in a very admirable manner, and I am sure that everyone connected with the coal trade, and particularly those who have had the privilege of coming into personal contact with Sir Guy Calthrop, will join in congratulating him on an honour fittingly bestowed and worthily won.

**A WELL-CONSIDERED POLICY.**

Your chairman has touched lightly on the many developments which are now taking place at Ebbw Vale. Unfortunately your directors are not permitted to go too fully into all the developments which are taking place. I will merely say that those developments are part of a well-considered policy which had been adopted by this board some time ago, and are merely being speeded up to meet the requirements of the Government and the exigencies of the war. Naturally those developments necessitated a large increase in capital outlay, and in considering this issue your directors had in mind the keeping of a proper balance between debentures, preference issue, and ordinary share capital. With the vastly increased value of your assets this company could reasonably carry a larger amount of debenture and preference issue, but it would hardly be fair to ask the holders of those securities to allow a large amount to be placed *pari passu* with their present holdings unless you offered them some inducement to consent to that proposition. That inducement consisted of raising the interest on the debentures from 5 per cent. to 6 per cent. per annum and on the preference shares from 6 per cent. to 7 per cent. per annum, and the fact that your board has received a very great and unexpectedly large amount of support from all classes of shareholders proves to them that the scheme they have the honour of placing before you has met with the general approval of the shareholders of this company. Those shareholders who have been associated with this company in the past will remember the time when the credit of this company stood none too high; when the shares were quoted in the market at a heavy discount; when the development of this company was handicapped by lack of credit and possibly by lack of courage and imagination on the part of previous boards; when your directors came to you year after year with a none too happy story to place before you, and when I fear they received but scant consideration from the shareholders for the very difficult position they then found themselves in. To-day your shares stand at a substantial premium; your credit stands high; your assets, which have been valued on a pre-war basis, are shown to be about £1,500,000 more in value than what they stand at to-day in your books; your company is developing in many ways owing to spirited and progressive management, and I am confident that those expansions are all well considered and all tend to greater commercial prosperity and financial stability.

**FUTURE PROSPECTS.**

One word as to the future. Naturally, as Sir Charles has said, the future prosperity of this company depends to a very

great extent on our power of bringing this war to a satisfactory conclusion. I have always been a cast-iron optimist; I remain one to-day. I decline to believe that the resources of civilisation are going to be overthrown by the upstart house of Hohenzollern; I decline to believe that this world is fated to groan and slave under the iron heel of a Prussian oligarchy; I believe that in the near future this country, with the help of her Allies, will be able to dictate a peace which will mean happiness and tranquillity for many generations to the countries of this world. But when this peace arrives much of the future prosperity of this country will depend on the attitude which labour takes up. But if labour will play the part in future that it has in the troublous times of war through which we are now passing, I believe we may look forward to a time of great industrial expansion and prosperity. If this war has taught us one thing, it has taught us that it is impossible to raise the standard of wages beyond the economic level. And if by stress of circumstances that level is passed, then the cost of all vital necessities of life so rises as to render valueless to the worker the increased wages which he has received. If I were tempted to discourse on economics, I would take as my text those words in Genesis which were addressed to our primeval ancestors when they were driven out of Paradise, "By the sweat of thy brow shalt thou eat thy bread." They were not quite political economists in those days, gentlemen, but on that simple sentence rests the whole structure of political economy, and though nature tolerates the presence of a few social butterflies who "toil not, neither do they spin," their presence only serves to accentuate the fact, and the very brutal fact, that man exists in this world solely in proportion to his economic utility. We cannot hope to raise the standard of living of the industrial population of these islands except by increased productivity of the working classes themselves, by the scrapping of all out of date methods and by the utilisation of all forms of labour-saving devices. If the labour union leaders will only drive home to the working classes that their happiness and their prosperity depend on producing to the utmost of their power, then I have no fear for the future of this great Empire nor for the prosperity of this great company. And I believe that when that time comes you will find that your directors have not been neglectful of the opportunities of to-day nor unmindful of your requirements for the future.

#### SHAREHOLDERS' DISCUSSION.

A discussion followed, in the course of which Mr. Hanford said he would like to know if the John Lancaster collieries, taken over by the company a few years ago, were being worked successfully.

The Chairman replied that they were being successfully worked.

Mr. Hanford, continuing, said he considered it was rather a new departure in finance to give holders of existing debentures and preference share capital an increased rate of interest without any quid pro quo being offered to the ordinary shareholders. He would like to congratulate the board, and it was particularly satisfactory to know that theirs was a self-contained enterprise.

Mr. W. Badco said he highly appreciated the developments made by the directors, and looked forward to the time when the Ebbw Vale would take its place side by side with the greatest industrial concerns in the United Kingdom. As to the new capital scheme before them, he was not yet quite satisfied that the new money could not be raised in the form of ordinary capital alone.

Mr. J. D. Lees said he should like to be assured that, supposing the scheme went through, the present shareholders would have the opportunity of acquiring some of the new preference shares.

Mr. Henry Radcliffe remarked that he had listened with great interest to the speeches of the chairman and of Mr. Beynon, and he wished to congratulate them both on the exceedingly able way in which they had conducted the company's business.

Sir James Murray said he would like to put the question of the new capital from what he might call the Scotch point of view. The only alternative to the issue of the whole amount in ordinary shares was to have some of it in debentures and preference shares. If the whole amount was in ordinary shares it would mean a reduction in the rate of dividend being paid. That was the whole thing in a nutshell. People who took ordinary shares accepted a big risk, and they were only able to obtain full value for that risk because a body of other shareholders were prepared to come in and say, "We do not want a big profit so much as a safe one." The proposed dividend of 7 per cent. on the preference shares was not a very big return as things went nowadays, when one could get 5 per cent. on British Government securities. As to the ordinary shareholders, he would point out that they were to receive an advantage of 5s. per share on any shares they took up, and no doubt the underwriters would meet them fairly in regard to the number they might wish to purchase. In the directors they had a first-class body of business men, with a thorough grip of the business, and he would like to see them given a perfectly free hand.

#### THE CHAIRMAN'S SPEECH.

Several other shareholders having spoken,

The Chairman, in reply, said that he had listened to the remarks which had fallen from the various shareholders, and he would try to answer them, as he was anxious they should all go away satisfied. With regard to the proposed method of rais-

ing the new capital, he would point out that if it were all raised by ordinary shares the question of maintaining the dividend at 15 per cent. might be a difficult one. If the new capital were raised by an issue of ordinary shares alone, it would require an extra £300,000 a year to maintain the present rate of dividend, whereas under the proposed scheme it would cost the company only £92,000 per annum in preference dividends and other interest. By the proposed method a number of people were given the option of investing their money in a security which returned a lower rate of interest, but with, as they considered, a safer security. In these days it was desirable to give every branch of the public a chance of investing in such securities as they preferred. The cost to the company was the factor which finally settled the question of the method in which the new capital was to be raised. He would like to say, in answer to the question of Mr. Lees, that the existing shareholders could apply for as many preference shares and debentures as they would care to take up. The Imperial and Foreign Corporation, the underwriters, had given assurances that every shareholder and debenture-holder should have the fullest consideration with respect to any applications sent in for either debentures or preference shares.

Mr. Hanford asked if the ordinary shareholders would also have a look in.

The Chairman replied that they would be able to put in an application. One gentleman had complained about the increased rate of interest on the existing debentures and preference capital being retrospective; but, in fact, it was not retrospective, as the increase would only operate as from August, 1918.

Mr. Beynon explained that in order to obtain the permission of the existing debenture-holders and preference shareholders to place a large amount of capital *pari passu* with that already held by them, some inducement in the way of an increased return on their securities had to be given.

Mr. Radcliffe said that that was the answer he expected, and it fully and satisfactorily dealt with the point that had been raised.

The motion for the adoption of the report was then unanimously carried.

#### THE DIVIDENDS.

The Chairman then moved: "That the interim dividend paid on the preference shares for the half-year ended September 30, 1917, be confirmed; that a dividend be declared at the rate of 6 per cent. per annum, less income-tax, on the preference shares for the half-year ended March 31, 1918, payable to the shareholders on the register on June 10, 1918. That an interim dividend of 15 per cent., less income-tax, be declared on the ordinary shares for the year ended March 31, 1918, payable to the shareholders on the register on June 10, 1918."

Mr. Beynon having seconded the resolution, it was unanimously agreed to.

Sir Henry Mather Jackson said that his task was a particularly easy one—namely, to propose the re-election of Colonel Sir Charles Allen and Mr. John Wyndham Beynon as directors of the company. It was a particularly easy task, because it so happened on this occasion that the two retiring directors were those to whom they had just been listening, and he had no doubt whatever that their speeches had left a strong impression on the shareholders' minds that the success of the company very largely depended on the re-election of those gentlemen to seats on the board. Sir Charles Allen was the doyen of the board, and had been a director of the company for 25 or 26 years, and chairman—and the most satisfactory and able chairman he had proved to be from their point of view—for the last three years. Mr. Beynon had been a director for a considerable time. He was very largely interested in the success of the undertaking, and had a very intimate knowledge of the working of those industries with which they were most closely associated.

Mr. Radcliffe seconded the motion, which was unanimously carried.

The Chairman, in acknowledging his re-election, said that so long as the board continued to enjoy the confidence of the shareholders they would be happy to devote their best energies for promoting their interests. He hoped to have the pleasure of meeting them again next year, when, he trusted, peace and happiness would have been restored to this great nation.

Mr. Beynon also thanked the shareholders for his re-election as a director.

Mr. C. Henry Charlton proposed:—"That the directors be authorised to appropriate £1,500 to charitable purposes for the current year."

Captain F. E. Hannah seconded the resolution, which was passed unanimously.

On the motion of Mr. Thompson Jowett, seconded by Mr. Robinson, Messrs. W. B. Peat and Co. were elected auditors of the company for the ensuing year.

The Chairman said that in consequence of there being no accounts he had to move the adjournment of this meeting until such time as the board were able to present the shareholders with a balance-sheet and statement of accounts. It was merely a formal matter. The directors would call the shareholders together directly the accounts were ready.

Mr. Halford seconded the motion for the adjournment and it was carried.

The Chairman stated that this concluded the business of the ordinary meeting, and they had now to proceed to the extraordinary general meeting.

## EXTRAORDINARY MEETING.

An extraordinary general meeting was next held for the purpose of considering, and if thought fit passing, with or without amendment, the following resolutions, with a view to the resolutions so passed being subsequently confirmed as special resolutions:—

"1. That each of the existing 80,000 preference shares of £5 each of the company be sub-divided into five fully-paid preference shares of £1 each.

"2. That the capital of the company be increased from £1,600,000 to £3,700,000 by the creation and issue of (1) 800,000 new preference shares of £1 each, entitling the holders thereof to a cumulative preferential dividend at the rate of £7 per cent. per annum, and ranking as to dividends, return of capital and in all other respects *pari passu* with the existing preference shares of the company; and (2) by the creation of 1,300,000 ordinary shares of £1 each, ranking as to dividends, return of capital and in all other respects *pari passu* with the existing 1,200,000 ordinary shares of the company, and that the directors of the company be and they are hereby authorised to issue and allot such new preference shares and 600,000 ordinary shares to such persons, on such terms, and in such manner, in all respects as they think fit.

"3. That the articles of association of the company be altered in manner following, namely:—

"(a) Article 39.—By deleting the first seven lines thereof from the word 'subject' down to the word 'notice' inclusive and the word 'specifying' in the eighth line and by substituting therefor the following words, *viz.*:—

"Subject to any directions to the contrary that may be given by the resolution sanctioning the increase of capital all new ordinary shares shall before issue (unless they may be required to be issued for the purpose of payment of the purchase price of any property acquired or to be acquired by the company) be offered in the first instance only to such persons as are holders of ordinary shares of the company at the date of such offer. All new shares other than ordinary shares shall (subject to any directions to the contrary that may be given by the resolution sanctioning the increase of capital) be offered in the first instance to such persons as at the date of the offer are entitled to receive notices from the company of general meetings. Any such offer of new shares, whether ordinary or other shares, shall be made by notice, and offered in proportion as nearly as the circumstances admit to the amount of the existing shares to which shareholders are entitled. Such notice shall specify.

"(b) Article 44.—By substituting therein the words 'twice the amount of the paid-up share capital of the company for the time being' for the words 'the amount of the paid-up share capital of the company for the time being.'

"(c) Article 47.—By omitting therefrom the words 'in the month of June in every year' in the third and fourth lines thereof.

"(d) Article 66.—By deleting therein all the words from the word 'Member' in the fifth line thereof down to the end of the article and substituting therefor the following words, *viz.*:—

"Upon a poll every member present in person or by proxy shall have one vote for every ordinary share held by him and one vote for every five preference shares held by him.

"(e) Article 72.—By inserting the word 'four' instead of the word 'five.'

"(f) Article 74.—By adding at the end thereof the words 'All such remuneration shall be paid free of income-tax.'

"(g) Article 97.—By cancelling clause (a) thereof and by substituting the following new clause therefor, namely:—

"(a) In payment to the holders of the preference shares of a fixed cumulative preferential dividend at the rate, until the 31st day of July, 1918, of £6 per cent. per annum and thereafter at the rate of £7 per cent. per annum and any arrears of such dividends."

## THE RESOLUTIONS EXPLAINED.

The Chairman said: I have already explained to you at the last meeting the main outlines of the proposals for raising the fresh capital, and it is perhaps only necessary for me to give a few words of explanation as to the resolutions you have heard read by the secretary. The first of such resolutions is to effect the sub-division of the existing £5 preference shares into five fully paid preference shares of £1 each, so as to bring them into line with the new preference shares. This, of course, does not in any way affect the rights of the existing shareholders. On the contrary, if anything it improves their security, in that it makes them more marketable. The second resolution provides for the increase of the capital by 800,000 new preference shares and also for the increase of our ordinary capital by 1,300,000 shares. I ought to explain, perhaps, here that we thought it desirable at this meeting to take power to increase the ordinary shares to £750,000 beyond the amount required for the new issue of 600,000, so as to avoid the necessity of calling you together again in the event that circumstances should arise whereby the company either wished to raise fresh money (though at present we have no reason to believe that this will be necessary) or desire to purchase property and pay for it in shares, or even possibly make a distribution in respect of reserves. The third resolution deals with certain alterations in our articles. As the articles are at present framed, all the new ordinary shares, unless the resolution otherwise provides, have to be offered to all our existing shareholders, and the board

think that in future this right should be reserved (unless a meeting should otherwise decide, or the shares are required for the purpose of paying the purchase price of any property which the company may acquire) to the holders of the ordinary shares alone, and I have no doubt that you will yourselves consider that this is only right and proper in that the preference shareholders' rights are fixed to their preference both in capital and dividends over the ordinary shares, and it is not usual to give them any other rights. The alteration that we have proposed in article 44 we have found necessary because with the increase of the debenture issue and having regard to the banking convenience that we from time to time require in the ordinary course of business we should have found ourselves exceeding our powers if this alteration were not inserted in the articles.

## FUTURE GENERAL MEETINGS.

The next alteration is a matter of office convenience only. Our existing articles compelled us to hold our meeting in the month of June in every year, and as we have very intricate accounts with the authorities it results (as you have seen to-day) in our being unable, as we have to hold our meeting in June, to present you with final accounts. In future, should you adopt this resolution, the directors will be able to call the meetings (subject always to the provisions of the statute) at such time as may be most convenient, and we shall endeavour so to arrange matters that we can present you with final accounts when we do hold the meeting. The next alteration is consequential upon the preference shares now being all £1 shares. Under the existing articles every preference shareholder had one vote for every £5 share, and as the shares are now being made £1 shares we preserve the position by giving the preference shareholders one vote for every five preference shares held by them. The next alteration deals with the minimum number of directors. You will recollect that at the last meeting we indicated to you that we had in mind the appointment of another gentleman to act with us, so soon as his duties allowed, but up to the present time he has not been able to place his services at our disposition. We think, therefore, it would be well to regularise the position by providing that the minimum number should be four instead of five. This does not prevent us, of course, adding to our number within the power provided by the articles. Sub-paragraph (f) of resolution 3 was one of a batch of alterations calculated to bring our old articles of association into the form which is more common in these days, but the directors do not propose to ask you to make that alteration. You will accordingly be asked to vote on resolution No. 3 as if sub-paragraph (f) were eliminated in that resolution. The next alteration is a necessary consequential alteration by reason of the increase of the dividend on the existing preference shares from 6 per cent. to 7 per cent., and you will notice that this is to take effect as from July 31, 1918. Gentlemen, I beg to move resolution No. 1.

Mr. Beynon seconded the resolution, which was carried unanimously.

On the proposition of the Chairman, seconded by Mr. Beynon, the second resolution was also unanimously adopted.

The Chairman: I now move resolution No. 3, excluding therefrom sub-paragraph (f), and in voting on this you will be voting for all the alterations except sub-paragraph (f).

This resolution was also seconded by Mr. Beynon, and unanimously passed.

## MEETING OF PREFERENCE SHAREHOLDERS.

A separate general meeting of the holders of the preference shares was then held for the purpose of considering, and, if thought fit, passing, with or without amendment, the following resolution as an extraordinary resolution:—

"That this meeting of the holders of the preference shares of the Ebbw Vale Steel, Iron, and Coal Co., Ltd., sanctions the creation and issue by the company of 800,000 additional preference shares of £1 each, ranking in all respects *pari passu* with the 80,000 existing preference shares of the company of £5 each (which shall be converted into 400,000 shares of £1 each), on the terms that the 80,000 existing preference shares and the 800,000 new preference shares shall entitle the holders thereof to receive (and in the case of the 80,000 existing preference shares in substitution as from August 1, 1918, for the existing dividend at the rate of £6 per cent. per annum payable thereon) a fixed cumulative preferential dividend at the rate of £7 per cent. per annum, in priority to the payment of any dividend on the ordinary shares."

The Chairman: Gentlemen, the resolution we are proposing at this meeting is consequential upon the resolutions already passed by the company at the extraordinary meeting, and merely provides for the creation of the new preference shares and the increase of the rate of dividend. Under our articles, as this is a modification of the rights of the preference shareholders, they have to be given the opportunity of expressing their views at a separate meeting of the holders of the preference shares, and it is in accordance with those articles that the meeting has been summoned. I beg to move the resolution.

Mr. Beynon seconded the resolution, which was carried unanimously.

## MEETING OF ORDINARY SHAREHOLDERS.

A separate general meeting of the holders of the ordinary shares was also held for the purpose of considering, and, if

thought fit, passing, with or without amendment, the following resolution as an extraordinary resolution:—

"That this meeting of the holders of the ordinary shares of the Ebbw Vale Steel, Iron, and Coal Co., Ltd., sanctions the increase, as from the 1st day of August, 1918, of the rate of the cumulative preferential dividend on the 80,000 existing preference shares of £5 each of the company from £6 to £7 per cent. per annum."

The Chairman: Gentlemen, this resolution is consequential upon the resolution passed at the extraordinary general meeting for increasing the dividend on the preference shares, but it requires confirmation at a separate meeting of the holders of the ordinary shares. As I have already explained the matter fully in my observations at the last meeting, I do not think it is necessary for me to add anything at this meeting. I beg to move the resolution.

Mr. Beynon seconded the resolution, which was unanimously adopted, and a cordial vote of thanks to the chairman concluded the proceedings.

## INDIA GENERAL NAVIGATION AND RAILWAY CREATION OF A RESERVE FOR FLEET REPLACEMENT.

The annual ordinary general meeting of shareholders of the India General Navigation and Railway Co., Ltd., was held on Wednesday at the offices of the company, Orient House, New Broad Street, E.C., Mr. A. Simson (the chairman) presiding.

The representative of the Secretaries (Messrs. Kilburn, Brown and Co.) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—I will ask you, as usual, to allow me to take the report as read. You will have observed therefrom and from the audited accounts which accompany it that the net profit for the year 1917 amounts to £65,767 2s. 5d., against £72,685 15s. in 1916—a difference of £6,918 12s. 7d. in favour of the latter. With the balance brought in we have a sum of £90,494 9s. 8d. to dispose of, and we trust you will approve of our recommendations as to its distribution. Our depleted fleet reduces depreciation to £69,684 10s. 2d., against £77,018 in the previous year, and the sum reserved for English income-tax is £15,000, against £16,800, or a saving of £1,800. Indian income and super-tax, on the other hand, amount to Rs. 1,54,150, compared with Rs. 88,499 in 1916, and besides improvement in the conditions attached to ordinary contributors to the provident fund we have awarded an extra well-merited contribution thereto of £5,000 for the benefit of our hard-worked staff. The amount of 5 per cent. debentures outstanding is slightly altered owing to the sale of a further amount of Rs. 4,000. In the report attention has been called to a new item appearing in the accounts entitled "Reserve for fleet replacement." This represents part of the money received in payment of vessels impressed and actually purchased by Government—namely, the difference between the purchase price paid and the depreciated values of the vessels in the company's books. The fund is set aside in reserve for the increased cost of acquisition and construction of new vessels to replace those taken from us, but according to present indications it will be quite insufficient to provide its object fully, and when the replacements can be realised and at what cost it is, in present circumstances, impossible to foretell. In the meantime we have to struggle to render the best service we can with the fleet which is left to us. The total number of vessels of all classes in commission is now 515, against 547 in 1916, and the loss is a rather serious blow to the efficiency of our service.

### CONDITION OF THE FLEET.

As regards the condition of the fleet, we are doing our best to keep it up to the usual standard of excellence, but this in present conditions, of course, offers considerable difficulty, owing partly to the scarcity of materials and partly to the urgent need to keep the vessels running so that they may as far as possible cope with the freight offering. The company's earnings as shown in the general freight and charter accounts were Rs. 24,82,787, against Rs. 28,05,120 in 1916, though some of the lines have given increased gross earnings. Jute carriage was about equal in quantity to 1916, but the tea traffic was for some time disorganised and held up owing to lack of ocean tonnage. The Assam dispatch service had to be reduced from a daily to an alternate day service in consequence of the impressment of steamers already referred to. Expenses of working have, of course, risen very materially. In the profit and loss account the outstanding item of change is the interest account. The amount of interest incurred in India is Rs. 71,223, against Rs. 1,41,757 in the previous year, and in London there is a credit balance in the account of £2,556, as compared with a debit in 1916 of £5,174, bringing the total difference in favour of 1917 to over £12,000. The reserve funds are increased by £10,000 to £210,000, apart from the fleet replace-

ment reserve of £142,264. You will notice an investment of £5,000, in 7,500 shares, in Fraser and Co., Ltd. This concern is a landing and shipping company, which it is desirable to encourage and support owing to our growing needs for transshipment and delivery service, so that our larger vessels may be set free more rapidly in the Port of Calcutta. I am hopeful that we shall be able to achieve fair results during the current year, though the company's work is being carried on in very difficult and strenuous conditions. Your managing agents and all the company's staff have worked with diligence and devotion in the company's interests, and their unflagging efforts merit your fullest recognition. The first resolution which I beg to propose is:—"That the report and accounts, as presented, for the year ended December 31, 1917, be and are hereby adopted, and that the following dividends be declared, free of income-tax, to shareholders now standing on the register—namely, on the preference or "A" shares 2½ per cent., making 5 per cent. for the year, and on the ordinary or "B" shares 4 per cent., making 8 per cent. for the year."

Colonel John M. Denny, C.B., seconded the resolution, which was carried unanimously.

The Chairman: The next resolution I have to propose is:—"That Mr. G. C. Kilby be and is hereby re-elected a director of the company." I do not think that requires any further recommendation from me.

Sir Stephen Finney, C.I.E., seconded the motion, which was unanimously agreed to.

### APPRECIATION OF DIRECTORS' SERVICES.

Mr. W. H. Cheetham: I am sure all shareholders must be well satisfied with the results achieved in these exceptionally difficult times, feel grateful to the directors for their indefatigable labours, and appreciate the responsibilities which rest upon them. It is obvious that the development of the company since it was established in this country some 18 years ago has greatly increased both those labours and those responsibilities, while a further and exceptionally severe strain has been imposed by the war. I have, therefore, much pleasure in proposing a vote of thanks to the board, and in confirmation of our gratitude to couple with it a resolution that their fees, which were fixed in the articles and have not been altered, shall be brought into line with the dividends we receive by paying them free of income-tax. I venture to hope that the wise and conservative policy of the board has established the 8 per cent. dividend on the ordinary shares on a stable basis, and I would remark that the tax-free dividends of 5 per cent. and 8 per cent. on the preference and ordinary shares are equivalent at the present time to about 7 per cent. and 10½ per cent. respectively. To give effect to my suggestion, if this should, as I hope and expect, meet with the approval of this meeting, I beg to propose the following resolution:—"That the cordial thanks of this meeting be given to the board of directors for their able conduct of the company's affairs, and that their fees be henceforth and with effect from January 1, 1917, be paid free of income-tax."

Mr. P. E. Gourju seconded the motion, which was unanimously adopted.

The Chairman: I can only say, on behalf of my colleagues and myself, that we are very much obliged to you for this mark of confidence, and I personally thank the mover and seconder of the resolution. As you are aware, we have always striven to do the best we possibly can for the company, and I think you may rely that we shall continue to do so, notwithstanding that we are receiving better remuneration than before.

On the motion of Mr. Cheetham, seconded by Sir George S. Forbes, K.C.S.I., the auditors were reappointed, and the proceedings then terminated.

## FORESTAL LAND, TIMBER, AND RAILWAYS. FINANCIAL POSITION AND OUTLOOK.

The ordinary general meeting of the Forestal Land, Timber, and Railways Co., Ltd., was held on Thursday at River Plate House, Finsbury Circus, E.C., The Hon. Sir Arthur Lawley, G.C.S.I. (the chairman), presiding.

Mr. O. J. Buxton (secretary and London manager) read the notice and the auditors' report.

The Chairman, in moving the adoption of the report, first dealt with the figures appearing in the balance-sheet, and pointed out that the reserve funds of the company now amounted to a total of £1,372,924, or 44 per cent. of the paid-up share capital. Freehold lands, plant, &c., stood at £4,454,904, or an increase of £18,090 over last year, due to sundry additions to buildings, plant, &c. Holdings in associated undertakings and other investments stood at £571,411. They were worth a great deal more. The livestock valuation of £454,152 was most conservative for a herd of approximately 105,000 animals, of which many were of a remarkably high quality. The company's resources in War Loans, Treasury bills, and cash totalled £1,271,506. The financial position disclosed by the balance-sheet was never stronger. The trading

profit amounted to £1,148,509. Deducting London charges, interest on debentures and depreciation, there was left a balance of £822,395, or 27 per cent. on the issued share capital, before providing for excess profits duty. The directors proposed to allocate to reserve for excess profits duty, income-tax, &c., £200,000, to special reserve £150,000, to the preference shares £187,662, to the ordinary shares £284,733, and to pay a final dividend of 6 per cent. on the preference shares, making a 12 per cent. dividend for the year, and a final dividend of 12 per cent. on the ordinary shares, making 18 per cent. for the year. They carried forward £48,221 to the credit of the preference shareholders and £144,642 to the credit of the ordinary shareholders. The results of the year were eminently satisfactory considering the difficulties by which they had been confronted.

With regard to the present and the future, as far as the timber section was concerned, not only could no improvement in the export of quebracho wood be foreseen, but further curtailment must be expected until the freight situation materially improved. The shortage of tonnage both inwards and outwards had, however, created a shortage of coal in the Argentine, and consequently an increasing demand for firewood. They had very considerably developed this branch of their industry. The pooling arrangements had not been renewed for 1918. Prices had fallen further, but they had sold more extract for 1918 than for any year in the history of the company, and mostly direct to the Allied Governments. The element of uncertainty was reduced to the question of how much of the extract sold would be shipped. The directors hoped that in the course of the next few years they would be able to place the cattle business on a sound footing and derive therefrom sufficient profits to go a long way towards paying the service of their debentures. Mr. Baldwin, the managing director, who had recently come from the States, after a visit to Buenos Ayres on behalf of the company, thought that the requirements of the State for 1918 and 1919 would probably be very heavy, and that it was of vital importance for the purposes of the United States Army equipment that the extract should be imported in large quantities. In conclusion, he referred, amid applause, to the completion of the reorganisation of the local staff and the entire elimination of enemy employees and labourers. He moved the adoption of the report.

Baron Emile D'Erlanger, who seconded the motion, said some disappointment had been expressed in certain circles in regard to the dividend, but he would ask the shareholders whether this was entirely justified. He reminded them that last year's distribution was divided into dividend and bonus, which, to his mind, was a clear indication that the results of that year should have been regarded as altogether exceptional. At that time he also stated that whilst they would endeavour to maintain, and even surpass, those results, it could not be expected that they could repeat the achievements of that year in consecutive periods. He would ask them to consider the dividend of 12 per cent. for the preference shares and 18 per cent. for the ordinary shares as the normal dividend, not to be exceeded, at least during the continuance of the war. On the other hand, he thought this normal dividend of 12 and 18 per cent. was as assured as anything, humanly speaking, could be in such times as those through which we were now traversing, and he went on to give detailed reasons for this belief.

After a brief discussion the report was adopted.

### CALCUTTA TRAMWAYS.

The ordinary general meeting of the Calcutta Tramways Co., Ltd., was held, on Monday, at 1, Queen Victoria Street, E.C., Sir Henry Kimber, Bart. (the chairman), presiding.

The representative of the secretaries (Messrs. Hays, Akers, and Hays) read the notice and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, said that the gross traffic and sundry receipts amounted to £242,820. The working expenses were £118,739, leaving a balance of £124,080. After adding interest on investments and deposits, less interest on loans, income-tax, and loss on sale of investments, adding the balance forward from the 1916 accounts, and deducting the debenture and preference interest and the interim dividend paid, there remained an available balance of £72,575. During the year they had spent on capital account £504, which represented the cost of a new motor lorry. Then they had to the credit of capital account £8,550, which was made up of the original cost of the Diesel set sold during the year as being of no further use to them, owing to the changes in their Nonapookur plant, and the cost of rails taken up in Gailiff Street utilised for renewal work, owing to the impossibility of obtaining fresh supplies, the single track remaining being sufficient for their purpose as a depot connection only. The revenue account showed a falling off of only £31 in the traffic receipts, due to the reduction in the mileage which they were called upon to make before they could obtain Government authority for procuring supplies necessary

for carrying on the system. With regard to the Indian working expenses, the power expenses were about the same as in the previous year. The traffic expenses showed a small increase, due to extra superintendence and the enhanced cost of stores. Maintenance and repairs showed a decrease, due to the reduction in mileage and the shortage of supplies. General expenses showed an increase, due to additional rent of new office premises in Calcutta, and the extra cost of printing, stationery, &c. The Indian income-tax had not been included this year in these expenses, but was shown with English income-tax paid in the appropriation of profits. The London expenses were about the same as in the previous year. The loss on the sale of investments of £3,187 was due to the sale of the company's holding of India 2½ per cent. stock, and investing the proceeds in the purchase of Great Indian Peninsular Annuities, Class "B." They did this for the reason that while the Indian 2½ per cent. stock was redeemable only at the Government option the Great Indian Peninsular Annuities, which cost them only £15 per £1 of annuity, had the benefit of a sinking fund calculated on the basis of 2½ per cent. to pay them off at about £26 2s. per £1, so that they were sure ultimately of making good the depreciation on the original holding. The directors proposed to deal with the net available balance by the payment of a final dividend of 5s. 6d. per share, making 8 per cent. for the year, free of income-tax, equivalent to a little more than 9½ per cent., less tax, paid last year, the transfer of £25,000 to the reserve for depreciation, &c., increasing the total of this account to £100,357, the contribution of £1,298 to the staff provident fund, and the carrying forward of the balance of £8,434, subject to excess profits duty and Indian super-tax not yet ascertained. With regard to the prospects for the current year, although they were not allowed to extend the mileage run the traffic receipts had substantially improved, the aggregate increase to date amounting to upwards of Rs. 115,000. They must, however, be prepared for increased running expenses owing to the continual rise in the cost of supplies and the difficulty of obtaining them.

Mr. John G. B. Stone seconded the resolution, which was carried unanimously, and the dividend recommended was declared, payable on the 21st instant.

### J. LYONS AND CO.

The 24th ordinary general meeting of the shareholders of J. Lyons and Co., Ltd., was held on Thursday at the Trocadero Restaurant, Shaftesbury Avenue, W., Mr. Montague Gluckstein (the chairman) presiding.

The Secretary (Mr. Geo. W. Booth) having read the notice convening the meeting and the report of the auditors,

The Chairman said: I am confident that you will regard the showing of the profit and loss account and balance-sheet as being eminently satisfactory, having regard to the enormous difficulties which have beset the path of the directors throughout the whole of this trying financial year. It will be recognised that food production and its distribution, combined with the minutest economy in its preparation, has been and remains one of the most vital matters in this country in connection with the war. We claim to have given much help, and to be still rendering most valuable assistance to those ends. Every branch of our factories and stores is watched microscopically with the view to prevent and check waste, while much thought and effort is given to obtaining the last fraction of production from the raw products. The profit figure is £316,272, being £47,800 more than last year, and to this must be added the previous carry over. After setting aside £120,000, which is £15,000 more, for depreciation occasioned by increased cost of renewals and replacements of plant, and paying the same final dividend as last year—you will remember we had then to draw on our carry over to the extent of £7,000 to pay that dividend—we have a disposable balance of £46,803. From this we have transferred £40,000 to reserve, making a round figure of £600,000, and there remains £6,803 to carry over to next account. The general rise in the price of foodstuffs since the outbreak of war is about 130 per cent.—that is, comparing present prices with pre-war prices—but during the last year, thanks to the Government action in fixing prices and in rationing the public, the advance over the whole has been very small, although there has been considerable fluctuation in individual items. You will bear in mind I am only speaking of averages. For instance, our books show that we are paying for sugar 212½ per cent. more than we were paying in 1914, and for meat 173.6 per cent. more. But the effect on the company's accounts will perhaps be best illustrated if I tell you that our purchases of milk and eggs alone during last year cost £100,000 more than a similar quantity would have cost in 1914. In spite of the general effect of these prices upon the consumer, I am pleased to say that we have succeeded in retaining our popularity with the public, hence a constantly increasing turnover, which, while it does not enable us to earn pre-war profits, has resulted in an improvement on last year's working. I have said we retain our popularity with the public, and I venture to think, you will agree, deservedly so when I tell you that, in spite of all the formidable obstacles in the way of the food purveyor, we succeed in supplying in one department alone tens of millions of meals per annum at an average cost to the consumer of under 9d. each. Needless to say, this has not been done without diminution in quantity, although reduction has been mitigated by the substitution of different classes of foodstuffs, and the customer still has the advantage of getting a

reasonable meal, or, in other words, good value for his money, under present conditions. You will have learned from the report in your hands that we have entered into two contracts—one for acquiring a controlling interest in the world-famous tea firm of W. F. and J. H. Horniman, Ltd., London, and the other for the purchase of the tea business of Black and Green, Ltd., of Manchester. Needless to say, the terms are such as to satisfy your board that each is a sound commercial deal, and this while we have not been ungenerous to the vendors. We look for our advantages in the reduction of expenses in the blending, packing, and distribution of the commodities handled by those companies; and after the war we should also save substantially on the buying side. Our report has informed you of our having secured an important property adjoining the Trocadero Restaurant and the Coventry Street Corner House. It has two frontages—namely, one in Shaftesbury Avenue, measuring some 110 ft., and the other in Coventry Street of some 120 ft. The property is known as the Arundell estate. Its entire area is some 35,000 sq. ft. Its commercial position is unique, and especially so for us, inasmuch as it enables us to make the very necessary expansions to keep pace with the public demand for ever more accommodation to each of those establishments—a need which we experienced for years before the outbreak of war, and which has not been diminished since. Of course, we cannot think of doing any structural work on the site until after the war, having regard to the embargo on building operations. Meanwhile the income from the property forms a substantial set-off to the outgoings.

Mr. John Balfour seconded the resolution for the adoption of the report, which was carried unanimously.

### TRUST AND LOAN OF CANADA.

The annual general meeting of the Trust and Loan Company of Canada was held on Thursday, at the offices, 7, Great Winchester Street, E.C., Lieut.-Colonel the Hon. Sidney Peel, D.S.O. (the president), in the chair.

The Secretary (Mr. Roger Kingdon) read the notice and the auditors' report.

The President first compared the revenue account with that of last year, and stated that the profits for the year ended March 31 last appeared to amount to £126,892, against £124,293. As a matter of fact, the profits were really rather less than those of last year owing to the absence of a charge for interest on the special reserve fund. The revenue from Canada had decreased by £15,000 from £240,000 to £225,000. This was accounted for by the decrease in their Canadian investments. On the other hand, the revenue from investments on this side—those classed in the reserve fund and those classed in temporary investments—had increased from £34,000 to £46,000. Expenses had risen by about £1,700. There was a decrease of about £2,200 in the amount of income-tax, which fell into this year's accounts. They had subscribed £200 to the Halifax Disaster Relief Fund. Turning to the balance-sheet, the investments in Canada had decreased by about £160,000. This included an increase in the properties bought in after foreclosure of about £26,000. The decrease in the investments was no doubt due to the great prosperity of the agricultural interest in Canada during the past year. Farmers had, as a whole, done very well, and were inclined to pay off their loans, and this was not at all a bad sign of the general prosperity prevailing in the country. The amount of interest overdue had decreased from \$153,000 to \$101,000. It might at first sight seem curious that the amount of arrears of interest had decreased by one-third, while the amount of property under foreclosure had increased. The explanation of this was that while there had been widespread agricultural prosperity, at the same time the war had produced in Canada, as elsewhere, unpleasant effects for individuals, and while the majority found themselves in a more prosperous condition, there were a certain number of people who were hard hit by war conditions. The directors had had a careful examination made of these properties, and they did not anticipate any serious losses upon them. At the same time they had judged it prudent to put aside £5,000 in a contingencies account to guard against any eventual loss. The tendency to pay off loans was at present hardly more than a tendency, and was due to the rather curious conditions which at present prevailed. He believed that after the war there would be a great demand for capital for all sorts of purposes of reconstruction. He thought they should regard with equanimity a certain temporary reduction in their investments in Canada, and avoid any attempt to force money out at rates which after a time might prove to be unremunerative. The principal feature in the balance-sheet this year was the amalgamation of the statutory reserve fund and the special reserve fund under one head. They had placed £29,416 to reserve this year, and that brought the total up to the round figure of £600,000. The directors had already declared an interim dividend for the half-year at 10 per cent., and now recommended a final dividend of 15 per cent., making 12½ per cent. for the year, as against 10 per cent. last year. He thought the shareholders might fairly congratulate themselves on the patience and care which they had shown in past years to build up the reserve fund, and they were fully entitled by the condition of the business—especially now the income-tax was so high—to receive the larger dividend which they had earned. So far as he could see, there was no reason why the shareholders should not continue to receive dividends at the rate of the last

half-year. He concluded by moving the adoption of the report and accounts.

Mr. Fred W. Stobart, O.B.E., seconded the motion, which was carried unanimously.

### WM. CORY AND SON.

The 22nd annual ordinary general meeting of William Cory and Son, Limited, was held on Tuesday, at the Cannon Street Hotel, E.C., Sir A. C. Cory-Wright, Bart. (chairman of the company), presiding.

The Secretary (Mr. R. J. Speller) having read the notice convening the meeting and the report of the auditors,

The Chairman said that the nett profits for the year ended March 31 last amounted to £492,733, and with the balance of £130,897 brought forward from last year's account made a total of £623,621. This result had been arrived at after charging all expenses, cost of maintenance, and making ample provision for depreciation; and after providing for the excess profits tax. Although the directors had achieved so satisfactory a result, their work had been attended by many difficulties and anxieties. The regulations imposed on the trade by the Coal Controller had considerably added to their difficulties. The nett profits of Rickett Cockerell showed a small decrease from those of last year, due partly to the increased rate of the excess profits tax, but more particularly to the falling off of tonnage caused by the regulations limiting the supply of coal to householders in the London district. The dividend declared was at the same rate as last year; £10,000 had been added to the reserve fund, bringing it to £70,000, and a sum of £5,000 had been placed to a staff pension fund. In the circular issued to the shareholders last year it was stated that an important group of the company's customers desired to associate themselves with the company by acquiring a substantial interest in the ordinary shares. An offer was made and submitted to the shareholders to purchase up to half their holding at a price which was at that time in excess of the market value. This offer was accepted by the holders of a large number of shares, and the directors had made up the number required to carry the scheme through. This co-ordination of interests had already proved of great value to all concerned.

In order to avail themselves of the full benefit of this co-operation and to further develop the company's foreign trade, the directors had purchased the important foreign coaling business of Mann, George and Co., whose operations extended to all the principal coaling stations throughout the world. In addition, and with the object of extending the company's trade in the United Kingdom, particularly in Liverpool and Southampton, the directors had since the end of the financial year acquired the old-established firm of R. and J. H. Rea, who for half a century had been engaged in a profitable trade chiefly in these ports. In addition to the money that had had to be found for the purchase of the two businesses mentioned, a considerable sum would be required to enable them to build new steamers and fresh plant. They had a large depreciation and other reserves to draw upon, but the business was developing at such a rapid pace that the directors thought it advisable to take this opportunity to ask the shareholders to sanction an increase of the nominal ordinary share capital of the company by the addition of 2,000,000 shares. The directors did not contemplate making an immediate issue of shares, but the shareholders might rest assured that they would be given the first opportunity of subscribing when any fresh issue was made. It was extremely difficult in these times to make any reliable forecast as to the immediate future, but it was probable that there would be a decrease in the profits for the coming year. The company, however, was in a strong financial position, and on the restoration of peace should show steady and material progress. The Chairman concluded by moving the adoption of the report and accounts.

Sir John Duthie seconded the motion, which was carried unanimously.

An extraordinary general meeting followed, at which the proposed increase of capital was approved.

### CHANNEL TUNNEL.

An ordinary general meeting of the Channel Tunnel Co., Ltd., was held on Monday at the Cannon Street Hotel, Baron Emile B. d'Erlanger presiding.

The Secretary, Mr. H. D. Heckels, having read the auditors' report,

The Chairman said: Ladies and Gentlemen,—The characteristics of a nation are the sum total of the idiosyncrasies of its citizens. The bull-dog tenacity of the British nation pulled it through the 17 years' struggle of the last century, and carried it to ultimate victory. Let us be hopeful and confident that, fighting to-day side by side with the heroic French nation, our fundamental quality will achieve the same result and in a lesser time. (Hear, hear.) The steadfastness of purpose of the British citizen is displayed in civil life as well as in the pursuits of war, and the victories of peace are achieved by the same unwavering purpose of mind. No more striking example of British bull-dog tenacity in civil life has been given than by that small group of men who, for some 50 years, have made the construction of the Channel Tunnel their battle-cry, and who

have succeeded in enlisting the majority of the nation and the very elite of its thinkers under their banner. This is no time for discouragement; we must not swerve from our set purpose. Peace will rise upon this world again, and with it the day of the construction of the Channel Tunnel will dawn. I have much pleasure in formally moving the adoption of the report and accounts.

Mr. George Howard seconded the motion, which was carried unanimously, and the retiring director (Mr. G. Howard) was re-elected.

Mr. Etherington proposed that the sum of 200 guineas be voted to the directors as their remuneration for the year 1917. He said he was sure that in connection with this great undertaking, which ought to have been carried out 15 or 20 years ago, there had been no harder work than was now coming before the company, and it needed an able and competent board of directors, such as they had in the present board—who required all the support and encouragement the shareholders could give them—to carry out this important project in a most substantial and efficient manner for the benefit of the French people and ourselves in this country. (Hear, hear.)

The proposition was seconded by Mr. C. D. Davis and unanimously agreed to, and Messrs. Broads, Paterson and Co. were reappointed auditors.

Mr. Walford proposed a vote of thanks to the chairman and directors, to whom, he said, the shareholders were very much indebted for still keeping the Channel Tunnel flag flying before the British public, and showing what a fine thing the tunnel would be for this country when once it was constructed.

The vote was seconded by Mr. Iggle-den, and unanimously accorded.

The Chairman said that the directors deeply appreciated this kind expression on the part of the meeting. He wished to add that when he had spoken of the "small group of men" who had kept the flag flying he did not want to take the credit for this to the board; it was the shareholders who had supported them throughout this long struggle, and who were ultimately going to reap the benefit of that struggle, whom he congratulated upon their constancy and patience.

A debate on national expenditure began in the Commons on Wednesday, but we can say nothing about it this week.

Samples of corundum and muscovite mica, from South Africa, have been forwarded to London by the Department of Industries, in connection with the demand which at present exists in the United Kingdom for these materials.

A Bill has been tabled in the French Chamber proposing the abrogation of the luxury tax and the substitution of a 2 per cent. tax on the gross receipts of all tradesmen and manufacturers without exception. In the preamble the authors of the Bill calculate that this tax will bring the Exchequer from £160,000,000 to £200,000,000 annually.

News through Sweden as to affairs in Siberia speak of a counter-revolution, by which the Bolshevik Government in Western Siberia has been overthrown. Aided by Czecho-Slav troops, Tomsk has been taken, and at Omsk, Ekaterinburg, and Ufa fighting has been going on with the Soviet troops. The commanders of these troops, Colonels Ivanoff and Lashovitch, have telegraphed to Lenin that Soviet rule in the whole of Siberia is threatened, and that the Siberian Duma has assumed the government, and is preparing to summon a Constituent Assembly to settle its form. Further, that the Duma offers to supply the rest of Russia with bread on condition that the Soviet commissaries engage not to take further military measures against Siberia. The fanatic Lenin has answered according to his kind. The Government commissaries decline to enter into negotiations with Siberian rebels, he says, and announces that orders have already been given for the mobilisation of the classes for five years from the Volga, Ural, and Siberian districts. A corps of engineers and artillery are ready to be dispatched to Siberia. The orders may be given, but will they be obeyed? Siberia holds the grain. The reign of the Lenin-Trotsky imposture seems to be drawing towards its inexorable close.

## NOTICE.

### THE COMMERCIAL BANK OF LONDON, LTD.

Authorised Capital ... .. £1,000,000

Issued and Paid-up Capital... £500,000

CURRENT ACCOUNTS opened and every description of Banking Business transacted.

Bills discounted and advances made to Customers on approved security.

SPECIAL FACILITIES GRANTED TO COMMERCIAL AND INDUSTRIAL UNDERTAKINGS.

The purchase and sale of securities undertaken, safe custody of securities, also the receipt of dividends. Correspondence invited.

COUPONS AND DRAWN BONDS negotiated.

DEPOSITS received at call, or for fixed periods, at rates which may be ascertained on application.

ARTHUR H. KING (General Manager), Austin Friars, London, E.C. 2.

## What Balance Sheets Tell.

BOMBAY, BARODA, AND CENTRAL INDIA RAILWAY COMPANY.—

Gross earnings in the half-year to September 30 amounted to Rs. 3,95,20,000, an increase of Rs. 49,37,000, while the expenditure was Rs. 1,70,57,000, an increase of Rs. 15,07,000, but the ratio to receipts was 1.80 per cent. lower at 43.16 per cent. Nett revenue amounted to Rs. 2,24,63,000, or Rs. 34,30,000 more, and the company's nett share is approximately Rs. 10,89,000. This allows of the payment of a final dividend of 1½ per cent., together with a bonus of like amount, and raises the total distribution (including guaranteed interest) for the year to 6½ per cent., as compared with 5½ per cent. for the previous year, and with 5 per cent. for 1916-17. Business was good at all points, and the increase in expenses was not so heavy as might have been expected.

NEW CAPE CENTRAL RAILWAY, LTD.—For the past year gross receipts were just over £100,000, or £6,000 less than the best previous record, but £16,000 better than in 1916. Of course, expenses also increased, but the nett earnings were £9,200 higher at £47,400. This allows of the payment of 2 per cent. on the first issue of shares and 1½ per cent. on the second, third, and fourth issues. After placing £2,000 to reserve there remains £200 to be carried forward, or just the same as the amount brought in. We are glad to see that the company makes steady progress, for it serves a very useful purpose in developing a territory which has great possibilities.

LEOPOLDINA TERMINAL CO., LTD.—Not much progress was made by this concern last year, and it is well that the debentures have the guarantee of the Leopoldina Railway Company, or they might be regarded somewhat askance. As it is, the company is just able to meet the debenture service with a small margin over, and this would barely have been accomplished but for an improvement in the exchange, which was 13½d. at the end of the year, against 12d. in 1916. Nett revenue, accordingly, showed an increase of £4,000 at £73,300, and after paying debenture interest, the balance to be carried forward is £6,570, against £2,000 brought in. The £1,250,000 ordinary shares, which on two occasions have received threepenny dividends, naturally get nothing. However, traffics appear to be growing steadily, and it is hoped that the current year will show better results.

HOWARD AND BULLOUGH, LTD.—Some firms do not seem to have much difficulty about ascertaining their liabilities under war taxation, and this company has already got out its accounts for the year to May 31. The figures show a condition of wonderful prosperity, although it might have been expected that the cotton machinery in which it specialises would not have been in any particular demand. Anyhow, the trading profits were £175,000 higher at £301,000, and in addition to the regular dividend of 10 per cent., the directors are able to recommend a bonus of 5 per cent. This latter, however, only requires £37,500, and consequently it is possible to place £73,650 to reserve (raising it to £412,500), and £30,000, against £10,000, to dividend reserve, which will then amount to £160,000, but only £8,000, against £15,000, is written off for depreciation of investments. And so the carry forward is increased by £52,000 to £91,000. It is very splendid, and we think the directors are wise in distributing less than half the profits earned.

RUSTON, PROCTOR AND CO., LTD.—In the year to March 31, nett profits, after providing for Government taxation, amounted to £170,000, or £10,000 more than in the previous 12 months. After again paying a dividend and bonus of 10 per cent., the reserve gets £10,000 more at £55,000, and as £4,000 more was brought in, the carry forward is increased to this extent at £24,200. Except for normal trade fluctuations, there is little in the balance-sheet calling for mention, but we may note that while creditors have increased half a million at £1,277,000, investments are £650,000 higher at £774,000.

BROWNLEE AND CO., LTD.—This Glasgow timber firm only managed to make a nett profit of £102,000 in the year to March 31, a decrease of £32,000 compared with the previous 12 months, but as the figures are arrived at after making provision for excess duty on the 80 per cent. scale, it is highly probable that the actual trading results were better than ever. Anyhow, the reserve gets £35,000, raising it to £210,000, against an issued capital of £250,000, but last year £85,000 was tucked away in this fashion. They are canny fellows up in Glasgow, but they manage to do themselves quite well, as the shares again get a dividend of 10 per cent. and a bonus of similar amount, both tax free. Even then £26,650, or £20,000 more, remains to be carried forward. Dividend and bonus together only require £30,000, so that the distribution is a very conservative one.

BRITISH ELECTRIC TRACTION CO., LTD.—Gross receipts in the year to March 31 were £237,900, an increase of £11,000, but the expenses were a little higher, and the nett profit is £9,250 up at £209,000. On the other hand, the amount brought in was £11,000 larger, and the amount available is £20,000 to the good at £307,000. After placing £6,000 more at £21,200 to reserve the dividend of 3 per cent. is repeated on the reduced capital, and the carry forward is increased by £15,000 to £112,000. With the present addition the reserve now amounts to £450,000, and the company is gradually attaining a position of solid financial stability. Investments stand at £4,263,000, or about the same as last year, but the revenue from them was £5,000 higher at £210,000, representing an average yield of 4.93 per cent. against 4.79 per cent. last year. The company was so gorgeously irresponsible in the past that we are pleased to be able to record its return to the paths of virtue, and the better results which it is achieving in consequence.

## INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.				GROSS TRAFFIC TO DATE.			
	Week ending	Amount	In. or dec. on last year.	Wks.	Amount	In. or dec. on last year.	Wks.	
		Rs.	Rs.		Rs.	Rs.		
Assam Bengal ..	Apl. 13	2,33,546	+ 9,883	+	2,33,546	+ 9,883	+	
Barcl. ..	" 20	39,900	+ 24,200	+	39,900	+ 24,200	+	
Bengal & N.W. ..	" 13	8,60,490	+ 6,325	+	8,60,490	+ 6,325	+	
Bengal Nagpur ..	" 20	11,26,000	+ 42,000	+	32,46,000	+ 2,73,372	+	
Bombay, Baroda ..	June 8	16,48,000	+ 1,06,000	+	1,74,67,000	+ 12,28,000	+	
Burma ..	Apl. 13	9,74,018	+ 24,995	+	9,74,018	+ 24,995	+	
Delhi Umballa ..	June 8	81,000	+ 11,520	+	8,50,485	+ 87,556	+	
East Indian ..	" 8	26,64,000	+ 1,47,000	+	2,53,25,000	+ 15,81,000	+	
Gt. Indian Penin. ..	May 25	24,55,700	+ 2,16,000	+	1,85,85,600	+ 7,07,802	+	
Lucknow-Bareilly ..	Apl. 13	1,40,549	+ 42,593	+	1,40,549	+ 42,593	+	
Madras and S. ..	" 20	11,00,000	+ 60,385	+	31,25,000	+ 90,628	+	
Nizam's Gd. (Broad) ..	" 20	1,68,260	+ 34,832	+	4,33,653	+ 37,514	+	
" (Metre) ..	" 20	86,991	+ 5,449	+	2,49,530	+ 7,566	+	
Rohilkund and ..	" 13	1,01,505	+ 11,745	+	1,01,505	+ 11,745	+	
Kumaon ..	" 13	12,10,607	+ 99,943	+	12,10,607	+ 99,943	+	
South Indian ..	" 13	12,10,607	+ 99,943	+	12,10,607	+ 99,943	+	

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

		£	£	£	£
Dublin United ..	Apr. 5	7,817	+ 1,914	+	99,454
Hastings and Dist. ..	May 27	1,508	+ 223	+	23,207
Isle of Thanet ..	" 25	413	+ 91	+	6,525
Lancashire United ..	June 12	2,925	+ 366	+	65,958
Provincial ..	" 1	3,244	+ 137	+	88,402
Yorks. (Wst. Rdn.) ..	May 19	3,007	+ 1,104	+	48,863

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

		£	£	Ms.	£	£
Alabama Power ..	Apr. 5	138,191	+ 31,575	2	205,020	+ 51,718
Anglo-Argentine ..	June 17	55,314	+ 6,804	*	1,329,992	+ 94,868
Auckland Electric ..	Apr. 12	23,209	+ 2,031	a	224,466	+ 9,880
Brazilian Traction ..	" 8	M4,091,000	+ M38,000	4	M1527,000	+ M814,000
Brisbane Elec. Inv. ..	May 5	37,610	+ 4,270	5	175,179	+ 14,059
British Columbia ..	Apr. 5	129,997	+ 32,909	10	1,162,554	+ 193,153
B.A. Lacroze ..	May 5	41,315	+ 720	11	429,380	+ 3,322
Burmah Electric ..	" b	Rs.27,614	+ Rs.3,945	4	213,042	+ Rs.4,945
Calcutta ..	June 8	Rs.72,232	+ Rs.7,724	■	Rs1514,256	+ Rs15,039
Carthage and ..	May 5	5,027	+ 706	■	22,585	+ 3,738
Cordoba Light ..	" 5	12,972	+ 1,076	11	147,938	+ 435
P. & T. ..	Feb. 27	13,039	+ 938	*	229,627	+ 5,295
Hongkong ..	Apr. 27	5,169	+ 940	4	19,972	+ 2,807
La Plata ..	" b	20,292	+ 1,603	4	82,153	+ 14,554
Lima ..	June 15c	Rs 37,261	+ Rs. 7,119	*	Rs.443,140	+ Rs.67,216
Manila Electric ..	Feb. 16	168,000	+ 25,870	2	335,000	+ 46,570
Mexico ..	Nov. 5	215,256	+ 108,669	*	3,193,106	+ 197,227
Rangoon ..	May 5	5,719	+ 982	*	28,582	+ 3,345
Singapore Electric ..	Apr. 13	14,260	+ 81,129	*	202,259	+ 82,871
Toronto ..	" 5	500,728	+ 20,885	4	1,943,562	+ 76,096
United of Monte V. ..	May 5	32,301	+ 3,585	7	238,338	+ 23,000
Vera Cruz ..	Mar. 5	47,700	+ 4,400	3	131,900	+ 23,700
Winnipeg ..	Apr. 5	65,739	+ 5,676	4	282,595	+ 39,493

b 28 days. \* From Jan. 1. § Nett. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

		£	£	£	£
Alcoyand Gandia ..	June 15	Ps. 8,000	+ 2,000	+	Ps. 223,100
Antofagasta (Chili) ..	" 16	55,310	+ 15,240	+	1,087,540
Arauco ..	Apl. 15	13,000	+ 2,000	+	52,000
Argentine N.E. ..	June 15	10,000	+ 400	1	437,400
Bilbao R. and Canta ..	May 5	4,149	+ 133	5	22,151
Bolivar ..	" 12	12,000	+ 670	11	125,894
Brazil ..	Apl. *	M5,325,000	+ M155,976	4	M193,100
Brazil Gt. Southern ..	Dec. *	Mis. 66,912	+ M22,712	+	M538,439
B. Ayres & Pacific ..	June 15	160,000	+ 85,000	+	4,896,000
Do. Central ..	Apl. 16	36,405	+ 10,302	10	289,099
Do. Gt. South'n ..	June 16	132,000	+ 43,600	+	5,551,705
Do. Western ..	" 16	73,000	+ 29,000	+	2,728,000
Central Argentine ..	" 8	140,000	+ 60,000	+	5,738,200
C. Ur'g'ay of Mto V. ..	" 15	19,813	+ 6,748	+	930,995
Do. East'n Ex. ..	" 15	4,994	+ 687	+	259,931
Do. North'n Ex. ..	" 15	4,326	+ 1,475	+	171,005
Do. West'n Ex. ..	" 15	1,737	+ 111	+	110,300
Cordoba Central ..	" 15	45,000	+ 12,375	+	1,611,000
Costa Rica ..	Apl. 20	3,399	+ 2,585	+	121,652
Cuban Central ..	June 15	16,985	+ 1,585	+	1,061,367
Dorada Extension ..	May *	9,500	+ 100	5	42,930
Egyptian Delta ..	" 31	7,917	+ 2,168	8	47,057
Entre Rios ..	June 15	28,200	+ 5,600	+	815,000
French Sante Fé ..	Mar. 15	155,760	+ 45,329	+	—
Gt. South. of Spain ..	June 15	Ps. 24,077	+ Ps81,401	+	Ps. 698,873
Gt. West. of Brazil ..	" 15	14,300	+ 4,400	+	408,500
Havana Central ..	" 1	10,456	+ 2,323	+	435,323
Inter. of C. Amer. ..	Apl. 6*	33,904	+ 4,254	+	111,780
La Guaira and Car. ..	May 15	5,500	+ 2,250	+	29,750
Leopoldina ..	June 15	34,641	+ 2,509	+	765,649
Midland Uruguay ..	May 15	11,702	+ 1,055	11	144,763
Mogiana ..	Mar. 15	M1,717,000	+ M197,350	+	M7,294,000
N.W. of Uruguay ..	May 15	80,500	+ 6,255	11	282,453
Nitrate ..	June 15	35,102	+ 6,164	+	347,983
Paraguay Central ..	" 15	3,350	+ 40	+	146,640
Paulista ..	Apl. *	M2,107,000	+ M255,580	4	M9,859,000
Peruvian Corp'n ..	May 15	Si,022,120	+ Si19,340	11	Si1424,560
Salvador ..	June 8	2,593	+ 279	+	106,864
State of Bahia S.W. ..	Apl. 16	M40,000	+ M2,000	4	M277,000
Sorocabana ..	" 15	23,727	+ 1,116	+	708,015
Taital ..	Apl. *	M1,169,000	+ M718,123	4	M7,744,000
United of Havana ..	June 15	23,168	+ 29	11	273,138
West'n of Havana ..	" 15	55,454	+ 20,873	+	2,928,224
Zafra and Huayla ..	May *	7,988	+ 595	+	404,616
" ..	" 15	13,013	+ 2,369	5	64,563

\* Months. † Jan. 1. † From July 1. c Nett. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

		£	£	£	£
Beira ..	Feb. *c	23,620	+ 28,673	5	250,219
Canadian Northern ..	June 14	\$ 853,100	+ \$63,700	+	\$40,119,700
Canadian Pacific ..	" 14	\$2,914,000	+ \$251,000	+	\$64,905,000
Gr. Trk. Main Line ..	" 14	254,104	+ 33,977	+	4,696,802
Gr. Trk. Western ..	" 14	48,997	+ 7,696	+	877,721
Detroit G. H. & M. ..	" 14	13,623	+ 1,973	+	277,617
Gr Trk Pac Prairie Sc ..	" 14	22,419	+ 2,519	+	538,557
Mashonaland ..	Jan. *	52,822	+ 3,300	4	226,599
Mid. of Westn. Aus. ..	Apr. *	8,531	+ 650	10	79,259
New Cape Central ..	May 4	2,483	+ 770	+	42,678
Rhodesia ..	Feb. *c	62,666	+ 17,737	5	408,466

\* Months. † July 1. † Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME	NETT EARNINGS FOR MONTH.				NETT EARNINGS TO DATE.			
	Month.	Amount.	In. or Dec. on last year	No. of Mths.	Amount.	In. or Dec. on last year		
		Dols.	Dols.		Dols.	Dols.		
Atchafson T. & S. Fe ..	Jan.	1,912,000	+ 1,689,900	12	47,829,000	+ 1,248,000		
Atlantic Coast Line ..	"	1,075,000	+ 212,000	12	12,014,000	+ 607,000		
Baltimore & Ohio ..	"	1,852,000	+ 1,165,000	12	30,589,000	+ 3,425,000		
Canadian Northern ..	Apr.	541,300	+ 216,600	11	3,031,400	+ 5,231,000		
Canadian Pacific ..	"	3,455,000	+ 720,000	4	8,207,000	+ 4,323,000		
Chesapeake & Ohio ..	Feb.	627,000	+ 160,000	2	546,000	+ 1,394,000		
Chicago & N.W. ..	Jan.	b 785,000	+ 2,797,000	12	27,015,000	+ 3,634,000		
Chicago Burl. & Q. ..	Dec.	1,585,000	+ 2,276,000	12	32,867,000	+ 6,232,000		
Chicago G.W. ..	Feb.	151,000	+ 36,000	2	142,000	+ 357,000		
Chicago Mil. & S.P. ..	Jan.	b 628,000	+ 2,291,000	11	21,967,000	+ 9,360,000		
Chicago, Rock I. & P. ..	Feb.	271,000	+ 348,000	■	351,000	+ 1,636,000		
Colorado & Southern ..	Dec.	—	+ 11,000	11	5,320,000	+ 373,000		
Cuba ..	Mar.	488,000	+ 510,194	9	2,530,288	+ 1,327,990		
Delaware & Hud. ..	Jan.	3,600	+ 720,000	12	5,686,000	+ 2,124,000		
Denver & Rio Gran. ..	Feb.	341,000	+ 12,000	2	756,000	+ 294,000		
Erie ..	Dec.	507,000	+ 1,848,000	12	10,538,000	+ 5,277,000		
Gr. Tr. Main Line ..	Apr.	144,600	+ 51,550	■	b 2,530,750	+ 1,846,600		
Grand Trunk Westn ..	"	b £28,350	+ £17,250	4	b £138,250	+ £111,750		
Detroit G. H. & Mil. ..	"	b £9,600	+ £100	■	b £48,000	+ £11,800		
Gt. Northern ..	Dec.	1,165,000	+ 1,401,000	12	22,987,000	+ 6,179,000		
Illinois Central ..	Feb.	1,068,000	+ 238,000	2	531,000	+ 2,272,000		
Kansas City Southn. ..	Jan.	455,000	+ 59,000	■	824,000	+ 10,000		
Lehigh Valley ..	Jan.	b 985,000	+ 1,346,000	12	9,049,000	+ 2,876,000		
Louisville & Nashvl. ..	Feb.	1,462,000	+ 25,000	2	2,084,000	+ 1,289,000		
Minn. S.P. (Soo) ..	Dec.	b 126,000	+ 883,000	12	9,331,000	+ 3,648,000		
Miss. K. & Texas ..	Feb.	76,000	+ 122,000	2	201,000	+ 392,000		
Missouri Pacific ..	Nov.	1,690,000	+ 321,000	5	9,425,000	+ 1,020,000		
New York Cent. & H. ..	Feb.	705,000	+ 243,000	2	b 443,000	+ 5,019,000		
N.Y. N. Haven & H. ..	Dec.	207,000	+ 1,795,000	12	23,815,000	+ 2,245,000		
New York Ont. & W. ..	Apr.	21,000	+ 60,000	2	14,000	+ 185,000		
Norfolk & Western ..	"	542,000	+ 833,000	2	765,000	+ 2,300,000		
Northern Pacific ..	"	862,000	+ 694,000	2	1,644,000	+ 2,139,000		
Pennsylvania East ..	"	4,718,000	+ 207,1000	4	b 5,341,000	+ 6,229,7000		
Phil. and Reading ..	"	244,867	+ 112,050	4	b 2,482,530	+ 4,448,850		
Reading ..	"	118,928	+ 35,693	4	486,165	+ 150,870		
St. Louis & San F. ..	Dec.	1,225,000	+ 244,000	6	9,576,000	+ 632,000		
Seaboard Air Line ..	"	673,000	+ 306,000	12	8,628,000	+ 24,000		
Southern ..	Feb.	1,772,000	+ 412,000	8	17,716,000	+ 1,667,000		
Southern Pacific ..	Jan.	—	+ 536,000	12	59,785,000	+ 7,953,000		
Union Pacific ..	"	—	+ 72,000	12	42,942,000	+ 2,115,000		
Wabash ..	Feb.	b 166,000	+ 8,000	2	b 482,000	+ 1,784,000		

# The Investors' Review

FOUNDED BY A. J. WILSON, FEBRUARY, 1892.

Vol. XLI.—No. 1,069.]  
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## THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch Street, London, E.C. 3.

Capital Authorised	...	...	£1,500,000
Capital Issued	...	...	1,125,000
Capital Paid Up	...	...	562,500
Reserve Fund (Undivided Profits)	...	...	708,432

### Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS  
CHINA, AND PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

DEPOSITS received for one year at 5 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

## ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

PAID-UP CAPITAL	£2,000,000
REST AND UNDIVIDED PROFITS	914,968
DEPOSITS	26,177,865

Head Office: ST. ANDREW SQUARE, EDINBURGH.

Cashier and General Manager, A. K. WRIGHT. Secretary, J. B. ADSHEAD.

London Office: 3, BISHOPSGATE, E.C. 2.

WILLIAM WALLACE, Manager. ALEX. DICK, Deputy-Manager.

Glasgow Office: EXCHANGE SQUARE.

A. DENNISTOUN, Agent. THOMAS LILLIE, Sub-Agent.

187 Branches throughout Scotland.

Banking Business of every description transacted. Accounts opened and Agency business undertaken for Foreign and Colonial Banks and other financial establishments. Drafts, Circular Notes, and Letters of Credit issued—available throughout the world. Cable transfers are also made. Deposits received at interest repayable at call or at notice. Correspondence invited.

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LIFE ASSURANCE SOCIETY.

(Established 1826.)

A MUTUAL PROFIT-SHARING OFFICE.  
COMPOUND BONUSES.

Bonus Declared at Latest Investigation £1 15s.  
per cent. to £4 12s. per cent. according to duration.

Head Office: 35, ST. VINCENT PLACE, GLASGOW.  
London Office: 1, THREADNEEDLE STREET, E.C. 2.

## THE BANK OF TAIWAN, LTD.

Incorporated by the Special Charter of the Imperial  
Japanese Government, 1899.

HEAD OFFICE - - TAIPEH, FORMOSA.

Amoy, Batavia, Bombay, Canton, Foochow, Hankow, Hongkong, Kuikiang, Kobe, New York, Osaka, Shanghai, Singapore, Swatow, Soerabaya, Tokyo, and every important city in Formosa (Taiwan), &c.  
The Bank has Correspondents in the Commercial Centres of Russia, Manchuria, Indo-China, India, Philippine Islands, Java, Australia, America, and elsewhere.

LONDON OFFICE - 58, OLD BROAD ST., E.C. 2.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

ESTABLISHED 1880.

Subscribed Capital	Yen 48,000,000
Capital Paid Up	Yen 48,000,000
Reserve Fund	Yen 23,100,000

Head Office: YOKOHAMA.

Branches and Agencies at

Bombay.	Honolulu.	Newchwang.	Shimonoseki.
Buenos Ayres.	Hong Kong.	New York.	Singapore.
Calcutta.	Kobe.	Osaka.	Sourabaya.
Changchun.	Los Angeles.	Peking.	Sydney.
Dairen (Dalny).	Lyons.	Rangoon.	Tientsin.
Fengtien (Mukden).	Manila.	San Francisco.	Tokyo.
Hankow.	Nagasaki.	Seattle.	Tsinanfu.
Harbin.		Shanghai.	Tsingtau.

The Bank buys and receives for collection Bills Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7, BISHOPSGATE, E.C. 2.

K. TATSUMI, Manager.

## THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital	£1,000,000.	Subscribed Capital	£225,000
Paid-up Capital	.. .. .	.. .. .	£300,000
Reserve Fund	.. .. .	.. .. .	£555,000
			£1,055,000
Unpaid Capital	.. .. .	.. .. .	125,000
Reserve Liability of Proprietors	.. .. .	.. .. .	625,000
			£1,805,000

London Office—17, Leadenhall Street, E.C. 3.

BILLS on Australasia purchased or collected.

DRAFTS issued and REMITTANCES cable.

DEPOSITS received for fixed periods at rates to be ascertained on application.  
PERCY ARNOLD, Manager.

# LONDON COUNTY WESTMINSTER & PARR'S BANK, Ltd.

ESTABLISHED IN 1836.

**AUTHORISED CAPITAL** £30,000,000, in 1,500,000 Shares of £20 each.  
**Reserve** - - - - - £6,800,000.

Chairman: WALTER LEAF, Esq. Deputy Chairmen: Sir MONTAGU TURNER, R. HUGH TENNANT, Esq.

**HEAD OFFICE:** 41, LOTHBURY, E.C. 2.

Joint General Managers: F. J. BARTHORPE, J. W. BUCKHURST, J. C. ROBERTSON.

**Foreign Branch Office:** 82, Cornhill, E.C. 3.

*The Bank is represented by Branches or Agents in all the principal cities and towns of the United Kingdom and has Correspondents throughout the World.*

**Spanish Branches:**—Barcelona: Paseo de Gracia 8 & 10. Madrid: Calle de Alcalá 43.

**Affiliated in France:** London County and Westminster Bank (Paris) Limited.  
 Paris: 22, Place Vendôme. Bordeaux: 22 & 24, Cours de l'Intendance.

**Affiliated in Ireland:** Ulster Bank Limited.

*All Cheques on the Ulster Bank will be collected for Customers of this Bank, free of Commission.*

**EXECUTOR AND TRUSTEE DUTIES UNDERTAKEN.**

## ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.

**Head Office—33, Lombard Street, E.C. 3.**

Subscribed Capital .. .. .	£1,078,875 0 0
Paid-up Capital .. .. .	539,437 10 0
Further Liability of Proprietors .. .. .	539,437 10 0
Reserve Fund .. .. .	500,000 0 0

LETTERS OF CREDIT and DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the chief Provincial towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER.

BILLS NEGOTIATED or forwarded for COLLECTION.

BANKING and EXCHANGE Business of every description transacted with Australia.

E. M. JANION, Manager.

## FARROW'S BANK LIMITED

Authorised Capital .. .. .	£1,000,000
Shares Issued .. .. .	700,000
Shareholders .. .. .	4,000

All descriptions of Banking business, including the collection of Bills, Dividends, Annuities, etc., transacted. Foreign Money exchanged and Drafts issued to all parts of the World.

Chairman:  
Mr. THOMAS FARROW.

**EVERY DESCRIPTION  
OF JOINT-STOCK  
BANKING TRANSACTED**

Foreign Banking business of all descriptions undertaken.

Agents throughout the World

Strong Rooms for the safe custody of deeds and other property provided for the use of the Bank's customers. Stocks and Shares bought and sold on behalf of customers and the public generally.

**HEAD OFFICE:** 1, CHEAPSIDE, LONDON, E.C. 2  
 Branches throughout the United Kingdom. A. H. & CO.

## NOTICES.

### IMPERIAL JAPANESE GOVERNMENT 4½ PER CENT. LOAN (Second Series).

NOTICE IS HEREBY GIVEN that the COUPONS of the above described Loan due 10th July, 1918, will be PAID on and after that date (Saturdays excepted), between the hours of 11 and 3, at the Yokohama Specie Bank, Ltd., where lists may be obtained. Coupons must be left three clear days for examination prior to their payment.

For the Yokohama Specie Bank, Ltd.,

9, Bishopsgate, London E.C. 2, K. TATSUMI, Manager.  
 25th June, 1918.

### CITY OF TOKYO 5 PER CENT. LOAN OF 1912.

THE CITY OF TOKYO ANNOUNCE that the operation of the Sinking Fund for the year 1918 has been carried out by way of purchases on the market, and that Bonds for £75,000 (nominal), have been so purchased and are now cancelled.

## BANK OF NEW SOUTH WALES

Established 1817.



Paid up Capital .. .. .	£3,904,860
Reserve Fund .. .. .	2,950,000
Reserve Liability of Proprietors .. .. .	3,904,860
	<b>£10,759,720</b>

**Head Office:** SYDNEY, NEW SOUTH WALES.

London Directors:

Sir FREDERICK GREEN, Chairman.

H. L. M. TAYLOR, Esq.

WALTER S. M. BURNS, Esq.

J. S. CAMPBELL, Secretary.

HALKERSTONE MELDRUM,  
Assistant Manager.

DAVID GEDDIE,  
Accountant.

The Bank has 334 Branches and Agencies in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit and Circular Notes. Also issues Drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for Fixed Periods on terms which may be known on application, and transacts every description of Australian Banking business.

**London Office:** 29, THREADNEEDLE STREET, E.C. 2.

## THE LONDON & RIVER PLATE BANK (LIMITED).

ESTABLISHED 1862.

Authorised Capital .. .. .	£4,000,000
Paid-up Capital .. .. .	1,800,000
Reserve Fund .. .. .	2,000,000

BRANCHES—

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Córdoba, Tucumán, Paraná, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires). URUGUAY.—Montevideo, Montevideo Agency (Calle Río Negro), Paysandú (Agency), Salto (Agency). BRAZIL.—Rio de Janeiro, São Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency). CHILE.—Valparaíso, Santiago. FRANCE—Paris (16 Rue Halévy). Agency in New York and Agents throughout the world. Letters of Credit, Drafts, and Cable Transfers issued. Bills negotiated, advanced upon or sent for collection.—7, Princes Street, E.C. 2.

## THE UNION BANK OF AUSTRALIA

ESTABLISHED 1837.

LIMITED.

INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000; Reserve Fund, £2,000,000; together .. .. .	£4,000,000
Reserve Liability of Proprietors .. .. .	4,000,000
Total Capital and Reserves .. .. .	£8,000,000

**HEAD OFFICE** 71, CORNHILL, LONDON, E.C. 3.

DRAFTS are granted on the Bank's Branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for Collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

# The Investors' Review.

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SATURDAY, JUNE 29, 1918.

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## PUBLISHER'S NOTICES.

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Cloth cases for binding the half Yearly Volumes price 2s. 6d., postage 6d. extra. Bound Volumes 17s. 6d., or 18s. 6d. post free.

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Norfolk House, Norfolk Street,  
London, W.C

Telephone No.:

Gerrard 9132.

Telegraphic Address:

"Unveiling, London."

*The Editor cannot undertake to return rejected communications.*

*Letters from correspondents must, in every case be authenticated by the name and address of the writer.*

*The Editor desires it to be understood that a charge is made for the insertion of reports under the heading of Company Meetings, and he cannot accept responsibility for statements made therein.*

## ANSWERS TO QUERIES.

**One Reply to One Question—One Shilling.** Any number of questions may be put and will be answered at the rate of **One Shilling** each. The questions should be numbered and a copy kept, as securities cannot be named with comments in the printed replies. Questions to be answered in the current issue should reach us not later than Friday morning.

For a fee of **One Guinea** per annum paid in advance, a **Key** to the previous week's replies will be sent early in the following week.

Deposits of "Query Money" may be made in advance, and will be acknowledged in the "Answers" column. Notice of exhaustion will also be given there.

**Telegrams** advising about new securities cost **Half-a-Crown** each, plus cost of the telegram.

**Private letters** in answer to inquiries can be had if desired. The minimum charge for such letters is **Ten Shillings**, but for this three questions will be answered if desired. For every question beyond three replied to in any one letter the charge is **Half-a-Crown per question**.

Correspondents can have their lists of investments overhauled and advised upon by letter on terms varying according to the time taken.

Groups of Five Stocks for investment supplied at the rate of **One Guinea**, each list different.

## 1. Viscount Grey's Ideals v. Von Kuhlmann's "Cheek."

The style in which Viscount Grey writes is so diplomatic in its smoothness, although clear and definite enough, that it took us more than one reading to be sure of his drift. He is in favour of a "League of Nations," stands by the side of President Wilson in this respect. He recognises also that there is more at stake in this war than the existence of individual States or Empires, or the fate of a continent; but we do not think it just to accuse him of being pro-German, as some of our wilder newspapers did, and do. He asks whether the nations of the world are prepared now, or whether they will be ready after this war, to look steadily and clearly at the aspect of the League of Nations which imposes limitations and obligations upon every adherent thereto. It cannot be a matter of parchments, of treaties signed in Chancelleries, nor can it be a mere affair of economic pressure on rebels or traitors. Those States composing the League that are powerful enough must be ready to use all the force—economic, military, or naval—they possess in order to maintain respect for decisions given. And naturally Germany will have to come into this compact of nations if it is to enter into the enjoyment of the new civilisation the contemplated League is designed to secure; but Lord Grey nowhere implies that the Allies now fighting Prussian militarism are to hold out the hand to that degraded enemy forthwith on peace being concluded. He wants the Allies to imitate President Wilson in setting forth their idea of peace, but really we hardly think that necessary just now. The Germans know our mind already. And we do not believe much in peace by treaty of the old-fashioned kind, and never have done. What could we do with men like von Kuhlmann, or von Bulow, or with any of the trained Germans who obey the behests of the ruling military caste in either empire? This is a war of nations started by the ambitious dominant caste of the Teutonic Empires, and continued to gratify the lust of that class for world conquest.

Before there can be any real peace, as Viscount Grey says, Germany has to be convinced that force does not pay; that the aims and policy of her military rulers inflict intolerable and also unnecessary suffering upon

her. It will, obviously, take a long time to teach the German people that peaceful development is preferable to expansion by war, or that the condition of true security for one nation is a sense of security on the part of all nations. But defeat will begin her tuition, and the Allies should refuse to enter into any agreement with her for any purpose when the war ends. Her rulers cannot be trusted, and her people are serfs. We have but one paramount duty to fulfil when the enemy has been beaten into submission, and that is, in the interests of the victims, to insist upon restitution, the making good of losses wantonly inflicted upon defenceless civilians. Germany has to set Belgium on its legs again, even if the task completes her own economic ruin for generations, and must give guarantees for compensation to the people of the little nation for their losses. She has to do the same for France, and Austria, with or without German help—it is not perhaps directly a question of ours whether help is given or not—must act in the same manner towards stricken Serbia, towards Rumania, and both Empires towards Poland, including Galicia, towards the ravaged districts of Russia, and elsewhere wherever the iron heel of the German ravager and assassin has trod. Before we can have a League of Nations on the broader scale, which means an unselfish union of the liberated, we must as Allies be united in seeing that the masters of the subject races of these two tyrannies are brought to book, judged and submitted to punishment. Viscount Grey appears still to nourish the conception of Austria which has been popular in all Foreign Offices, and speaks of her as a civilised State with some real disposition to accept President Wilson's ideal: That is unwise and weak—old diplomacy, in fact—for Austria is as barbarous and cruel, as grasping and altogether inhuman as Prussia—her long record of crimes against her oppressed population proves that. Much of this talk about a League of Nations is therefore unreal, beside the real question. What are we doing as individuals to elevate our own conceptions of the brotherhood of peoples? For unless we can as individuals acquire a more unselfish outlook than ever before, there is little hope of securing an enduring peace by a League of Nations or any other device of the mere politician. Dynasties with their victim serf populations have risen against us to enslave the world for behoof of groups of tyrants, and it has involved a muster of all the popula-

tions attacked to repel the aggressors. Our peoples have bled and died in millions to rescue us from slavery. The end must be a peace of peoples, not of potentates and their diplomatists.

Opportunately, while we were dealing with Viscount Grey's letter, the newspapers published a translation of the German Foreign Secretary, Herr von Kühlmann's speech in the Reichstag, and we may well thank him for it. It would be foolish to take Kühlmann too seriously, because he has to do his best—and he did it well, with a swing and an impudence amusing to see—to induce the deluded German people to cherish their illusions, and so postpone the impending retribution. All the same, the truculent insolence of the man's attitude cannot be ignored, still less his cool proposal that the Allies should state their terms. "We have stated ours," he in substance said, "and it is now for the Allies to speak." Surely an attitude so unyielding should convince even a detached mind like that of Viscount Grey that it would be folly to begin with Germany a bickering in the market-place, the bidding as of rivals at the fair for a basis on which to build peace, and with the hope of discovering some weak spot in each other's armour. There can be no negotiations of any kind with men like this Kühlmann, with any direct official representative of the Hohenzollern tyranny, or of the Habsburg. One has but to look at the insolence with which the determination to hold on to all the land occupied is put forward and illustrated by the lies ever iterated to the effect that Germany has never sought "world domination." No, of course not. She only wanted to dominate Europe, Asia, Africa, the two Americas, and Australia.

Since the subject is up, may we again earnestly plead for vigilance in dealing with Germany. Studying as we have done for nearly four years now German psychology, we feel convinced that when the turn round of exhaustion and defeat does come to the foe, it will be a complete *volte-face*. To-day Germany is still truculent, or her *Junker* oppressors and their spokesmen are, because they still control every channel of information, every lie factory, and manage to keep the truth concealed; but the day of disillusionment is at hand, and when the military party begins to see that the truth can no longer be concealed, it is certain to exchange its insolent tone for the whining of the coward eager to enlist pity on his side. We shall, therefore, probably have the stories of food distress in Germany more or less exaggerated for our deluding, and worked up into moving appeals for help. We shall probably be told that Germany is a great country, and that a people, after all, full of noble possibilities must not be allowed to starve. Already that cry is beginning to be heard about Austria, and we may be sure the day approaches when Germany will use the same weapon in order to move the Allies to grant better terms, in the hope of escaping unpunished for her crimes. There ought to be no reply from us, from any of the Allies, to such play-acting. No relief ought to be given to the peoples of either empire—except to the oppressed races within their borders, if they can be reached—until their rulers have surrendered their plunder and bound themselves to make compensation. This should be our attitude in regard to Belgium, Russia, Northern France, Serbia, Poland, Finland, and every other land that has suffered despoilment at the hands of the barbarians. Kühlmann has "answered" Balfour by ignoring our Foreign Secretary's request for information about Prussian intentions towards Belgium. The example is one to be followed in everything that relates to the coming wails of the Germans after peace.

Accounts of Canada's crop prospects are most cheering, especially at the moment when our own harvest is, as it were, hanging in the balance. That ours can be a first-class grain and root crop harvest after a June almost rainless is highly improbable. All the more satisfactory is it to know that in Manitoba and Alberta not only are the crops promising well, but the acreage is much increased. The total area under wheat throughout the Dominion is estimated at 15,080,800 acres, which is 1,500,000 acres more than last year. Under oats the area is 13,739,000 acres, an increase of 400,000 acres.

## The Demoralisation of Democracy.

A new answer has now been provided to the great question which has played so prominent a part in recruiting, the raising of war loans, the adoption of voluntary rations, and other more or less patriotic movements. To the ingenuous infant's query, "What did you do in the great war, Daddy?" the most up-to-date reply is, "I kept out of the Honours List, my boy."

So much sarcastic laughter has been excited by the recent deluge of honours, orders, and awards of every sort and kind which have been showered on the peaceful civilian at home, whose work, whatever its merits, is generally very well paid already, and entails no risk of life and limb, and these rewards, particularly the unfortunate newly created Order of the British Empire, have been made so cheap that it may be argued that the evil is in a fair way to cure itself. We are afraid that is too optimistic a view. There will always be a large proportion of people who like to receive titles and decorations for varying reasons; and bestowed on the present lavish scale they are becoming a very potent instrument of bribery. We notice that the Prime Minister in his recent speech at Edinburgh took credit to himself that he had no party organisation behind him and had not had the time or the inclination to form such an organisation, owing to his absorption in the war. No doubt Mr. Lloyd George made this statement sincerely enough, but without laying stress on the fact that he has a fairly powerful press organisation behind him which exercises probably more widespread influence than the most active of party machines, he forgot to mention that as Prime Minister he holds in his hands that powerful instrument of Government—patronage; and owing to the enormous, indeed, portentous, multiplication alike of offices and of honours, he can use this instrument to enlist support, and to overcome opposition to a unique degree. We doubt if Sir Robert Walpole had anything like the amount of patronage in his hands which is enjoyed by the present Prime Minister owing to the immense growth of the bureaucracy.

In the present House of Commons, according to a return just presented on the demand of Mr. Llewellyn Williams, no less than 86 members hold office of some kind, a number sufficient to insure a Government majority on any division where the number of members in attendance is small. Of these posts no less than 46 have been created since the outbreak of the war. If it be true that gratitude is generally a "lively sense of favours to come," the distribution of honours is likely to be a more powerful instrument in the maintenance of a submissive House of Commons than even the gift of office. Excluding from consideration the 80 Irish Nationalist members, whose policy forbids them to accept either places or honours, it is estimated that since its election out of a House of 590 members, no fewer than 201 have been made Peers, Privy Councillors, baronets and knights, while 26 have received legal preferment in the shape of judgeships and recorderships; in short, the proportion of these favoured members approaches 50 per cent. Certainly at this rate of progress—or, rather, of retrogression, what our forefathers proudly spoke of as a "free" Parliament will soon be very much to seek.

As to the honours and titles given to others than Members of Parliament, all that can be said about them, for the most part, is that while the bulk of the public probably knew of the existence of the members selected, they had never even heard the names of the outsiders until they were rescued from obscurity in the official lists. It is certain that if these lists continue to grow in length *pari passu* with the shortage of paper, the newspapers will soon decline to publish them even in serial form, and the small class who may happen to be interested will have to purchase the information in the form of a White Paper or a Blue-book.

Lord Selborne's gallant effort to raise the standing of the recipients of these favours by insisting that the

grounds of the selection should be stated, has failed completely, as it was bound to fail. A few vague and useful phrases, which might mean anything or nothing, were promptly devised, equally applicable to any person; and the character of the list itself remained quite unaltered. What is Sir Leicester Harmsworth's qualification for a baronetcy? "Parliamentary and public services," we are told. We suppose—at least, we hope—every Member of Parliament renders some public service, and, we may add, he already receives a salary from the public funds for doing so. If Sir Leicester has any other special qualifications besides his name, the nation is certainly unaware of them. Then we are afraid that nothing will induce the nation to believe that honours should be bestowed on Government contractors. They may be patriotic, but their patriotism is generally so very profitable—to themselves—that further rewards appear superfluous. Yet the name of a Scots contractor figures in the list for a baronetcy whose firm has been concerned in one or two contracts that were certainly very costly to the nation; though he may, perhaps, have been granted the baronetcy on another indisputable qualification that he is a connection of the Prime Minister. We can only regret the marked tendency of the latter to use his position for the benefit of his friends, as illustrated by the remarkable predominance of Welsh names in the list which has led the cynical to remark that the intention is to continue the war till every person in the Principality has an honour or an office of some kind.

Quite apart from the meaner forms of jobbery, however, the great evil of this wholesale distribution of rewards is the manner in which it encourages the idea that all service to the country—it would be almost true to say all neighbourly duty—is something to be paid for. It appeared from a question in Parliament that Mr. Harrison Barrow, a Birmingham Quaker just convicted under the Defence of the Realm Act, would otherwise have received the Order of the British Empire, and a Member had the curiosity to ask why. The reply was that Mr. Barrow had done good work as chairman of the Local War Pensions Committee. We have no doubt that qualification was as good as—perhaps better than—that of many actual recipients of the Order, but what is democracy coming to if people are taught to look for rewards for doing the most obvious of civic duties? The Dominions, as their protests show, are waking up to the danger; and we should certainly do well to consider it.

### Brewery Profits.

For some time before the war and until the early part of last year few brewery reports were issued without a wail about the tremendous burden of taxation and the impossibility of earning adequate profits under existing conditions. There were several striking exceptions, and it was noteworthy that firms like Guinness, Bass, and Whitbread's, to mention only a few of the most conspicuous cases which had not succumbed to the temptation to deluge their capitals with water during the brewery boom, seemed to get along very satisfactorily, in spite of the troubles that so seriously afflicted their neighbours. That many of the latter suffered severely may be gathered from a glance at a list of quotations over a series of years. We have not space for many examples, but the following little table may be taken as typical of the course of events:—

	1914.		1915.		1916.		1917.		Present Price.
	H.	L.	H.	L.	H.	L.	H.	L.	
Allsopp, ord. ....	19½	10	5	2	7½	1½	25½	8	37½
Do. pref. ....	28	20	7	3	15	4	45½	5	51
City of London ....	20½	12	35	12½	29½	24½	92	25	94
Guinness ....	390	346	297½	210	280	220	310	206	300
Meux, pref. (£10) ....	42/6	27/6	39/	15/	20/	15/	4½	17/6	6½
Watney, Combe, pf. ord.	46½	35½	30	20½	29½	18½	45½	19½	44
Do. def. ....	38	23½	16	10	15½	8½	85	12	92

It will be seen that, judged by market valuations, a great change came over the fortunes of "the trade"

last year, and a study of the reports as they have made their appearance shows that it is to a very large extent justified. The only shares which have not benefited materially are Guinness, but they have always been a law unto themselves. On the other hand, concerns like Allsopp's, City of London, and Watney, Combe, which were in very low water, have made enormous strides. At first sight this seems rather paradoxical when the conditions are considered. The beer duty has been twice increased, and there is the 80 per cent. excess profits tax in addition. Output has been drastically reduced, while the cost of materials, labour, &c., has gone up by leaps and bounds. At the same time the hours during which intoxicating liquors may be sold have been cut down to practically one-third of those of pre-war days, and as regards spirits, the amount released from bond has been rationed almost as severely. Here surely is a combination of adverse circumstances which might have been expected to break the heart of the stoutest optimist.

	Gross Profit.	Deb. Int.	Nett Profit.	Div.	Total Res'ves	Carried Forw'd.
	£	£	£	%	£	£
Alton and Co. ..	32,300	10,000	18,350	7½	nil	10,120
Do. Prev. yr.	25,300	same	12,500	nil	nil	9,265
Bell and Co. ....	50,310	9,000	26,320	7	20,500	10,740
Do. Prev. yr.	41,500	9,475	18,100	4	14,000	9,600
Bentley's Yorks.	182,570	25,750	47,550	9	40,000	9,500
Do. Prev. yr.	142,600	same	38,660	5	30,000	7,300
Birkenhead ....	—	—	38,920	14	174,000	10,060
Do. Prev. yr.	—	—	34,620	14	154,800	9,160
Buckley's .....	73,660	5,850	23,860	10	65,000	5,720
Do. Prev. yr.	60,970	same	18,290	6	55,000	4,700
Carter's, Knottingley ....	—	—	10,220	9	28,000	7,220
Do. Prev. yr.	—	—	10,330	9	25,000	7,050
Cheltenham						
Original	29,360	7,970	16,320	7½	1,860	2,990
Do. Prev. yr.	25,490	8,030	12,530	5	360	3,000
Edinb'gh United	27,570	5,130	16,230	(a)	64,160	3,030
Do. Prev. yr.	17,390	6,000	4,890	(b)	56,050	1,580
Farnham United	70,400	6,070	13,460	8	50,000	6,190
Do. Prev. yr.	69,930	6,500	18,100	8	50,000	8,350
Hull (c) .....	83,920	13,060	51,800	10	135,000	22,200
Do. Prev. yr.	75,810	same	41,800	13½	260,000	16,280
Leeds and Wakefield .....	48,190	8,280	4,640	(d)	59,830	6,010
Do. Prev. yr.	28,650	8,140	2,820	nil	54,330	5,870
Leeds City .....	13,300	3,420	9,880	—	5,000	29,130
Do. Prev. yr.	8,830	same	5,410	nil	4,380	19,860
Michell & Aldous	29,600	3,270	26,320	10	78,000	3,450
Do. Prev. yr.	18,240	same	12,870	6	62,500	3,150
Newcastle .....	183,930	27,000	91,150	15	295,000	31,470
Do. Prev. yr.	181,600	same	81,370	10	269,000	40,700
Officers' .....	22,210	7,470	11,500	6½	60,000	18,250
Do. Prev. yr.	19,900	7,480	9,680	5	same	13,040
P. Phipps and Co.	259,750	20,240	90,210	15	300,000	57,930
Do. Prev. yr.	216,160	20,300	89,800	13	same	46,910
Russell's Gravesend .....	84,240	11,460	28,540	8	40,300	24,260
Do. Prev. yr.	71,760	11,740	20,280	7	36,300	13,140
St. Anne's Well..	16,940	2,920	13,700	10	11,000	6,890
Do. Prev. yr.	9,040	same	5,800	5	same	1,020
Showells .....	57,830	19,340	38,480	(e)	10,000	10,030
Do. Prev. yr.	33,360	same	14,010	(f)	—	5,170
Southdown and E. Grinstead	53,910	6,460	16,420	10	14,000	16,720
Do. Prev. yr.	44,290	same	9,680	6½	same	12,040
Stretton's Derby	61,950	13,170	32,260	12½	112,500	28,980
Do. Prev. yr.	47,060	same	26,600	9	same	21,810
Warwick's and Richardson's	102,110	2,230	59,130	14	82,500	11,760
Do. Prev. yr.	59,170	2,420	39,490	9	74,300	6,570
Wenlock .....	119,740	11,960	30,420	20(g)	150,000	14,580
Do. Prev. yr.	110,770	12,170	29,490	8	130,000	11,660
Wolverhampton and Dudley.	82,380	17,730	34,170	16	130,000	22,180
Do. Prev. yr.	102,220	same	54,000	12½	120,000	27,000

(a) Four years' dividend on preference. (b) One year's dividend on preference. (c) Ordinary capital doubled from reserve. (d) One year's dividend on preference. (e) 3 per cent. on preference shares and £13,275 on £5,000 ordinary. (f) 2½ per cent. on preference and £2,500 (6d. per share) on ordinary. (g) Including 10 per cent. bonus taken from reserves.

On the contrary, however, as will be seen from the accompanying table, which gives briefly the results of a whole lot of second or lower-rate concerns, profits have increased enormously. It is impossible to put the whole of the results into tabular form, because no two companies render their accounts exactly in the same form. Very rarely can we discover the exact amount set aside for depreciation, and there is no settled policy

as to how excess profits tax should be treated. Space forbids the possibility of our entering into all these details, and if we made footnotes about every individual case, they would merely become bewildering. But the dividend record is a fair guide to what has actually happened, and it will be seen that even these smallish outside concerns have been doing extraordinarily well. In the few cases where dividends have not been increased, extra profits have been tucked away, either to reserve or in reduction of existing commitments, but in most cases it is quite impossible to arrive at a real basis of comparison. But there is plenty of evidence of what is really happening. Take the case of James Deuchar, Ltd., whose report is more fully dealt with elsewhere. Nett profits in the year to April 30 were more than doubled, and the dividend could be raised from 12 per cent. to 20 per cent. (tax free), while the carry forward (subject in this case to excess duty) is only a trifle of £93,000 higher at £117,000!

What is the explanation of this grotesque condition of affairs? Apparently it is just this: that Mr. Bonar Law, as Chancellor of the Exchequer, is first of all a well-meaning, but helpless tyro at the business, and, with the average colonial's very circumscribed vision, which rarely reaches farther than "the village pump," he cannot see much beyond the end of his nose. The Government have created, either deliberately or from a totally wrong angle of vision, an organised system of colossal profiteering, which blossoms into every business transaction that the Government has undertaken. Frankly, we cannot comprehend what may be at the back of Mr. Bonar Law's mind, but when he rather plumes himself on the fact that whatever extra profit the brewers, publicans, and other sinners (we say that in a purely Pickwickian sense) may make, he will collect 80 per cent. of the excess over the pre-war level, surely it is time to protest. There ought never to have been anything in the remotest degree approaching war profits of any sort or description in the death struggle in which the whole world's civilisation is engaged. Our war debt might have been cut at least in half on any sensible basis between producers and consumers. But Mr. Law wants, we suppose, to make the excess profits tax appear to yield an enormous sum. He evidently does not realise that this tax is exacted on NETT profits after any imaginable amount has been tucked away for maintenance and depreciation, and that in any case, after these domestic details have been arranged, the people, the consumers, are mulcted in anything from three or four times the price that it is really necessary for them to pay. If a manufacturer or seller has an article that used to cost 20s. and was sold for 25s. can now get £5 for the same thing (and that is really what it often amounts to), he can well afford to hand back 80 per cent. of the excess to the Government—he has still a huge margin in hand. But in the end everybody suffers, and the country most of all. Is there no possibility of introducing a little sanity into these perfectly simple commercial questions?

### Passing Events

After all, there was no debate worth mention over the Finance Bill, and Mr. Law was warranted in declaring that never was a Budget measure passed with greater ease. There is still, however, the luxury tax to adjust, and it will be well to avoid too great displays of satisfaction until we see how the suggestions of his Committees are welcomed by the nation. Rumour says the problem is proving insoluble, and we should not at all wonder if it did. It has been found so in France, and resembles, in fact, the Irishman's plan for lengthening his blanket—cutting a piece from the bottom and sewing it on to the top. While we wait for the revelation the financial pumping apparatus of the Government jogs along in its usual style. There was again last week ended June 22 a decrease of 6,345 in the number of applications for National War Bonds, Bank of England

issue, and it brought the total down to 14,889. That means a decrease of £1,269,000 in the amount applied for, which was, therefore, only £20,247,000. Adding these figures to the previous accumulated totals, we arrive at 675,932 applications in all, which provided £800,026,000. How much of that is really new money we do not know. In the preceding week ended June 15 the applications for Post Office National War Bonds were 4,600 down at 25,100, and the amount applied for was £86,900 less at £601,000. These figures bring up the total number of applications through the Post Office to 1,245,394, and the amount of money tendered to £30,989,000. In the same week 2,358,809 War Savings Certificates were sold, raising the total sales of such to 206,625,775. This means that £1,828,000 was lent to the Government in the week on these certificates, and that the total amount furnished up to the 15th inst. has been £160,134,000.

The week's revenue was not particularly grand, being only £12,766,000, of which £1,602,000 was contributed by income-tax and £4,719,000 by the excess profits tax, or altogether £6,221,000 of the total from these two categories of direct taxation. We are now, however, at the end of the first quarter of the fiscal year, and the Treasury receipts from taxes may be expected to improve sensibly for, at any rate, the earlier portion of the quarter now entered upon. Expenditure of all sorts aggregated £106,846,000, but of that only £44,818,000 was actually new money paid out to meet the bills due and other current obligations. This was at the rate of £6,403,000 per diem, and most of it was absorbed by supply, by the Army and Navy, and administrative charges of all kinds. These took £43,060,000, or £6,151,000 a day. Other expenses were finance or credit imposed; that is to say, £52,507,000 was raised on supply Treasury bills, and all except £6,637,000 of this was required to pay off Treasury bills falling due. Then £35,904,000 came in as proceeds of the larger sales of National War Bonds, and War Savings Certificates gave £3,300,000. Other war debt provided a modest £1,049,000, and only £1,000,000 was raised on temporary or "Ways and Means" advances against £12,500,000 of them paid off. These advances are now reduced to £113,528,000, being the nett amount borrowed by the Government from the Bank since this fiscal year began. The total of the Treasury bills outstanding now stands at £1,058,430,000, and obviously it is a total bound, in existing circumstances, to expand. Since the present fiscal year began the increase in the amount outstanding has been £85,627,000. Only £750,000 was last week devoted under "depreciation" to sustaining the market. Thanks to Italian victories, the mood of the Stock Exchange has been more optimistic.

Quite a satisfying speech was that of Mr. Purdy at the opening of the Labour Party Conference on Wednesday. He took the sane view of peace possibilities and of the position of Labour at many points, but perhaps the most significant portion of his speech, the portion which should be read and pondered over, especially by those landowners who are busy disposing of their estates to hungry farmers—one such estate of several thousand acres has been sold this week in ten lots at an average price of £260 an acre—for it cannot be doubted that Mr. Purdy gave expression to what the soldiers now fighting and dying for us are looking forward to when they come home. They have redeemed the land with their blood, and will claim it as theirs.

It was not a scheme of emigration or paying out of doles as a charity that was wanted, but a scheme which would aim at the maintenance of a proper standard of life—that would give adequate provision for our soldiers and sailors or their dependents—prevent unemployment—abolish the poor law—give better housing and a greater control of industry—place our agricultural industry and the agricultural labourer on a fairer and better basis—revive our village life, and make it possible for those who come after us to be really able to say that this land and all that was produced in it belonged to the people

for the use of the people, and not, as at present, to a limited number.

On the mere party issues raised at the meeting we can say nothing. Whether the Labour members of the Government should leave it or not is not a matter of much present importance, nor do we care greatly whether the "truce" between Labour and the other parties "manœuvring for position" in the political cockpit is maintained or not. We should have thought, however, that, as they aspire to be our governors in the after-time, the Labour parties would have now done their best to secure an apprenticeship at the business. Well, it is their affair, although why they should vote to end the truce by a majority of 753,000 is something of a puzzle. Have too many "titles of honour" been showered around among labouring men for the taste of the majority?

It is always with reluctance that we touch Irish affairs. There seems to us to be so much that is unreal and hysterical, on the surface at least, in Irish political wrangles that we can never feel sure of the facts alleged, or that the views insisted upon are genuinely representative of what the people *en masse* think. To all appearance the present Georgian administration has been as unable to reach the truth as any mere outsider like the present writer, and its conduct has therefore become almost a byword for rashness and inconsistency. Throughout its dealings with the Irish problem it appears to have forgotten altogether that there is a Home Rule Act upon the Statute Book, duly passed into law, and only suspended in operation during the war. Because that fact was apparently forgotten the previous administration led the way by embarking in an adventurous career after the Easter rebellion, as it might be called, in 1916. Mr. Asquith then made some rash promises, such as to clear out the Castle clique, which were found quite incapable of fulfilment. Then when Mr. Asquith had given place to Mr. George, that clever and volatile politician buzzed around and promised this and that, amongst others a new Home Rule Bill. Again and again a pledge was given that Home Rule was to be introduced, all as if no law had been in existence, whose putting into execution must automatically insure self-government to Ireland. And in spite of Sir Edward Carson and his army of bigoted Puritan irreconcilables in the North, the Government persisted in promising Home Rule, nay, it at last became so bold as to declare that it would bestow Home Rule upon the Irish, but that meantime the Irish must submit to conscription. Language of the most emphatic and rebel-defying kind was employed both by the Prime Minister and Mr. Bonar Law.

Thus it went on, until suddenly one day a batch of arrests were made secretly, in mystery, throughout Ireland, and as many as could be got at of the Sinn Féin leaders were deported to England and put into gaol there without trial. Then the Government changed its tone again, and declared, through the mouth of Lord Curzon, that Home Rule would not be persevered with, and that voluntary enlistment would be given another chance. It all looks a comic opera sort of tale from the mere outsider's point of view, and yet we cannot help thinking that the Irish factions are themselves as much to blame for the apparent indecisions and self-contradictions of Governments as the "strategic" British politician. Look at that story quietly laid before the House of Commons by the new Chief Secretary. Mr. Shortt, last Tuesday. It was the story of one of the silliest plots Irishmen ever got up, a German plot paid for with Germany money, nursed into activity by German agents of the usual type, and tumbled to by the heady type of Irish "patriot" that all modern history has painfully familiarised us with. These Irish "rebels" avidly absorbed any description of falsehood their German beguilers chose to manufacture for them, and Mr. Shortt quoted several of the verses of some "poem," doubtless made in Germany, to show the kind of stuff that the quick-witted Irishman was fool enough

to accept as expressive of genuine patriotic sentiments and sympathy. Germany is invited in one poem, entitled "Ireland to Germany," to make her stroke sure:—

"This wish I send thee o'er the sea  
From Shannon fair to lordly Rhine,  
The foe who fronts thee, too, is mine.  
Couldst be, my hosts with thine would be,  
And my revenge—thy victory."

Do Irishmen really believe that this kind of thing expresses true Irish patriotism? We doubt it very much; but it serves to bring notoriety to the restless, and often puts money in the pockets of the needy notoriety hunter. Never in Ireland's history has the country been without such traitors, ready to betray her, to sell their friends, and leave the "cause" in the lurch. It appears to be so once more, is so always when a healing settlement seems most near. And no doubt we play up to this kind of thing by our bursts of perplexed rage and spells of severity. Therefore we are glad Mr. Shortt had the courage to declare that there will be no executions amongst the dupes and vanity-swollen intriguers now laid by the heels. Punished they must be, but it is discipline rather than coercion or cruelty in any form that is required. The deluded ones, not the Irish people, must pay for their folly. Only the Government must not hide things. Let us know all the truth.

Russia continues to be a land the prey of rumours, and one which declares that the ex-Tsar has been assassinated is, we hope, untrue, as many other tales of murder and sudden death have proved to be. Mr. Kerensky, for example, has escaped all the Bolshevik perils, and has suddenly appeared at the Labour Conference in London, with the object, it is said, of urging the Powers to intervene in Russia, and from Siberia and Tokio and Peking come tales about impending Japanese intervention, Russian opposition to that step, conflicts between Bolshevik and Tzecho-Slav armies, or between native reactionaries and the revolutionary



## SAFETY FIRST

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forces. It is all a confusion of strife, amid which one has difficulty in threading one's way towards the discovery of a settled policy. There is only one thing we should like to say again, and that is to insist upon caution. Intervention may be necessary, and may do good, but it will not do good if ill-timed and undertaken without the assent of an important section of the people. To intervene high-handedly with a view to restore order and set up a Government which the best elements in Russia have not asked for would be to commit a crime. Help Russia we must and shall, but the help must be given in the way her people want it, and when they want it, given without conditions or selfish purposes of any kind.

A case interesting to bankers was decided in the House of Lords on Tuesday. It was a claim made against the Bank of Montreal by Captain Cecil Edmund Banbury, who sought to recover damages from the bank for alleged negligence and breach of duty while acting as his bankers in advising him on the merits of an investment. Briefly, the story was that he had gone to Canada for pleasure with an introduction from the general manager of the bank to its local managers throughout Canada, and that he had been advised by Mr. Gellatly, the local manager of the Bank of Montreal at Victoria, to invest \$125,000 in a loan on mortgage to the Westholme Lumber Co. of British Columbia. This he had done, and the whole of the money had been lost, hence the claim. In the original action before Mr. Justice Darling Captain Banbury won, the jury answering all the questions submitted to it in his favour, and the bank was ordered to pay back the whole £25,000, he handing to the bank in exchange the securities into which the money had originally been put. The Court of Appeal set aside this verdict, and gave judgment for the bank. The case in due course came before the House of Lords, and five Law Lords sat upon it, viz., the Lord Chancellor, Lord Atkinson, Lord Shaw of Dunfermline, Lord Parker of Waddington, and Lord Wrenbury. The Lord Chancellor and Lord Shaw, two Scotsmen, gave a qualified verdict, which while sustaining the contention of Captain Banbury, which, in effect, was that he had been swindled, thought the judgment awarding him damages not warranted by the finding of the jury. The jury had no power to give a verdict assessing damages at £25,000, with all securities to be returned to the defendant bank. Consequently, in Lord Chancellor Finlay's opinion, there would have to be a new trial on the question of damages in the absence of an agreement between the parties. This lame deliverance opened up a very disagreeable prospect for both litigants, but happily Lord Atkinson and two other English judges, Lords Parker and Wrenbury, took an opposite and plain, common sense view, and gave judgment in favour of the bank. In Lord Atkinson's opinion the appeal had failed, and should be dismissed with costs there and in the Lower Courts. "Issues," he said, "were left to the jury upon which there was no evidence. The case for the defendants was never properly put before them, and the damages were assessed upon an entirely erroneous basis, and were possibly awarded for causes of action not proved to exist."

This appears to us to be a just and most satisfactory conclusion to a case more difficult in appearance than in actual fact. Why banks should be peculiarly liable to be caught by complaints against the advice they may give about the investment of money we cannot quite guess, but probably it is because they are popularly regarded as trustees of the client. And it certainly is not a banker's business to give any such advice as Captain Banbury alleged, and the Bank of Montreal maintained throughout this litigation that its manager in Victoria had never put himself forward as the captain's adviser. All Mr. Gellatly did was to put the facts fully before him, and allow him to form and to act upon his own opinion. That is about all a banker ever should do. If he travels beyond that and suggests or recommends particular investments, and

the advice turns out to be mistaken, he is always liable to be accused of interested or corrupt motives by the discontented client. Therefore, if the judgment of the Lord Chancellor had been backed by the majority of the Law Lords present, the position of banks might have been made almost intolerable, especially in these days when they trench so much upon the field of the stockbroker, when every bank manager throughout the country, one may say throughout the Empire, is himself a stockbroker, and therefore bound to act more or less definitely as adviser to clients seeking investments. There ought to be, and there is, no question of liability for advice honestly given, and we hope the decision of the majority of the Lords in this case will act as deterrent to others whose losses through ill-advised investments may prompt them to try to recoup themselves at the expense of their banker. Even in the case before us it does not appear to have ever been alleged by the plaintiff that Mr. Gellatly misled him of set purpose and with the object of making money. That is the only solid basis upon which the raising of actions of this kind can be justified.

Just over a year ago a considerable stir was created in banking circles by the decision of the Court of Appeal in the case of *Macmillan and Arthur v. London Joint Stock Bank*. Going out to lunch, "in a hurry," Mr. Arthur signed a petty cash cheque for £2, but the body of the cheque was not filled in, and the clerk (who proved to be a rogue) had no difficulty in making it out for £120. To all intents and purposes it was a blank cheque, but the Court of Appeal gave judgment against the bank for £118. At the time (May 26, 1917) we dissented very strongly from this decision, which seemed to us opposed to all sense and reason, whatever the legal quibbles might be, and we have now the satisfaction of seeing it unanimously reversed by the House of Lords. With the legal arguments which centred round previously decided cases bearing on the point we are not concerned, but the Lord Chancellor in delivering judgment put the fundamental points so clearly that they are worth quoting. "It was beyond dispute," he said, "that the customer was bound to exercise reasonable care in drawing a cheque to prevent the banker from being misled. If he drew the cheque in a manner which facilitated fraud he was guilty of a breach of duty as between himself and the banker, and he would be responsible to the banker for any loss suffered by the banker as a natural and direct consequence of this breach of duty. In the present case the customer neglected all precautions. He signed the cheque, leaving entirely blank the space where the amount should have been stated in words, and where it should have been stated in figures there was only the figure '2,' with blank spaces on each side of it. There was a clear breach of the duty which the customer owed to the banker. If the customer chose to dispense with ordinary precautions because he had complete faith in his clerk's honesty he could not claim to throw upon the banker the loss which resulted. No one could be certain of preventing forgery, but it was a very simple thing in drawing a cheque to take reasonable and ordinary precautions against forgery. If, owing to the neglect of such precautions, it was put into the power of any dishonest person to increase the amount by forgery, the customer must bear the loss as between himself and the banker." These seem to us to be such self-evident propositions that we are more than ever amazed that the House of Lords should have to be requisitioned to enunciate them.

At Wednesday's meeting of the Imperial Commercial Association Lord Inchcape was very emphatic in his observations upon the evils of interference in the management of business by the Government. "We accept it for the moment," he said, "but it is a vicious system. . . . The Government Departments cannot conduct the ordinary business of the country." He is right, but the evil has to be endured while the war lasts, and at least business men have this consolation—their experi-

ence will make them determined to resume their freedom when the war ends. And meantime by co-operation, by the elimination of hindrances and rivalries they will have acquired a new outlook on affairs that may serve them in good stead when their shackles are removed.

There is high sanction for the saying that "a prophet is not without honour save in his own country." Carlyle in his brutal way put it somewhat differently when he said that no man is a hero to his valet. That is Mr. Hughes' unfortunate case. It would be impossible for us to repeat some of the things said about Mr. Hughes in the Australian papers, but at this end of the Antipodes he gets ample compensation. *Comic Cuts*, the *Daily Mail*, *Dispatch*, *Evening News*—we are not experts in the Order of Merit, but try to do our best—and other organs of the Northcliffe gramophone Press have taken him up as they did on his last visit, although it was whispered in rival camps—through sheer envy and malice, no doubt—that they were not exactly broken-hearted when he had to take his departure. Anyhow, he has come back again to tell us how the Empire ought to be run. Tariff Reform, colonial preference, and all that kind of thing, don't you know! The dear good man will probably afford us some innocent amusement in these trying times, and Northcliffe papers will have another "stunt that failed," so everybody ought to be happy, Mr. Hughes most of all.

Continued expansion is shown in the business of the Marconi International Marine Communication Co., Ltd., and last year the gross revenue amounted to £470,650, an increase of £200,000 over 1916, which in turn was £61,000 in excess of 1915. Nett profit after writing off £50,000 (new) for obsolescence of plant amounted to £142,000, an increase of £45,000, following a gain of £33,000. As, however, the capital was increased from £350,000 to £600,000 the directors are content to leave the dividend at 15 per cent. and to carry forward double the amount at £105,000, subject to excess duty for 1916 and 1917. For 1915 this tax amounted to £14,000, but it will necessarily be much larger for the past two years. The total number of stations owned and worked by the company on the high seas was increased during the year by 800 to 2,265, and together with its associated companies there are now some 4,000 vessels fitted with Marconi installations. The Government's decision to make wireless apparatus compulsory on all merchant ships over 1,600 tons gross will further increase the company's business, and the outlook is promising.

Magnificent results are shown by the General Electric Co., Ltd., for the year to March 31. Nett profits amounted to £348,860, an increase of £83,000, following a gain of £70,000 last year, and with £42,000 more brought in the total available is £125,000 higher at £438,000. After placing £100,000, or £60,000 more, to reserve the dividend of 10 per cent., tax free, is repeated, and the balance forward (subject to excess duty) is increased by £55,000 to £145,000. With the present addition the reserve fund will amount to half a million, and following the now common practice it is proposed to capitalise £300,000 of this and distribute a share bonus of 50 per cent. in respect of existing holdings. The present shares are £10 each, but they will now be split into £1, and the sanction of the Treasury has been obtained to this course, although it was refused in an exactly similar case only a few weeks ago. The opportunity will be taken to increase the capital by the creation of 100,000 preference shares of £10 each and 600,000 ordinary of £1 each, and £1,000,000 will shortly be issued. In order to facilitate the operation it is thought desirable to raise the preference dividend from 6 per cent. to 6½ per cent., and resolutions to this effect will be submitted to an extraordinary general meeting. The directors suggest the formation of an employees' pension and benefit fund, and propose to allot to trustees £25,000 in ordinary shares, the balance of the present ordinary capital.

With the bonus shares this will represent an investment of over £115,000, so that the fund will make a very handsome start. Everything looks as prosperous as could be desired.

There was prophetic genius in Mr. Gladstone's insistence that the office of Comptroller and Auditor-General should be completely independent both of the Chancellor of the Exchequer and the Cabinet. We recall how, otherwise, the South African War scandals might have been hushed up, and on an infinitely larger scale the same sort of thing would happen now. Think of the kind of "eye-wash" we should have to put up with if the opinions of Mr. Bonar Law and Sir L. Worthington Evans—who ought to know better—were allowed to prevail! They are apparently content with the book-keeping irregularities disclosed, particularly in the case of the Ministry of Munitions, because "there is no evidence of loss" in connection with the transactions pilloried. That is an enviably smug frame of mind in which to approach the subject, especially as the Auditor-General states that "as a rule" the mistakes discovered have been put right or are in course of rectification. But he is also careful to point out that owing to shortage of staff and the enormous mass of chaotic detail to be dealt with "test examinations" could only be made in a relatively small proportion of cases; and although it may or may not be true that "not a penny has been lost in the 300 odd national factories through loose book-keeping," as Mr. Walter Runciman pointedly inquires: "Can Ministers give an assurance that loose book-keeping has not led to the loss of public money in the Department's dealing with the 5,000 odd controlled establishments?" It would have been unreasonable to expect that everything would work with mechanical precision from the start in a Department which had to be hastily organised to cope with a definite emergency, and the serious complaint is that the blundering has gone on even after attention has been called to it. The full tale of the waste and extravagance will probably never be told, but under any conceivable system it is difficult to condone duplicate payments of large amounts, or the case,

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for instance, where one contractor was getting 36s. per 100 (on a trifling order for over 4,000,000) for work that other firms were doing for 14s. to 17s. 6d. And the Chancellor of the Exchequer seems to think that these things do not matter very much because the Treasury collects 80 per cent. of the excess profits! To attempt to comment on that kind of mental attitude might offend Dora.

Our venerable contemporary, the *Economist*, has recently been the vehicle for comments of a severe character on the pensions administration and its Labour politician figurehead, Mr. John Hodge, of Glasgow. Last week its correspondent endeavoured to get at the cost of administering the benevolent Mr. Hodge's department, and did it in this way:—Government Actuary's estimate of cost of pensions and gratuities for 1918-19, £37,300,000—so modest as that! No wonder Mr. Hodge has been telling old pensioners that he is hot foot after "more" for them—Parliamentary Secretary's estimate of total costs of department, £46,000,000; difference, £8,700,000, an excess in which is included cost of conducting the business of the department. That cost said Secretary was unable to particularise, or dared not, but the correspondent we quote tries to reveal the secret for him, and arrives at the delightful conclusion that, as now Hoded, the department requires a staff equal to one worker for every three men who have been discharged. If this guess rubs elbows with the facts, then all we can say is that Mr. John Hodge must be a very smart man indeed, for he goes on increasing his staff and piling up costs, as if the work to be done were overwhelming. His staff has increased at the rate of 260 a month since he took over the job from Mr. Barnes ten months ago, and if he succeeds in extending his activities to the pensioners of earlier date, getting them "more," the vista of expansion recedes towards infinity. What a glorious feeling of power the man must have in slinging what he calls money around in the way he does. No anxiety ever crosses his mind about "ways and means." Can he not draw *ad lib.* I.O.U.'s on the Imperial revenue of a century or so hence, if any, and joyfully dispense the proceeds now? Has he not just appointed, or is in the throes of appointing, some 350 male chiefs to the local War Pensions Committees at commencing salaries of £250? Is this done in order to get the work pushed forward? No, we fear it may only be in order to have a force on hand "solid for Labour" when the General Election arrives. The work in arrear at the pensions offices will certainly not be speeded up by these new officials. It may even be rendered more inextricably confused than ever by their ignorant intermeddling. They know nothing, and for a time, more or less prolonged, will have to be trained and coached by the displaced women, many of them proved administrators, most of whom have toiled long and gratuitously on these committees, and done an enormous amount of excellent work there. All they have learnt is now to be at the service of the new masters. What if these displaced women resent their treatment? That is a question for the Right Hon. John Hodge, M.P., political tactician. He may have weighed it, and decided to risk the loss of the female vote. Great things are at stake. He hears, as we all do, that the first Government under the new franchise may be "a Labour Government," and is confidently assured by all friends and political quidnuncs that the second Parliament of the new democracy will certainly beget "a real Labour Cabinet." What then could be more to the purpose in his view than the manufacture of a party of Labour now? And could there be a better use made of the chance afforded by credit lavishly created and dissipated as "money" to constitute a paid following great enough to guarantee Labour its coveted victory? Critics should be merciful. New parties are neither created nor consolidated in a week, and without cash.

Canadian deposits, as might be expected, continue to mount up, and the Bank of Montreal in the half-

year to April 30 added 18 millions to current accounts, raising them to \$109,852,000, and 15 millions to interest bearing deposits, which now amount to \$247,905,000. Notes in circulation have risen 6½ millions to \$28,350,000, all of which is evidence of war-generated prosperity. Gold and silver coin has been reduced a little to \$20,930,000, but Dominion notes are doubled at \$60,458,000, while banking balances and short loans are 25 millions lower at \$112,264,000. Municipal and other investments have risen 17 millions to \$45,280,000, loans to municipalities seven millions to \$18,136,000, and discounts, etc., in Canada nine millions to \$100,295,000. The balance sheet totals at \$426,322,000 an increase of 40 millions. Profits have consequently risen \$105,000 to \$1,288,000, and after paying the usual dividend and bonus of 6 per cent. for the half-year \$100,000 (new) is written off bank premises, and the carry forward is increased by \$230,000 to \$1,785,000. It all looks very flourishing, and perhaps it is just as well in present circumstances that there is not much evidence of general commercial enterprise on the bank's part, as judged by its bill case.

A private meeting will be held next week of the chief representatives of gold production in the Empire with a view to formulating their case for an increased price for gold, to be submitted to the Government. This announcement was made by Sir Lionel Phillips at the meeting of the Central Mining and Investment Corporation on Thursday in the course of an interesting speech on the gold problem. As he pointed out, while the value—the standard price—received for gold has remained unaltered the cost of winning it has substantially increased, with the result that large blocks of ore, below a certain value, cannot be treated. In consequence the production of gold has decreased substantially in all the gold fields of the world, and will decrease still further unless steps are taken to remove the cause of the diminution. The increased cost of production is a grave matter to a large number of low grade mines on the Rand, for they will shortly be compelled to cease operations under present conditions. The richer mines can by selective mining maintain their profits, but only at the expense of the future of the mine. Sir Lionel contends that under the present purchase arrangements the British Government pays less for the gold, less than its real value. The rates of exchange show this, and on this basis of valuation the Government has therefore made a substantial profit. Sir Lionel, however, does not think that the rates of exchange altogether afford a fair basis for the proper valuation of gold, but admits that the problem of determining what is its present real value still awaits a solution. In view of the extent of the decrease in production, and the importance of maintaining the gold income of the Empire—which is 63 per cent. of the world's output—the time seems to have arrived for the Government to appoint an expert Committee to inquire into a subject which obviously bristles with difficulties, and which requires very careful handling if a proper solution is to be devised.

### By-the-Way War Notes.

Too many amongst us were ready six months ago to lose faith in Italy's power to sustain the war after the catastrophe of Caparelo. We were never amongst these, never doubted for a moment that the spirit of Italy was resolute in defence of her liberty, of the world's emancipation, and that the soul which animated Garibaldi and his heroic thousand was as dominant as ever in the Italian nation. The victory of the past week has proved this to be the true view. Not only has the army recovered from the demoralising effects of the Austrian advance last November, but under its new chief, General Diaz, it has been trained in resourcefulness and attuned to deeds of the highest heroism. Most heartily do we rejoice in Italy's victory.

All, however, is not yet over. In the old days Austria would probably have set to work her machinery of illusion and intrigue to manoeuvre a sham peace, but there is no Napoleon III. to-day to trick the Italian nation into a sudden conclusion of the war. Italy must, and will, fight on, and

has much yet to do. For the oppressed Austrian peoples are not yet free, and the deceptions of Kaiserism have not been swept away; therefore we must look for a continuance of the fighting in the Trentino and in other sections of the front along the Southern Alps to the sea. And only in the utter ruin of the Habsburg imposture can such a state of things be brought into existence as will provide Italy with peaceable neighbours in the time to come.

The victory of Italy, even as it stands, must have a powerful effect upon the whole Teutonic offensive, east and west. It may, therefore, be true that Hindenburg and Ludendorff are frenziedly pushing on preparations for another series of massed assaults on the Allied lines in France and Belgium. We hope that we are as ready to do our share of repelling these assaults as the Italians have proved themselves to be in attacking and scattering the hosts of Austria. If our men are led as the Italians have been, if our Headquarters Staff is as keen and vigilant as the Italian, then there is not the slightest fear of the result. The Germans, by breaking out and renewing their wild boar rushes or feats of vulpine cunning, will merely take one more step towards their destruction as a devastating and bestial force in human affairs.

But even were the French, the Americans, the Belgians, and ourselves completely victorious in the expected strife, it does not follow that the war would immediately end. Von Kühlmann was only hinting at the unpleasant truth when he told his countrymen that the war could not be ended by arms alone, and that it would last beyond the present year. All the marionette puppets of the German Press, by the way, have been set screaming against him for saying that, and William the insane and his military bosses have censured him. From this we infer that the impression is sought to be conveyed that he did not speak the mind of the nation, that he is a traitor, in fact, to the "ever victorious" monster whose falsehood equals his cant and his cunning. We do not believe in the genuineness of these expressions of opinion, and regard Kühlmann's speech, whether in the original or in the amended version, as of set purpose designed to lay the foundation for an energetic "peace assault" to be launched before, or simultaneously with, the slaughter now said to be at hand. Already the story has been circulated that some neutral Power, or Powers, will be chosen by the knaves to try and trap the Allies into a talk about their terms, and so on. We are not likely to be taken in by any such manoeuvre, and must hold steadfast to our purpose: No negotiations, no exchange of views, until Prussian militarism has been destroyed.

We owe this rigidity of attitude to the down-trodden German people themselves, for they are not now all besotted worshippers of the mouthing Kaiser and his officers and land monopolist oppressors. A manifesto was composed by the Independent Socialists in Germany a short while ago, but naturally its publication was forbidden by the authorities. A translation of it, however, appeared in Wednesday's *Westminster Gazette*, and revealed the fact that there are sane people in Germany still, and that they are capable of understanding the facts of the position, capable also of opposing, though not, alas! to the death, the tyrants by whom they are oppressed. But the party, helpless, gagged and manacled as it is, circumscribed in its speech and movements, is forbidden to indulge in any form of public manifestations. Yet there is hope for the German people just in proportion as the enlightenment shown in this manifesto spreads, and we must not abandon that better spirit in the Teutonic Empires any more than we can forsake Belgium, Serbia, Rumania, Russia, the long-harried subjects of the Turk, the Poles, any one of all the enslaved and ground-down nationalities now pining for deliverance.

Because our task is so gigantic it is not going to be finished with the next great fight, nor perhaps for many a month after, but we may say that meanwhile even the heavens are fighting for us if it be true that the harvests all over Germany and Austro-Hungary are partially blighted, for that means starvation and inconceivable misery. If the impending calamity would strike the guilty alone we should have but little regret at its coming, but it is horrible to think of the affliction which threatens the stripped and forsaken common populations throughout Central Europe. All we dare hope is that their miseries may goad them to resistance, and that when they rise in their masses to claim justice from their tyrants, the troops may side with them, even as when the Revolution of '89 broke out. For in the food crisis to come the hunger may be a more effective force in working out the deliverance of the oppressed than the deadliest murder apparatus ever mounted. Ah, if the stupid and stupefied soldiers would but awake and become conscious of their rights as men how soon the war would end, how soon the age of sacred or "catholic and apostolic" majesties disappear!

So absorbed have we been in watching the great clash of arms in Italy, and in rejoicing over the completeness of the Italian triumph, which has restored her old lines, and given back to Italy no small portion of the artillery captured from her in the defeat of last November—that we have paid too little attention to the continuous and successful raiding on the West front, both aerial and terrestrial, or to the progress of General Allenby's Army in Palestine. Nevertheless, our operations on all fronts are carefully planned, successfully carried out, and an excellent preliminary to the final defeat of the savages. Around Rheims, especially, French and Italian troops have played the hero this week to good effect.

It has to be noted that the Turk has intimated, such is the report, to his Hohenzollern master that unless financial assist-

ance is promptly accorded he must throw up the sponge. That is good news, and should herald the disappearance of the Osmanli as a power for evil on earth. As for financial assistance, that is just what Germany is no longer able to give. Her experts in the chicane of finance have gorged Turkey with flash paper money, and made a pretence of giving loans which have only plunged the Turkish Treasury deeper and deeper in bondage to Germany. But with it all Germany is becoming so paper-smothered herself that the latest sign of distress is found in posters displayed everywhere in Germany frantically calling on the people to hand in their gold to the Reichsbank, so that it may be used to strengthen the gold reserve. We hope the people will obey, and that there is still a few millions of undisclosed gold available in Germany because it will all be wanted, and twice as much, to pay the damages inflicted on Northern France and on Belgium and Serbia, let alone many other places in Russia and elsewhere, devastated by the Hohenzollern fiends let loose.

Last month's returns of shipping losses published this Thursday morning are not pleasant, but the secretiveness maintained is now so pedantic that we cannot tell whether the 224,735 tons of British shipping sunk in that month was mostly by submarine or the consequence of what a note calls "marine risks." The ugliest thing, however, about the return is the rise in Allied and neutral tonnage sunk. That was 130,959 tons, against the exact figure of 85,348 tons in April. When, however, we compare these recent figures with the amount of tonnage entering and clearing United Kingdom ports we are consoled, for the total was 7,777,843 tons last month, and the increase 737,534 tons, compared with the April figures. Still more satisfactory is the contrast between this year's sinkings and last. The first quarter of 1917, for example, shows 1,361,870 tons of British shipping sunk, and in the first quarter of the current year the sinkings were only 695,482 tons, a decline of 667,000 tons. The total of all shipping, allied, belligerent, or neutral, sunk in the March quarter of last year was 2,236,934 tons, and in the same quarter of this year it was only 1,140,800 tons. In the two months April and May the total sinkings last year were 1,524,000 tons, and this year they have only amounted to but 667,000 tons, a decline of 857,000.

We are, therefore, distinctly making progress, and the only unpleasant side of the display is in the production of new ships. For the five months of this year, in which the statistics of British shipping losses alone have reached 1,146,325 tons, the new ships actually completed in home yards in the same period represent only 629,087 tons. We are therefore 517,238 tons behindhand, and judging by what Lord Pirrie says, it will be some time yet before we can hope to catch up, even should the Prussian depredations, as is probable, continue to diminish. For in his capacity as Controller-General of Merchant Shipping Lord Pirrie has issued a statement to the effect that while national shipyards are "splendid institutions," they cannot be got ready for turning out ships in any satisfactory manner until completed. "I am assuming," he says, "personal responsibility for the running of the national shipyards, and believe they will form a great asset to the nation and a means of substantially increasing the output of merchant ships." He may be right; it remains to be proved; but in the meanwhile he explains why these yards cannot at present give efficient help, and the explanation does not exhilarate. All the more remarkable is it that with a shortage of shipping, not only British, but foreign and neutral also, the working of the ocean traffic should have been so perfected and speeded up that last month 738,000 tons of shipping over the April total entered and cleared at British ports.

## THE DIRECTORS OF LLOYDS BANK LIMITED

desire to call the attention of  
their customers and others to  
the advisability of investing all  
available moneys in

## NATIONAL WAR BONDS

and of applying further savings in  
the same way.

In the Savings Bank Department small  
sums can be accumulated at interest  
until they reach the minimum required  
for purchasing WAR BONDS.

## Super-Tax.—I.

Super-tax was introduced in 1909, but since then it has been much increased, and also applied to smaller incomes. Originally it hit no income which did not exceed £3,000; even that £3,000 was free, and the rate was 6d. per £. Now it hits all incomes over £2,500. Only the first £2,000 goes free, and the rate rises from 1s. to 4s. 6d. per £.

Rates of Tax.		1916-17. 1917-18.	1918-19.
First £2,000 .....		Free	Free
Next £500 to £2,500 .....		Free	1/-
£500 to £3,000 .....		10d.	1/6
£1,000 to £4,000 .....		1/2	2/-
£1,000 to £5,000 .....		1/6	2/6
£1,000 to £6,000 .....		1/10	3/-
£1,000 to £7,000 .....		2/2	3/6
£1,000 to £8,000 .....		2/6	3/6
£1,000 to £9,000 .....		2/10	4/-
£1,000 to £10,000 .....		3/2	4/-
Excess over £10,000 .....		3/6	4/6

It is a super or "over" tax in three senses, for (1) it is never payable unless the full standard rate of income-tax is payable, and it is then payable *over* and above; (2) it is never payable unless the income is *over* a stated sum, at present £2,500; and (3) even then it is payable only on the excess of that income *over* a certain lower figure, at present £2,000.

## COMPARISON WITH INCOME-TAX.

In certain ways super-tax resembles income-tax, in others it is in marked contrast. For the purpose of ascertaining the amount of income the rules of income-tax generally apply, but even here there are differences. When we proceed to the calculation of the tax we find an essential difference. As regards income-tax, when the income reaches a figure which attracts a certain rate of tax, that rate applies to the whole income down to the first £1, subject only to abatements, if any. But it is otherwise in the case of super-tax. Assuming a total income over £2,500, you go back only to £2,000, leaving all up to that point untouched. And even above the £2,000 the excess income is divided into successive blocks, each bearing its own rate of super-tax in an ascending scale till the maximum of 4s. 6d. per £ is reached. These blocks are each £1,000, except that at the start there are two of £500 each. Thus, take an income of £4,000. The first £2,000 is immune from super-tax, and it may be well to make it clear that this first £2,000 is free though the total income is £20,000 or £100,000. But to return to the £4,000 case. The next £500—between £2,000 and £2,500—is the first super-tax block. It pays 1s. per £. The second super-tax block is also £500—between £2,500 and £3,000. It pays 1s. 6d. per £. The third is £1,000—between £3,000 and the assumed income, £4,000. That £1,000 pays 2s. per £. These three blocks, and all higher blocks, are each self-contained, paying its own rate of super-tax, and having nothing to do with the rate chargeable on the block below or the block above. This makes the calculation of the total amount of super-tax a little more troublesome than income-tax calculations.

## NO EARNED RATE.

Necessarily there is no distinction between earned and unearned incomes. Even for income-tax that distinction does not exist unless the total income *does not* exceed £2,500, whereas super-tax is not chargeable at all unless the total income *does* exceed that figure.

## INDIVIDUALS ONLY.

Super-tax is chargeable only on individuals, not on partnerships and not on companies. As regards partnerships, each partner has to bring into his account for super-tax his full share of the partnership profits, irrespective of whether the profits have been wholly divided or whether part has been retained in the firm undistributed. The only difference, therefore, is that while the income-tax assessment is imposed on the firm, leaving the partners to arrange the incidence of the payment among themselves, a separate and individual super-tax assessment is imposed direct upon any one or more of the partners who may be liable for that additional charge, according to his total income from all sources, including his share of the firm's profits, and the firm has no concern with those super-tax assessments.

The position is materially different in the case of a company registered under the Companies Acts, even though it be a "one-man" company. The company has an entirely separate legal existence, and the "one man's" profits from the company for taxation purposes are simply what he draws, whether it be director's fees, management salary, interest on debentures, or dividends. Of course, the company pays income-tax on its whole profits, but the shareholder's income is limited to what he draws or is entitled to draw, and does not include any share of interest the company has earned but chooses not to distribute. When in a future year that is distributed, it may then count as income, but that is another matter. Indeed, these undistributed profits may never go to pay dividends, for they may instead be carried to reserve, and thus it appears that by proper procedure the reserve may be capitalised and distributed in the form of further shares without attracting super-tax.

## NON-RESIDENTS.

The individuals who may be liable for super-tax are just those who may be liable for income-tax. In particular, there is no exception of British subjects non-resident in the United Kingdom, or of foreigners, if the income is such as attracts British income-tax, except in so far as there is an exemption from income-tax also. This rule was arrived at only after an appeal to the courts. It was arrived at on the ground that super-tax is simply a magnified income-tax. Yet it is not income-tax for all purposes. Thus, a bequest of an annuity "free of income-tax" leaves the annuitant to bear super-tax if his or her total income is such as to attract super-tax.

## American Business Notes.

Considerable attention is being devoted by United States business men and economists to the question of the nation's capacity to raise the means to pay for the war. This subject involves questions relating to the existence and limits of taxation, and whether the Government by borrowing too freely and abstaining from putting the costs of the war directly on the taxpayer, is producing inflation. An address on this subject was recently given at Princeton University by Mr. A. Hepburn, chairman of the Advisory Board of the Chase National Bank of New York, in which he discussed some of the dangers attending the methods of financing the war. What is the income of the United States is naturally the essential question, a correct answer to which lies at the foundation of any judgment as to whether the country is being overtaxed or not. Apparently the most authoritative estimate is that the surplus income, or potential savings, of the country is between £2,400,000,000 and £3,000,000,000 a year. The figure looks fabulous, but is not a mere guess. It is arrived at by careful estimates of the gross income of the nation based on certain ascertained and other guessed-at figures, together with an estimate of the amount of the spending.

Another authority quoted by Mr. Hepburn is Professor Friday, who estimates the total excess production over consumption in the United States as having risen between 1913 and 1917 from £1,280,000,000 to £3,700,000,000, and the liquid savings available for investment is put by him at £2,200,000,000 for the past year, as compared with £560,000,000 only in 1913. These totals indicate that war expenditure in itself is producing an immense reservoir of surplus means, which may be available for investment, and so it is in large part accounted for by the enormous rise in prices. That, in turn, is the fruit of unprecedented credit spending by the Government. Dearness, in fact, rather spoils the exactness of the calculation as to what is available for saving, and it is the opinion of the essayist that individuals, owing to this dearness, have probably not saved any larger quantity of liquid capital last year than during 1916, when the available amount is guessed by Professor Friday at £1,500,000,000. This is not a margin large enough to satisfy the demand for loans foreshadowed by Mr. McAdoo.

We cannot afford space to go into the details of a very interesting discussion, but may be allowed to observe that all these estimates must be guesses, more or less, and, after all, we must not forget that the aggregate earnings of a nation is, to a large extent, made up of moneys passing from hand to hand and counted several times over. So the United States, as also the Governments of all the Allied countries, are hampered by the restrictions of the available income on the one hand—which may be, and probably is, smaller than it seems—and, on the other, are always in danger of bringing about a solution in the continuity of credit, so to say, should they lean too severely upon the moneylender. "I think," says Mr. Hepburn, "as stiff taxation should be imposed as may be without lessening the activities or impairing the ability of the people to pay and subscribe," and he adds that "taxation will be cheerfully borne," but warns against the Congressional idea, which is the popular one also, that the United States is a country of unlimited wealth, that it can finance other nations without stint, and annually "spend billions by the score," and obtain these vast sums at will every year by taxation and by borrowing. It is a mischievous idea, but it is one that, perforce, treasurers everywhere are driven to presume upon. And in proportion to the stimulus of unbridled outlay during hostilities will be the exhaustion when the war closes.

Necessarily, as now made up, the summary of accounts which set forth the results of any one year of railway working in the United States cannot be issued very soon after the year closes. It is the middle of the current year before the reports and accounts for the year just passed are issued by the companies themselves, and it therefore need cause no surprise that the compilations for which the Inter-State Commerce Commission is responsible do not make their appearance till quite a year and a-half after the accounts are closed. Accordingly we have preliminary official summaries of the railway statistics for 1916 only now making their appearance. In spite of their belatedness, they are always interesting, and we may summarise a few of the figures here.

At the end of 1916 the railways had a length of 254,045 miles, and of that mileage 231,674 miles were entered as first-class roads, mostly single track. That is to say, the total of such roads was made up to 264,137 by second tracks (20,223 miles) and yards, &c. Upon all the lines 63,738 steam locomotives were in use, and 2,342,699 freight cars. There were also 55,087

passenger train cars, exclusive of those belonging to the Pullman Co. Service wagons belonging to the company numbered an additional 99,665. These roads further gave work to 1,701,000 employees at the end of the year, and the aggregate paid to them was \$1,507,000,000.

The capital stock of the roads, including the funded debt, was \$19,631,000,000, but the amount of share capital actually outstanding was \$8,755,404,000, and of that stock \$3,325,280,000, or 37.98 per cent., went without dividend. The stocks on which dividends were paid received an average of 6.75 per cent., but the average on the whole of the outstanding stock was only 4.19 per cent., and the amount paid in dividends by the railways and the "non-operating" companies came to \$366,561,000. The gross revenue of the railways, including all roads whether of the first, second, or third class, was for 1916, \$3,589,951,000, and the expenses amounted to \$2,426,251,000. The nett revenue was, therefore, about \$1,265,000,000, or £253,000,000, but that was reduced by taxes, lost revenue written off, and other miscellaneous charges, so that the final nett income from the working of the properties was only \$1,106,732,000. This, again, however, was raised to \$1,385,786,000 by sundry other receipts, and after meeting rents the interest on the funded and unfunded debt, and other charges, there was \$648,650,000 left as nett income. These are bare figures, but they show what a gigantic organisation the United States railway system has now become.

### Insurance News.

In respect of new business, there is not any sign as yet of a return to the figures shown before the war by the University Life Assurance Society, an office which restricts its business to a select class, namely, past or present members of the universities, public schools, and other approved educational institutions. In the five years ended 1915 the society's nett annual amount of new business assured was about £120,000; it has since been £44,000. During the year to April 30 last assurances were completed for £45,536 nett. The really interesting feature of the report is the claim experience of the year, which was distinctly favourable, notwithstanding the war. The total claims (£53,373) were actually under two-thirds of the amount expected, which was £80,154. Excluding claims due to the war, the total was less than in any year since 1895-6.

A very handsome bonus is announced by the directors of the Motor Union Insurance Co. The ordinary capital of the company is £100,000, in shares of £10 each, of which £3 a share is paid up. It is proposed to declare a bonus of £7 a share, which will be utilised in paying up in full the uncalled liability. The £3 shares which were quoted at 41 at the end of May have been dealt in at 75 during the past few days. Formed only 12 years ago, the company has made rapid progress, largely as a result of good management and war conditions. In addition to motor accident insurance, fire, accident, marine, and employers' liability business is now transacted. For the past year the premium income amounted to £1,579,665, while interest, &c., came to £33,104. The directors are of opinion that not only are the reserves adequate for all purposes, but that when the risks have run off a substantial sum will become due for excess profits duty. The dividend is again made up to 35 per cent. for the year, and £80,000 is put to various reserves. An interest in the United British Insurance Co. has been acquired.

As the Consolidated Assurance Co. in 1917 did a larger and more profitable business, the dividend has been raised from 6½ per cent. to 10 per cent. for the year; the amount required for this dividend, it may be noted, is entirely provided for out of interest earnings. After providing for the usual reserves, and writing off £30,238 organisation expenses, &c., the investment reserve has been increased to £30,000. Nett premiums in the fire, marine, and general section increased by £332,870 to £772,605, and the total funds have been raised by £176,302 to £664,010.

With the exception of the year immediately prior to the war, the biggest nett new business for many years past transacted by the Life Association of Scotland was in the 12 months to April 5 last, the amount retained being £604,576, exceeding that of the previous year by £115,227. The rate of mortality continued favourable, notwithstanding that the claims by death, including bonuses, included £40,338 due directly to the war out of the total of £363,269. An increase of £26,644 in the funds raised the total to £5,800,280. Following upon the yearly valuation in Class A (old series), the directors now declare cash bonuses in that class for the year beginning April 6, 1919, to be applied in part payment of the premiums falling due in that year, at the same rates as were allocated for the year now current. A dividend is declared at the same rate as last year, namely, 21s. per share, less tax, payable on November 11, under deduction of the interim payment made on May 15.

An increase of £11,517 is shown in the total premium income of the Gresham Fire and Accident Insurance Society for 1917, the total being £153,840. There was an improvement of 11 per cent. in the fire premium, but the loss ratio was higher than the average experience, the increase being due to the fact that the company had some risks in Salonika by way of re-insurance. Commission and expenses show a reduction together of over 4 per cent. on the income, a distinctly encouraging feature of the fire department. The premium income of the accident section was maintained, notwithstanding the many restrictions which have existed in the sources of income as a

result of the war. In this department a reduction of 3 per cent. was effected in commission and expenses. The excess of receipts in all departments over expenditure for the year was £11,902, or practically the same as in the previous year, and the debit balance of profit and loss account has been reduced from £21,939 to £14,880.

### COMPANY RESULTS IN BRIEF.

Name and Accounting Period.	Gross Profit.	Nett Profit.	Total Re-serves.	Dividend.	Carried Forward.
	£	£	£	%	£
A. J. White.....(Mar.)	18,730	17,620	—	5	26,840
Do.....(Prev.)	17,150	16,040	—	—	24,220
Alliance Tea Co. ..(Dec.)	74,480	21,460	49,000	15	8,700
Do.....(Prev.)	76,660	28,200	49,000	15	2,690
Amalgamated Tea Estates (Nov.)	379,500	118,640	170,000	10	83,850
Do.....(Prev.)	349,820	120,430	150,000	10	59,310
Anglo - American Direct Tea Trading ..(Nov.)	487,760	123,680	—	10	54,940
Do.....(Prev.)	426,300	123,530	—	10	20,910
Eastern Assam ....(Dec.)	107,920	77,950	1,290	15	36,670
Do.....(Prev.)	122,080	76,040	1,180	17½	32,540
East Surrey Water Co. (Mar.)	55,490	22,300	—	7	11,970
Do.....(Prev.)	54,730	21,800	—	7	11,830
John Bland and Co.(May)	—	11,990	—	10	11,590
Do.....(Prev.)	—	15,000	—	12½	10,600
Lancashire Power Construction Co. ..(Mar.)	29,020	10,570	65,280	—	7,500
Do.....(Prev.)	19,200	3,730	10,030	—	—
Leicester Brewing & Malt-ing Co. ....(May)	—	23,850	40,000	10	—
Do.....(Prev.)	—	20,960	30,600	7	21,370
Philip Harris and Co. (Mar.)	—	4,940	7,400	6	4,620
Do.....(Prev.)	—	4,630	7,400	6	2,150
Rangoon Electric Tram-way & Supply ..(Dec.)	64,270	21,660	—	3	4,250
Do.....(Prev.)	65,830	22,200	—	4	2,900
Scottish Assam Tea (Dec.)	41,670	11,670	12,000	8	3,980
Do.....(Prev.)	35,070	9,050	10,000	8	3,090
The Mint, B'ham ..(Mar.)	128,100	34,370	55,000	25	11,820
Do.....(Prev.)	145,560	16,860	40,000	20	12,540
United Electric Tramways of Montevideo..(Mar.)	89,020	27,370	—	—	13,290
Do.....(Prev.)	110,000	43,630	—	—	12,810
Wm. Mowat & Sons (May)	—	4,740	9,000	15	4,120
Do.....(Prev.)	—	11,550	8,000	15	10,000

### The Week in Mines.

Business in the Mining markets has broadened out somewhat this week, partly under the stimulus of the Italian war news, which encouraged some professional buying of shares. The South African dividend announcements occasioned some surprise, Brakpans in particular falling rather sharply. There has been a distinct revival of interest in Russian shares, on the idea that Allied intervention in Siberia will shortly be decided upon.

#### SOUTH AND WEST AFRICANS.

In the South African market there was a good demand for New Modderfontein on the declaration of a "record" dividend, and the shares rose ¾ to 24. Goerz shares also came into demand on the announcement that the company has bought 347,802 enemy-held shares at 13s. per share, which will be offered for sale to the shareholders at the same price. This is the first sale of enemy-held Rand shares. The shares rose 1s. 6d. to 15s. 6d., partly also in anticipation of a change of name and a resumption of dividend payments. City Deeps have been firm at 3½; at the meeting at Johannesburg the chairman stated that for the exploitation of the southern area a new circular shaft would be sunk at a cost of £239,000, while £192,000 would be required for permanent equipment. It is proposed to meet

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ENDOWMENT ASSURANCE RESULTS ALSO UNSURPASSED.

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this by the present cash in hand, £90,000, and the balance out of profits during the next six years. It will probably be seven years before stoping is started in the southern section. This news caused some adverse comment in the market, since the expenditure out of profits will be equal to 1s. per share per annum. Central Minings have risen  $\frac{1}{8}$  to  $6\frac{1}{8}$ , Meyer and Charlton  $\frac{1}{8}$  to  $4\frac{1}{8}$ , Modder Deeps  $\frac{1}{8}$  to  $7\frac{1}{8}$ , and New Albions 1s. 9d. to 5s. 6d. Brakpans were offered on the reduction in dividend, and are 15-32 lower at  $4\frac{1}{4}$ . East Rands have improved to 3s. 6d. It is proposed to wind up the Rand Klip in order to distribute the Modderfontein East shares among the shareholders. The Treasury will not allow these shares to be dealt in during the war, but the London agents will offer facilities for sales to be effected in South Africa. Among Rhodesian shares, Rezendes have fallen  $\frac{1}{8}$  to  $4\frac{1}{8}$ , but Shamvas have improved to 131-32. In the Diamond section, De Beers deferreds have fallen  $\frac{1}{8}$  to  $14\frac{1}{8}$ . West Africans show little alteration.

#### COPPER AND MISCELLANEOUS.

Copper shares have met with some support, notably Mount Lyell at 29s. 6d. and Arizonas at  $2\frac{1}{8}$ . Tin shares have moved irregularly. Siamese at  $3\frac{1}{8}$  and Tronohs at  $2\frac{1}{8}$  are both  $\frac{1}{8}$  higher, but Dolcoaths have fallen 1s. to 10s. 6d. and Geevors 9d. to 22s. 6d. Russians have been particularly firm. Russo-Asiatics are  $\frac{1}{4}$  higher at  $2\frac{1}{8}$ , and Kyshtims have risen  $\frac{1}{8}$  to  $1\frac{1}{8}$ . Fresh buying has lifted Camp Birds up to 12s. 9d. again. Mysore has declined to  $2\frac{1}{8}$  on news of a rock burst, rendering 19 stopes inaccessible. The output for June will not exceed 23,000 tons of ore. Kanbank Wolframs, however, have been in good demand, and are 3s. 3d. higher at 35s. 3d.

### MINING NEWS.

**GREAT BOULDER PROPRIETARY.**—The report for 1917 does not make a very satisfactory impression, despite the fact that the output of gold rose from £523,481 to £529,718. There were treated 182,265 tons for £532,646, as against 175,787 tons for £523,481 in 1916, the average of the ore treated being 13.78 dwts., against 13.83 dwts. per ton. The cost of working, however, rose another 10d. to 28s. 8d. per ton, and consequently the profit was £11,513 less at £253,026. Australian taxes absorbed £23,175 against £15,409, and in order to maintain the dividend at 3s. per share, £30,000, as against £10,000, has to be taken from reserve, while the balance carried forward is reduced from £5,488 to £2,838. Reserves of ore are estimated at 387,511 tons, valued at £1,175,000, against 439,677 tons,

valued at £1,370,000, at the close of 1916. It is stated that there is no reason to expect a greater tonnage to be treated in 1918, and that the value per ton should not materially alter. On the other hand, costs will probably be higher again.

**ST. JOHN DEL REY.**—There were crushed during the year to February 28, 180,300 tons for £466,805 of gold, or 51s. 9d. per ton. The tonnage treated was 6,700 tons less, but the yield was 1s. 5½d. per ton higher. In addition to gold there was recovered £3,530 of silver. The profit was £153,679, a decrease of only £1,914, and the dividend is maintained at 10 per cent. by a final payment of 1s. 3d. per share. Reserve again gets £10,000, but the appropriation to the capital works account is reduced from £50,000 to £30,000, and thus the carry forward is raised from £4,037 to £21,135. It is stated that the reserves of ore actually standing in the several blocks from horizon 16 down to horizon 21, if estimated on the average tonnage per vertical foot for the past three years, represent over seven years' working at full output.

**TRANSVAAL CONSOLIDATED LAND AND EXPLORATION.**—The report for 1917 states that the profit on property sales was £11,215, nett revenue from real estate £7,927, interest £18,255, dividends on share investments, £1,557; mineral royalties, £3,994; profit on Groenfontein Mine, £2,547, making a total of £45,496. Expenditure, including £3,545 for prospecting and £1,201 for depreciation, absorbed £11,860. Thus the profit was £33,636, and the credit balance carried forward is raised from £176,664 to £205,676.

**SIBERIAN PROPRIETARY MINES.**—The report for 1917 shows a profit of £1,823 against £10,643. After writing £10,897 off for investment depreciation, the debit carried forward is raised by £9,074 to £52,397.

**JUPITER.**—During 1917 this company crushed 286,900 tons for £306,469 of gold, or 21s. 4d. per ton, as compared with 269,900 tons for £298,292, or 22s. 1d. per ton. Costs rose 3d. to 19s. 4d. per ton, and consequently the profit rate dropped from 3s. to 1s. 11½d. per ton. The working profit was £28,342 against £40,661. The nett profit was £28,343, but a profit of £22,419 was made on sales of investments and sundry revenue receipts, making a total of £50,762. Special expenditure and sundry amounts written off absorbed £6,279, leaving £44,483 against £51,312. The dividend has been reduced from 8½ per cent. to 7½ per cent. Capital expenditure absorbs £5,203, and sales of plant £26,363, leaving £80,027, against £92,450, to be carried forward. Reserves of ore amount to 787,000 tons at the Howard shaft section, an increase of 91,000 tons, the value being 5.27 dwts.

**TRONOH SOUTH.**—In 1917 this company produced 265 tons of tin ore, which realised £30,334, as compared with £302 tons for £30,921 in 1916. The yield is equal to £133 7½ per ton, an increase of £24 9s. 10d. per ton. After providing for depreciation, the nett profit comes out at £9,738 against £4,476. Two dividends of 6d. per share each have been paid, £5,000 has been written off in respect of general and development expenditure account, and £2,550 against £2,813 is carried forward. For 1916 only 6d. per share was paid.

**IDRIS HYDRAULIC TIN.**—The output in 1917 decreased from 269½ tons to 213½ tons, which yielded £26,860, equal to £125 17s. 9d. per ton against £104 10s. 11d. per ton in 1916. Nett profit was £6,623 against £7,354. Two dividends of 6d. per share have been paid, the same as for 1916, and £3,148, against £2,524, is carried forward. The decline in output was due to the rearrangement of the various gravel pumps, as the working face was getting too far away from the elevating plant.

**TRONOH MINES.**—During 1917 there were sold 1,044 tons of tin ore as against 1,647 tons, and the amount realised declined from £174,895 to £134,332, the value per ton being £22 9s. 7d. higher at £128 13s. 4d. The decrease in output was expected, owing to the exhaustion of the south lombong, and there has been a large decrease in the production from the sand shafts worked on tribute. On the other hand, working costs have been much reduced. The total profit was £51,047, an increase of £47,079. After writing £8,283 off property account, it is proposed to pay a final dividend of 1s. per share, making 25 per cent. for the year, against 20 per cent., and to carry £23,393 against £20,629 forward. It is expected that this year's output will not decrease appreciably below the 1917 level.

**SONS OF GWALIA.**—Practically the same amount of gold was produced by this company in 1917 as in 1916. There were treated 159,397 tons, which realised £232,550. Working expenses, however, rose from 21s. 9d. to 23s. 8d. per ton, the increase being due to the higher cost of stores, wages, &c. The accounts show a nett profit of £37,433, as compared with £39,890. Dividends amounting to £32,500 were paid during the year, or 2s. per share, as against 2s. 6d. distributed for 1916, and £15,659 is written off for depreciation against £0,987, and £4,252 against £740 is carried forward. Development operations for the year were not so productive in the blocking out of new ore as in the preceding periods, but the ore reserves at the close of the year represented three years and eight months' supply for the mill.

## New Zealand.

**A Wealthy Country, Splendid Climate, Fertile Soil, Plenty of Water.**

**An Ideal Country for the farmer, the percentage of grain and lambs being phenomenally high.**

**New Zealand, a country as large as the United Kingdom, with but a million population, has an annual export of raw products exceeding Twenty Million Pounds sterling.**

**New Zealand is rich in COAL, IRON, TIMBER, GUM, GOLD AND SILVER. Total yield of Minerals, over One Hundred and Twenty Million Pounds.**

**Over Eighteen Million Pounds have been advanced by Government to Farmers and Workers for Improvements and Buildings at a low rate of interest.**

**The Railways, 3,000 miles, Telegraphs and Telephones, 124,000 miles, are owned and operated by the State.**

**New Zealand has the highest wealth-rate and the lowest death-rate in the World.**

**To those desirous of making a home in a new country, New Zealand offers solid advantages.**

**Excellent Steamship Services are run direct to New Zealand by the Shaw Savill and Albion Company, Limited, New Zealand Shipping Company, Limited, and the Federal and Shire Lines.**

Full information is supplied free by

**THE HIGH COMMISSIONER FOR NEW ZEALAND,**

413-416, STRAND, W.C. 2.

A recent census of the European population of South Africa gives:—Cape Province, 580,771, an increase of 35,103 compared with 1911; Natal, 120,405, an increase of 22,610; Transvaal, 407,236, an increase of 77,322; Orange Free State, 181,202, an increase of 6,469. Total for the Union, including travellers, 1,418,060, an increase of 141,818.

## PUBLIC INCOME AND EXPENDITURE.

The following are the receipts into and issues out of the Exchequer between April 1, 1918, and June 22, 1918:—

	Estimate for the Year 1918-1919.	Total Receipts into the Exchequer from April 1, 1918, to June 22, 1918.	Total Receipts into the Exchequer from April 1, 1917, to June 23, 1917.
Balances in Exchequer on April 1—Bank of England ..	£ —	19,361,578	25,209,947
Bank of Ireland ..	—	1,668,452	1,225,912
		21,030,030	26,435,859
REVENUE.			
Customs .....	—	20,899,000	16,503,000
Excise .....	—	10,213,000	8,832,000
Estate, &c., Duties .....	—	6,909,000	7,957,000
Stamps .....	—	1,682,000	1,412,000
Land Tax .....	—	—	—
House Duty .....	—	275,000	300,000
Property and Income Tax and Super Tax .....	—	24,833,000	21,774,000
Excess Profits Duties, &c. ....	—	57,794,000	38,227,000
Land Value Duties .....	—	151,000	146,000
Post Office .....	—	6,450,000	6,200,000
Crown Lands .....	—	110,000	90,000
Receipts from Sundry Loans, &c. ....	—	14,847	9,453
Miscellaneous .....	—	12,420,221	1,827,903
Revenue .....	—	141,761,068	103,278,356
Total .....	—	162,791,098	129,714,215
OTHER RECEIPTS.			
Repayment of Advances for Bullion .....	—	1,490,000	610,000
For Treasury Bills (for supply) .....	—	935,385,000	425,065,000
For 5 per Cent. Exchequer Bonds, 1922 .....	—	—	42,710,000
For 3 per Cent. Exchequer Bonds, 1930 .....	—	803,600	—
For War Savings Certificates .....	—	22,500,000	9,200,000
For other Debt (War Loan Acts, 1914-1917) .....	—	133,156,061	109,190,879
For 4 per Cent. War Loan, 1929-1942, and 5 per Cent. War Loan, 1929-1947 .....	—	—	161,100,000
For National War Bonds .....	—	175,468,000	—
Temporary Advances—Ways and Means .....	—	180,28,440	183,605,000
Total .....	—	1,631,622,199	1,061,195,094

\*Excluding sales through joint stock and private bank - not yet brought to account.

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1918-19.	Total Issues out of the Exchequer to meet payments from April 1, 1918, to June 22, 1918.	Total Issues out of the Exchequer to meet payments from April 1, 1917, to June 23, 1917.
EXPENDITURE.	£	£	£
Permanent Charge of Debt ..	—	3,819,471	4,104,606
Interest, &c., on War Debt ..	—	86,584,854	52,695,197
Payments to Local Taxation Accounts, &c. ....	—	462,205	462,146
Other Consolidated Fund Services .....	—	356,040	321,534
Supply Services .....	—	570,124,900	525,680,300
Expenditure .....	—	661,347,470	583,263,883
OTHER ISSUES.			
For Advances for Bullion .....	—	1,900,000	820,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	—	84,909	84,909
Under Telegraph (Money) Act, 1913 .....	—	15,000	30,000
Under Post Office (London) Railway Act, 1913 .....	—	12,000	—
Under Housing Act, 1914 .....	—	106,300	175,400
For Treasury Bills for Supply .....	—	1849,758,000	245,729,000
For War Loans, Exchequer Bonds, &c., under Section 34 of Finance Act, 1917 .....	—	11,152,040	155,120
For War Expenditure Certificates under War Loan Act, 1916 .....	—	16,380,100	—
For other Debt under the War Loan Acts, 1914 to 1917 .....	—	15,349,883	3,134,523
For Depreciation Fund under the Finance Act, 1917 .....	—	6,070,045	—
Old Sinking Fund, 1910-11, issued under the Finance Act, 1911, Section 16 (1) (b) ..	—	20,000	—
Temporary Advances repaid—Ways and Means .....	—	16,000,000	203,500,000
		1,918,095,747	1,036,892,835
Balances in Exchequer—	1918. June 22.	1917. June 23.	
Bank of England .....	£ 11,653,882	£ 22,956,844	
Bank of Ireland .....	1,274,570	1,315,415	
Total .....		12,926,452	24,302,259
		1,631,622,199	1,061,195,094

MEMO.—Treasury Bills outstanding on June 22, 1918, ..... \*£1,058,430,000.

\* Includes £221,000, the proceeds of which were not carried to the Exchequer within the period of the account, besides a part (not yet ascertained and brought to account) of the Bills tendered as subscriptions to National War Bonds.

† Includes part payment of Bills and Certificates tendered as subscriptions to National War Bonds

The London County Council has published its tramway estimates for 1918-19. These put the receipts at £3,321,750 and the expenses at £2,593,140. This shows a surplus of £728,610, and, after adding interest and sundry rents, there is a total anticipated free balance of £751,889. From this charges amounting to £739,774 will have to be deducted, including a 1st estimated surplus for the current year of £12,115, but the estimates are to be put back for revision, and the higher fares now imposed ought to help the heavier traffic to make the surplus larger.

## NOTICES.

## JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED.

(Incorporated in the Transvaal.)

NOTICE IS HEREBY GIVEN that the Directors have DECLARED a DIVIDEND of 5 per cent., free of Income Tax, for the financial year ending 30th June, 1918, payable to all shareholders registered at that date.

The Transfer Books of the Company will be Closed from the 1st July to the 10th July, 1918, both days inclusive.

The Dividend Warrants will be posted about the end of September.

By Order of the Board, Johannesburg Consolidated Investment Company, Ltd. T. HONEY, Secretary.

10 and 11, Austin Friars, London, E.C.2, 22nd June, 1918.

## VAN RYN DEEP, LIMITED.

(Incorporated in the Transvaal.)

NOTICE IS HEREBY GIVEN that an INTERIM DIVIDEND of 22½ per cent. (4s. 6d. per share) has been DECLARED for the half-year ending 30th June, 1918, payable to all shareholders registered at that date.

The Transfer Books will be Closed from the 1st July to the 10th July, 1918, both days inclusive.

The Dividend Warrants will be posted to shareholders as early in August as possible.

By Order, Johannesburg Consolidated Investment Company, Ltd., London Agents. T. HONEY, Secretary.

10 and 11, Austin Friars, London, E.C.2, 22nd June, 1918.

## GOVERNMENT GOLD MINING AREAS (MODDERFONTEIN) CONSOLIDATED, LIMITED.

(Incorporated in the Transvaal.)

NOTICE IS HEREBY GIVEN that an INTERIM DIVIDEND of 12½ per cent. (2s. 6d. per share) has been DECLARED for the half-year ending 30th June, 1918, payable to all shareholders registered at that date. The Transfer Books will be Closed from the 1st July to the 10th July, 1918, both days inclusive.

The Dividend Warrants will be posted to shareholders as early in August as possible.

By Order, Johannesburg Consolidated Investment Company, Ltd., London Agents. T. HONEY, Secretary.

10 and 11, Austin Friars, London, E.C.2, 22nd June, 1918.

## WITWATERSRAND GOLD MINING COMPANY, LIMITED.

(Incorporated in the Transvaal.)

NOTICE IS HEREBY GIVEN that an INTERIM DIVIDEND of 10 per cent. (2s. per share) has been DECLARED for the half-year ending 30th June, 1918, payable to all shareholders registered at that date.

THE TRANSFER BOOKS will be closed from the 1st July to the 10th July, 1918, both days inclusive.

The Dividend Warrants will be posted to shareholders as early in August as possible.

By Order, Johannesburg Consolidated Investment Company, Ltd., London Agents. T. HONEY, Secretary.

10 and 11, Austin Friars, London, E.C.2, 22nd June, 1918.

## NEW UNIFIED MAIN REEF GOLD MINING COMPANY, LIMITED.

(Incorporated in the Transvaal.)

NOTICE IS HEREBY GIVEN that an INTERIM DIVIDEND of 5 per cent. (1s. per share) has been DECLARED for the half-year ending 30th June, 1918, payable to all shareholders registered at that date.

THE TRANSFER BOOKS will be closed from the 1st July to the 10th July, 1918, both days inclusive.

The Dividend Warrants will be posted to shareholders as early in August as possible.

By Order, Johannesburg Consolidated Investment Company, Ltd., London Agents. T. HONEY, Secretary.

10 and 11, Austin Friars, London, E.C.2, 22nd June, 1918.

## LANGLAECTE ESTATE AND GOLD MINING COMPANY, LIMITED.

(Incorporated in the Transvaal.)

NOTICE IS HEREBY GIVEN that an INTERIM DIVIDEND of 5 per cent. (1s. per share) has been DECLARED for the half-year ending 30th June, 1918, payable to all shareholders registered at that date.

The Transfer Books will be Closed from 1st July to the 10th July, 1918, both days inclusive.

The Dividend Warrants will be posted to shareholders as early in August as possible.

By Order, Johannesburg Consolidated Investment Company, Ltd., London Agents. T. HONEY, Secretary.

10 and 11, Austin Friars, London, E.C.2, 22nd June, 1918.

## SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

**ASSETS exceed £11,000,000.**

**FIRE (INCLUDING LOSS OF PROFITS), LIFE, ACCIDENT, ILLNESS, ANNUITIES, PENSIONS, LEASEHOLD, BURGLARY, CLASS BREAKAGE, TRANSIT OF SECURITIES, FIDELITY, PROPERTY OWNERS' LIABILITIES, HORSE DRIVING ACCIDENTS, MOTOR CAR RISKS, THIRD PARTY, EMPLOYERS' LIABILITY AND MARINE INSURANCES EFFECTED ON THE MOST FAVOURABLE TERMS.**

Edinburgh: 35, St. Andrew Square.

London: 5, Walbrook, E.C. 4, and 4, St. James' St., S.W. 1.

## PHENIX ASSURANCE COMPANY LIMITED.

ESTABLISHED 1782.

Head Office: PHENIX HOUSE, KING WILLIAM STREET, LONDON, E.C. 4.

Total Assets Exceed £19,000,000.

Claims Paid Exceed £100,000,000.

Chairman—Rt. Hon. LORD GEORGE HAMILTON, P.C., G.C.S.I.

**FIRE. LIFE. ACCIDENT. MARINE.**

Loss of Profits following Fire, Workmen's Compensation, Fidelity Guarantee, Burglary, Trustee and Executor, &c.

Prospectuses and Proposal Forms may be obtained on application to any of the Branch Offices or Agencies, or to the Head Offices.

General Manager—SIR GERALD H. RYAN.

## The Investors' Review.

### Money and Credit Notes.

**BANK RATE 5 PER CENT. (Reduced from 5½ per cent. on Thursday, April 5, 1917.)**

*Norfolk House, Friday Evening.*

A week ago day-to-day money was quite cheap, but as the end of the quarter drew nearer balances dried up, and for the last two or three days call loans have tended to be quite as dear as seven-day loans. That is to say, both classes of advances were quoted at 3½ per cent., and by midweek the demand was keen enough to drive borrowers in moderation to the Bank, which lent for seven days at 4 per cent. Even discount rates were slightly affected, and bills of all usances were sometimes quoted at ½ above 3½ per cent. Probably the market will fall away again directly the bank balance-sheets have been adjusted and the locked-up balances released. To enable the banks to strike these balances, notwithstanding their depleted staffs, Monday next has been declared a Bank, not a general, holiday.

The Bank return showed the effects of financial adjustments at the end of the half-year as well as the pressure of Government requirements, other securities having increased by £5,749,000. Of the money thus obtained £3,662,000 has gone on to other deposits, and £2,098,000 has been utilised to pay off Government securities. The reserve is down £268,000, but that is only an insignificant consequence of large movements of currency. The note circulation has risen £1,290,000, and the coin and bullion is also £1,022,000 up, hence the decline in the reserve, whose proportion to the liabilities has shrunk ½ per cent. to 18½ per cent.

For some time past another New South Wales Loan has been regarded as imminent, and it now makes its appearance. It takes the form of debentures carrying 5½ per cent. interest, convertible into inscribed stock, and offered at par. The debentures are repayable at par in 1932, but the Government reserves the right to redeem on three months' notice from 1922 onwards. They are issued in connection with the outstanding balance of the 3½ per cent. inscribed stock, which matures for payment on September 1 next, and holders are invited to convert into the new debentures on the same terms as offered under the first issue made last February, that is to say they will receive £1 12s. 5d. per cent. in cash. An interest payment of £1 2s. per cent. will be made on November 1. Holders exercising the option to convert will receive preferential allotment, and we should not think there would be much left over for cash subscriptions.

An estimate of the paper money in circulation in Russia puts it at between 43,000,000,000 roubles and 44,000,000,000. That would be nominally between £4,300,000,000 and £4,400,000,000, but it must be a mere guess, for the means of arriving at the quantity of paper money of all kinds circulating in Russia must be even more scanty than in Germany, where paper money uncountable and unacknowledged has been brought into existence since William the Wicked let loose his savages on the world.

With reference to the impending payment of arrears of interest on the Port of Para Bonds, amounting to over a million and a quarter sterling, it is learned that the actual amount received, by the way, from the Brazilian Government is 36

million francs in cash and 16,500,000 francs in Brazilian 5 per cent. Funding Bonds, 1914. The company is also to receive at the end of next month nearly 6½ million francs to complete the payment of the Government guarantee down to the end of 1917. The total amount required to meet interest and sinking fund on the bonds from July, 1914, to July, 1918, is approximately 40 million francs.

Another indication of the improvement in the Mexican economic situation is forthcoming in the announcement that the Guanajuato Power Co., the Michoacan Power Co., and the Central Mexico Light and Power Co. will pay another of the overdue coupons on July 1. Last December the first were paid, and next Monday's payment will bring the arrears down to October 1, 1916, as regards the Guanajuato Co., and down to July 1, 1916, in the case of the other two companies. The amount to be paid on the coupon from each \$1,000 bond will be as follows:—The Guanajuato coupon \$34.05, the Michoacan coupon \$34.50, and the Central Mexico coupon \$34.50. The placing of Mexican currency on a metallic basis—paper money being now no longer legal tender—is the cause of the companies being in a position to pay these coupons, it being possible now to make remittances abroad without the prohibitive loss sustained on paper currency.

In the latter part of last year there was a considerable recovery in the exchange value in neutral countries of the German mark and Austrian krone, and a corresponding depreciation in sterling exchange. This might have been an ordinary case of reaction, but it is rather significant that since the beginning of the German offensive an appreciable relapse has occurred in the enemy exchanges. During the past month the value of 100 Austrian krone in Dutch currency has fallen from 24 fl. 10 c. to 19 fl. 55 c., while that of 100 German marks has declined from 38 fl. 90 c. to 33 fl. 70 c., which compares with 43 fl. 52 c. on March 1 last. On the other hand, the value of sterling in Dutch currency has risen during the past month, and, taking the Amsterdam exchange as the basis of calculation, it is seen that £1 will now purchase 48.03 krone, as against only 39.27 on May 25, while it is now the equivalent in florins of 27.86 marks, instead of only 24.33 on May 25. The par of exchange for Austrian krone is 24 to the pound sterling, and for German marks 20.40 to the pound. The movement is certainly rather significant of the real feeling existing in the neutral markets as to the credit position of the Central Powers.

Prominent among the foreign exchange movements this week has been a substantial improvement in the sterling value of the lira, exchange on Milan being quoted at 44.12½ Jr. to the pound, a fall of 5½ centimes. Offerings from South America were the main reason for the recent heavy depreciation in lire, but the cause of the recovery is attributed to the more effective operations of the Italian Control Committee. The Spanish exchange has relapsed to 17.17½ pesetas to the pound, despite the large influx of gold into Spain and the raising of foreign credits there, as shown in the latest return of the Bank of Spain. Stockholm, quoted at 13.30½ kr., has moved rather sharply against this country, but the other Scandinavian exchanges, as well as the Dutch rate, have moved in our favour. Swiss Exchange has risen 15½ c. to 18.90 fr. to the pound. The premium on New York funds in Montreal has risen still further, Montreal exchange being a full point above parity at \$4.87½.

### SILVER.

About silver there is never anything to say now. It just stands at 48½d. per oz., and all that comes to the market is being bought up to manufacture currency. Gold and silver are both forbidden to be exported from Mexico, but how that prohibition is to be maintained we cannot imagine. The Indian currency returns quoted in Montagu's circular show a steady increase in the notes in circulation, which on June 22 were given at 11,351 lacs of rupees, and an equally steady, though insignificant, decline in the coin and bullion reserve; but while the gold coin and bullion in India was 221 lacs larger on June 22 than on June 7, gold held out of India had fallen within the week from 270 lacs to 45 lacs. The stock of silver in Shanghai was at the same date about 27,800,000 ozs. in sycee and \$14,700,000, a decrease of 200,000 ozs. and an increase of \$300,000.

### BANK OF ENGLAND.

**AN ACCOUNT pursuant to the Act 7 and 8 Vict., cap. 32, for the Week ending on Wednesday, June 26, 1918.**

#### ISSUE DEPARTMENT.

	£		£
Notes Issued .. ..	83,059,805	Government Debt .. ..	11,015,100
		Other Securities .. ..	7,434,900
		Gold Coin and Bullion .. ..	64,609,805
		Silver Bullion .. ..	—
	£83,059,805		£83,059,805

#### BANKING DEPARTMENT.

	£		£
Proprietors' Capital .. ..	14,553,000	Government Securities .. ..	51,051,737
Reserve .. ..	3,264,262	Other Securities .. ..	100,799,969
Public Deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts) .. ..	35,779,030	Notes .. ..	29,385,995
Other Deposits .. ..	128,849,336	Gold and Silver Coin .. ..	61,6352
Seven Days and other Bills .. ..	10,050		
	£182,455,678		

Dated June 27, 1918.

E. M. HARVEY, Chief Cashier.

## BANKING DEPARTMENT.

In the following table will be found the movements compared with the previous week, and also the totals for that week and the corresponding return last year.

Last year. June 27.		June 19, 1918.	June 26, 1918.	Increase.	Decrease.
£	Liabilities.	£	£	£	£
3,211,061	Rest ..	3,200,091	3,204,262	64,171	—
39,163,167	Pub. Deposits ..	36,121,637	35,779,030	—	342,607
125,126,993	Other do. ..	125,187,333	128,849,336	3,662,003	—
27,156	7 Day Bills ..	10,093	10,050	—	43
	Assets.			Decrease.	Increase.
45,270,106	Gov. Securities ..	53,749,732	51,651,732	2,098,000	—
100,225,942	Other do. ..	95,050,461	100,799,899	—	5,749,438
36,585,349	Total Reserve ..	30,270,961	30,004,047	267,914	—
				6,092,088	6,092,088
				Increase	Decrease.
£		£	£	£	£
39,399,545	Note Circulation ..	52,383,965	53,674,110	1,290,145	—
57,534,874	Coin and Bullion ..	64,205,926	65,228,157	1,002,231	—
22'3 p.c.	Proportion ..	5 p.c.	5 p.c.	—	5 p.c.
5 "	Bank Rate ..	5 p.c.	18'3 "	—	—

PUBLIC INCOME AND EXPENDITURE.  
(For 7 days ended June 22.)

REVENUE.	EXPENDITURE.
Customs .. .. .	National Debt Service ..
Excise .. .. .	Interest, &c., on War Debt
Estate, &c., Duties ..	Development & Local Impvt
Stamps .. .. .	Payments to Road Taxation
Land and House Duty	Other Consolidated Fund
Property and Income Tax	Charges .. .. .
Excess Profits Tax ..	Supply Services .. ..
Land Values .. ..	Bullion Advances .. ..
Post Office .. ..	For Advance for Interest
Crown Lands .. ..	on Exchequer Bonds under
Sundry Loans .. ..	Capital Expenditure
Miscellaneous .. ..	(Money) Act, 1904 .. ..
Bullion advances repaid ..	For Treasury Bills .. ..
For Treasury Bills for Supply	Other Debt under War Loan
3% Exchequer Bonds, 1930	Acts, 1914-16 .. ..
5% Exchequer Bonds, 1922..	For War Loan and Ex-
6% Exchequer Bonds, 1920..	chequer Bonds under
National War Bonds ..	Section 61 of Finance Act,
War Savings Certificates ..	1916, and Section 34, 1917
4% War Loan, 1929-1942 ..	Under Telegraph (Money)
5% War Loan, 1929-1947 ..	Act, 1913 .. .. .
Other Debts created under	Under Post Office (Lon-
War Loan Act, 1915, and	don) Railway Act, 1913 ..
Finance Act, 1916 .. ..	Under Military Works Acts
Telegraph Money Act, 1913	Under Housing Act, 1914..
Under Post Office Rly. Act,	Public Buildings Expendi-
1913 .. .. .	ture Act, 1903 .. ..
Under Military Works Act,	Old Sinking Fund, 1907-8..
1897-1903 .. .. .	Sinking Fund, 1910-11 ..
Under Public Buildings ..	China Indemnity .. ..
Under Housing Act .. ..	East African Loan .. ..
Repayment of Advance for	Cunard Agreement Act ..
Inter st on Exchequer	Expenditure Certificates ..
Bonds .. .. .	Depreciation Fund .. ..
China Indemnity .. ..	Suez Canal Drawn Shares..
East Africa Loan repay-	Temp Advances Repaid 12,500,000
ments .. .. .	Increase in Exchequer
Suez Canal Drawn Shares..	balances .. .. .
Ways and Means Advances	
Decrease in Exchequer	
balances .. .. .	
£106,845,875	£106,845,875

\*Excluding sales through banks which have not yet been brought to account.

## LONDON BANKERS' CLEARING.

Date.	1918.	1917.	Increase.	Decrease.
January .. .. .	2,073,224,000	1,865,125,000	208,099,000	£
February .. .. .	1,605,654,000	1,779,524,000	—	173,870,000
March .. .. .	1,784,836,000	1,492,825,000	292,011,000	—
April .. .. .	1,446,306,000	1,403,902,000	42,404,000	—
May .. .. .	1,837,751,000	1,779,366,000	58,385,000	—
June 5 .. .. .	393,902,000	396,033,000	—	2,131,000
" 12 .. .. .	383,311,000	342,330,000	40,981,000	—
" 19 .. .. .	382,394,000	388,145,000	—	5,751,000
" 26 .. .. .	389,093,000	360,304,000	24,789,000	—
Total .. .. .	10,097,321,000	8,811,524,000	666,669,000	181,752,000

## CURRENCY NOTES.

Return of Currency Notes for the week ended June 26, 1918.

	Issued.	Cancelled.	Outstanding.
£1 notes .. .. .	5,193,559	2,675,320	183,182,690
10s. notes .. .. .	1,112,350,000	1,269,773	39,859,754
Note certificates .. ..	100,000	420,000	29,870,000
Previous total .. ..	941,693,430	681,625,934	—
	948,503,421	695,590,977	252,912,444

Ratio of gold held against notes, this week, 12.77 p.c.; last week, 12.61 p.c.

NEW YORK ASSOCIATED BANKS AND TRUST COMPANIES  
(dollar at 4s.).

	June 22, 1918	June 15, 1918	June 8, 1918	June 23, 1917
Loans, Discounts, etc. ..	902,182,000	909,352,000	900,698,000	782,722,000
Cash in Vaults of Members				
Fed. Res. Bk. .. ..	20,016,000	20,240,000	19,972,000	—
Aggregate Reserves .. ..	112,350,000	110,866,000	107,004,000	—
Excess Reserve .. ..	13,128,000	10,850,000	7,498,000	7,342,000
Net Demand Deposits ..	747,416,000	753,170,000	749,394,000	687,920,000
Net Time Deposits .. ..	31,786,000	31,518,000	31,288,000	33,444,000
U.S. Deposits Deducted	70,380,000	59,470,000	59,386,000	—
Circulation .. .. .	7,318,000	7,426,000	7,434,000	7,341,000

## FEDERAL RESERVE BANKS (U.S.) (dollar at 4s.).

	May 24, 1918.	May 17, 1918.	May 25, 1917.
Gold coin and certificates ..	95,692,000	95,915,840	66,853,000
Gold Settlement Fund .. ..	81,553,400	83,667,400	36,718,000
Gold with foreign agencies ..	10,500,000	10,500,000	—
Total gold held by banks ..	187,745,400	190,073,200	103,571,000
Gold with Federal Res. Agent	186,036,200	183,107,200	91,322,200
Gold Redemption Fund .. ..	5,823,000	5,700,400	581,000
Total gold reserves .. ..	379,604,600	378,880,800	195,474,200
Legal tender notes, silver, &c.	11,666,600	11,661,600	7,378,400
Total reserves .. .. .	391,271,200	390,542,400	202,852,600
Bills discounted—Members' ..	184,659,800	168,453,000	9,517,400
Bills bought in open market ..	55,644,200	55,977,200	21,475,400
Total bills on hand .. ..	240,304,000	224,430,200	30,992,800
U.S. Gov. long-term sec. ..	8,413,400	8,208,200	7,302,600
U.S. Gov. short term sec. ..	6,495,200	14,608,600	16,229,000
All other earning assets .. ..	230,200	298,400	2,965,200
Total earning assets .. ..	255,442,800	247,545,400	57,489,600
Due from other Fed Res bks—n.	2,806,600	376,400	2,128,200
Uncollected items .. ..	73,088,000	76,878,200	65,755,800
Total deducts. fm gross dep.	70,281,400	76,501,800	67,884,000
5% Red. Fund ag Fed. Res. bks	107,400	106,000	80,000
All other resources .. ..	17,800	15,400	1,254,600
Total resources .. .. .	717,060,600	714,711,000	320,560,800
Capital paid in .. .. .	15,093,000	15,063,000	11,398,200
Surplus .. .. .	226,800	226,800	—
Government deposits .. ..	24,470,000	9,750,600	15,222,800
Due to members—Res. account	287,256,800	292,227,600	162,665,200
Collection items .. .. .	46,497,600	56,495,000	34,030,200
Other deps inc. For Govt crdts	21,480,600	22,919,200	15,200,000
Total gross deposits .. ..	381,805,000	381,392,400	227,118,200
F.R. notes in actual circulat'n	315,724,200	313,889,000	96,880,400
F.R. bks nts in circn—nett liab.	1,552,800	1,575,600	—
All other liab. in for Govt crdts	2,658,800	2,564,200	164,000
Total liabilities .. .. .	717,060,600	714,711,000	329,560,800
Gold res. ag nett deposit liab.	60.3%	62.3%	65.1%
Gold res ag F.R. nts in act circ	61.2%	60.1%	101.1%
Ratio of gold res to nett dep.			
and F.R. nts liabilities com-			
bined .. .. .	60.5%	61.2%	78.2%
Ratio of total res. to nett			
deposit and F.R. note lia-			
bilities combed .. .. .	62.4%	63.1%	84.1%

\*Difference between net amounts due from and net amounts due to other Federal Reserve Banks.

## BANK OF FRANCE (25 francs to the £).

	June 20, 1918.	June 13, 1918.	June 6, 1918.	June 21, 1917.
Gold in hand .. .. .	134,414,320	133,942,120	133,865,440	130,009,400
Silver in hand .. .. .	10,242,660	10,142,080	10,156,600	10,347,040
Bills discounted .. .. .	53,395,680	59,102,720	55,966,240	19,592,480
Advances .. .. .	38,402,360	38,265,920	37,471,520	46,015,200
Note circulation .. .. .	1,136,571,880	1,129,282,930	1,120,487,840	791,117,040
Public deposits .. .. .	2,715,280	2,129,080	2,187,360	4,453,040
Private deposits .. .. .	157,124,840	155,050,920	154,435,040	103,697,520
Foreign Bills .. .. .	228,880	277,280	346,680	116,080

Proportion between bullion and circulation 19.98 per cent., against 20.06 per cent. last week. Advances to the State £728,000,000, increase £10,000,000. The adjourned payments of drafts in Paris on account of the moratorium, £18,954,600, decrease £5,920, and at the branches £24,192,560, decrease £33,280.

## BANK OF SPAIN (25 pesetas to the £).

	June 15, 1918	June 8, 1918	June 1, 1918	June 16, 1917
Gold .. .. .	83,330,472	82,930,479	82,675,354	60,397,496
Silver .. .. .	28,113,897	28,159,951	28,340,131	30,166,392
Foreign Bills .. .. .	3,986,616	3,813,496	3,843,371	3,572,832
Discounts and Short Bills ..	32,236,681	32,934,536	33,039,224	30,031,567
Treasury Account, &c. ..	26,336,643	25,465,616	25,209,919	25,649,105
Notes in Circulation .. ..	116,921,994	117,538,517	117,424,483	97,909,255
Current Accounts, Deposits	41,082,178	40,279,366	40,115,188	31,287,403
Dividends, Interests, &c. ..	1,679,697	1,699,391	2,429,090	1,271,564
Government Securities .. ..	2,493,157	2,504,248	1,953,843	8,768,289

## IMPERIAL BANK OF GERMANY (20 marks to the £).

	June 22, 1918.	June 15, 1918.	June 7, 1918.	June 22, 1917.
Total Coin & Bullion .. ..	120,340,500	123,319,250	123,308,500	125,776,250
Treasury Notes .. .. .	81,387,100	81,561,050	81,549,350	26,548,600
Bills discounted .. .. .	741,601,150	746,833,850	715,445,500	479,314,000
Advances .. .. .	239,900	473,850	598,600	433,950
Note circulation .. .. .	602,376,150	602,103,000	601,709,700	410,986,800
Deposits .. .. .	405,908,050	395,237,000	368,201,200	257,413,500

Clearing House return during March £459,815,355, against £420,879,905 in February.

## BANK OF ITALY (25 lire to the £).

	May 10, 1918.	April 30, 1918	April 20, 1918	May 10, 1917
Total cash .. .. .	41,714,120	43,013,640	42,314,480	41,738,960
Imand Bills .. .. .	28,475,520	28,732,360	29,285,500	20,854,960
Foreign Bills .. .. .	884,120	884,120	884,200	833,440
Advances .. .. .	25,090,600	26,187,000	24,580,320	14,726,950
Government securities .. ..	8,800,160	8,802,640	8,803,840	8,787,000
Circulation .. .. .	292,836,520	290,108,280	285,995,640	161,309,960
Deposits at notice .. .. .	35,482,320	35,145,240	34,878,760	18,399,480
Current accounts .. .. .	23,878,640	22,829,280	24,957,840	13,775,600

## BANK OF SWEDEN (18 kroner to the £).

	June 8, 1918.	June 1, 1918.	May 25, 1918.	June 9, 1917.
Gold .. .. .	14,362,000	14,371,000	14,404,000	11,270,000
Balance abroad and Foreign Bills .. .. .	7,528,000	7,053,000	7,124,000	7,285,000
Swedish and Foreign Govt. Securities .. ..	5,371,000	5,384,000	4,004,000	3,220,000
Discounts and Loans .. ..	13,804,000	13,131,000	13,025,000	8,004,000
Notes in circulation .. ..	34,761,000	35,416,000	32,419,000	24,116,000
Deposits at notice .. .. .	6,539,000	5,353,000	6,297,000	5,608,000

## BANK OF NORWAY (18 kroner to the £).

	June 7, 1918	May 31, 1918.	May 22, 1918.	June 7, 1917
Gold .. ..	£ 6,616,000	£ 6,617,000	£ 6,618,000	£ 7,160,000
Balance abroad and Foreign Bills ..	3,686,000	3,708,000	3,812,000	4,377,000
Government Securities ..	712,000	712,000	712,000	706,000
Discounts & Loans ..	18,127,000	18,137,000	17,771,000	13,052,000
Notes in Circulation ..	19,623,000	19,647,000	19,513,000	15,346,000
Deposits at notice ..	6,074,000	6,265,000	6,155,000	7,318,000

## SWISS NATIONAL BANK (25 francs to the £).

	June 15, 1918.	June 7, 1918.	May 31, 1918.	June 15, 1917.
Gold and silver ..	£ 17,713,576	£ 17,492,112	£ 17,537,176	£ 15,749,504
Bills .. ..	11,794,988	11,435,184	12,195,380	7,519,316
Note circulation ..	20,057,724	27,582,824	28,201,024	20,001,872
Current and deposit accounts .. ..	4,928,680	4,263,476	4,239,172	4,763,664

## NETHERLANDS BANK (12 Florins to the £).

	June 22, 1918	June 15, 1918	June 8, 1918.	June 23, 1917
Gold and Silver ..	£ 60,440,166	£ 60,467,250	£ 60,661,333	£ 50,893,976
Bills and Advances ..	14,273,333	14,282,166	14,759,500	12,446,750
Note circulation ..	75,387,000	76,208,166	76,633,250	61,257,333
Deposits .. ..	5,582,333	4,881,250	4,758,033	5,593,500

## LONDON COURSE OF EXCHANGE.

Place.	Usance.	June 25, 1918.		June 27, 1918.	
		Sellers.	Buyers.	Sellers.	Buyers.
Amsterdam ..	Cable transfers ..	9.34	9.38	9.36	9.40
Paris .. ..	Cable transfers ..	27.13	27.16	27.13	27.16
.. ..	Three months' bills ..	27.54	27.60	27.54	27.60
Switzerland ..	Cable transfers ..	18.78	18.87	18.88	18.88
.. ..	Three months' bills ..	19.13	19.22	19.23	19.33
Genoa, &c. ..	Cable transfers ..	44.40	44.35	43.90	44.05
Spain .. ..	Cable transfers ..	17.15	17.25	16.85	16.95
.. ..	Three months' bills ..	6.64	6.54	6.54	6.64
Lisbon and Oporto ..	Cable transfers ..	30.4	30.4	29.1	30.4
Copenhagen ..	Cable transfers ..	15.30	15.40	15.28	15.38
Christiania ..	Cable transfers ..	15.08	15.17	15.05	15.15
Stockholm ..	Cable transfers ..	13.45	13.65	13.46	13.36

## FOREIGN RATES OF EXCHANGE ON LONDON.

	Method of Quoting.	Par of Exchange	Last Week.	This Week.
Paris, cheques ..	Francs to £1 ..	25.22	27.15	27.15
Amsterdam, cheques ..	Florins to £1 ..	12.107	9.31	9.37
Italy, sight ..	Lire to £1 ..	25.22	43.70	43.85
Madrid, sight ..	Pesetas to £1 ..	25.22	17	17
Lisbon, sight ..	Pence to milreis ..	53d.	31d.	30d.
Switzerland, sight ..	Francs to £1 ..	25.22	18.72	18.87
Christiania, sight ..	Kroner to £1 ..	18.159	15.10	15.08
Stockholm, sight ..	Kroner to £1 ..	18.159	13.70	13.34
Copenhagen, sight ..	Kroner to £1 ..	18.159	15.30	15.32
Petrograd, sight ..	Roubles to £1 ..	94.57	nom.	nom.
Alexandria, sight ..	Plastres to £1 ..	97	97	97
Bombay, T.T. ..	Sterling to rupee ..	1/4	1/5	1/5
Calcutta, T.T. ..	Sterling to rupee ..	1/4	1/5	1/5
Hong Kong, T.T. ..	Sterling to dollar ..	—	3/3	3/3
Shanghai, T.T. ..	Sterling to tael ..	—	4/7	4/8
Singapore, T.T. ..	Sterling to dollar ..	—	2/4	2/4
Yokohama, T.T. ..	Sterling to yen ..	24.58d.	2/2	2/2
New York, cable ..	Dollars to £1 ..	4.86	4.76	4.76
Buenos Aires, T.T. ..	Pence to dollar ..	47.58d.	51d.	51d.
Valparaiso, 90 days ..	Pence to peso ..	—	17d.	17d.
Montevideo, T.T. ..	Pence to dollar ..	51d.	61d.	61d.
Rio de Janeiro, 90 days ..	Pence to milreis ..	16d.	12d.	12d.

## OPEN MARKET DISCOUNT. Last week. This week

	Per cent.	Per cent.
Thirty and sixty day remitted ..	3	3
Three months ..	3	3
Six months ..	3	3
Three months fine inland bills ..	4	4
Four months ..	4	4
Six months ..	4	4

## BANK AND DEPOSIT RATES. Last week This week

	Per cent.	Per cent.
Bank of England minimum discount rate ..	5	5
.. .. short loan rates ..	—	—
Bankers' rate on deposits ..	3	3
Bill brokers' deposit rate (call) ..	3	3
.. .. 7 and 14 days' notice ..	3	3
Current rates for 7 day loans ..	3	3
.. .. for call loans ..	3	3

## The Week's Stock Markets.

On the whole, the news has been favourable to optimistic views on the Stock Exchange, and dealers have made the most of it in every section, from the Funds to the industrial, plantation, and mining markets. The brilliant victory of Italy on the Piave gave the first impetus to the upward movement, but the influence of the increasing activity of American contingents on the Western Front helped. Their daily "minor" operations and their participation in air raids have inspired the most chicken-hearted with confidence that the Allies have only

to persist steadfastly some little while longer to bring the rabies-infected Hun to his senses. Apart from this dominating factor, there have been local influences helping to encourage

	Last Week	This Week		Last Week	This Week
Consols .. ..	56	56	N.S.W. 5%, 1921-3 ..	97	97
War Loan 5% ..	87	87	.. .. 5%, 1920-2 ..	100	100
.. .. 4% ..	99	99	.. .. 5% Debs ..	102	101
.. .. 5% 1929-47 ..	93	93	New Zealand 4%, 1929 ..	87	87
.. .. 4%, 1919-42 ..	102	102	Queensland 4%, 1920-5 ..	93	93
India 3% .. ..	55	55	S. Australian 5%, 1922-7 ..	100	100
.. .. 3% ..	64	65	Union of S. Africa 4% ..	—	—
Australian 5%, 1920-22 ..	100	100	.. .. 1920-5 ..	94	94
Canada 4%, 1940-60 ..	80	80	Victoria 4%, 1920-5 ..	93	94
.. .. 4%, 1920-5 ..	95	95	Westn. Aus. 4% ..	77	78
Argentina 5% 1886 ..	100	100	French War Loan, 5% ..	76	77
Belgian 3% .. ..	63	64	Japan 4% (1st), 1905 ..	80	80
Brazil, 1913 .. ..	70	70	.. .. 5%, 1907 ..	80	80
.. .. 5%, 1914 ..	86	86	Mexican 5%, 1899 ..	55	57
Chinese 1896 .. ..	92	92	Russia 4% .. ..	32	32
.. .. 1912 ..	81	81	.. .. 5%, 1909 ..	37	41
Egypt Unified 4% ..	89	89	.. .. 5%, 1906 ..	44	49
Calendonian defd. ..	9	9	London and N.-W. ..	92	93
Gt. Central pf. ..	13	14	London and S.-W. dfd. ..	23	24
Gt. Eastern .. ..	61	61	Metropolitan ..	22	22
Gt. Northern dfd. ..	30	30	Met. District ..	17	18
Gt. Western .. ..	30	30	Midland dfd. ..	58	58
Lancs. and Yorks. ..	87	88	Nth. British dfd. ..	13	14
London Brighton defd. ..	67	68	Nth.-Eastern ..	95	96
London Chatham ord. ..	56	57	Sth.-Eastern dfd. ..	29	31
Canadian Pacific ..	157	157	Chesapeake .. ..	60	60
E. Indian Guar. 4% debs. ..	84	84	Erie .. ..	19	19
Grand Trunk ord. ..	12	12	Southern .. ..	26	26
Do. 1st pf. ..	60	58			
Do. 2nd pf. ..	26	24			
Antofagasta dfd. ..	154	148	Leopoldina .. ..	37	38
B. A. & Pacific .. ..	48	49	Mexican ord. ..	20	20
B. A. Gt. Southern ..	69	70	San Paulo (Brazilian) ..	185	187
B. A. Western .. ..	69	70	United of Havana ..	76	77
Cent. Argentine ord. ..	59	60			
Anglo-South American ..	83	83	London & Brazilian ..	25	25
Bank of Australasia ..	124	125	London City & Midland ..	8	8
Bank of N.S. Wales ..	35	35	London County & West ..	15	15
Barclay & Co. "A" ..	72	72	London Joint Stock ..	29	30
Do. "B" .. ..	13	13	Nat. Prov. (£10 pd) ..	26	26
Capital & Counties ..	26	26	Do. (£12 pd) ..	30	30
Chartered of India ..	76	77	Standard of S.A. ..	11	12
Hongkong & Shanghai ..	88	88	Union Discount ..	11	11
Lloyds .. ..	25	25			
Armstrong Whitworth ..	43	45	Kynochs .. ..	40	40
Birmingham Small Arms ..	60	61	Mond Nickel ord. ..	38	38
Cammell-Laird .. ..	64	64	Nobel, £1 .. ..	72	74
Cargo Fleet .. ..	26	26	South Durham Steel ..	46	50
Davis, D. & S. ..	11	12	Thornycroft .. ..	40	44
Dorman, Long .. ..	35	36	Vickers .. ..	44	45
Associated Cement ..	4	4	Forestral Land ..	44	46
Borax dfd. .. ..	37	37	Hudson's Bay ..	7	7
Bovril .. ..	21	21	Imperial Tobacco "C" pf. ..	32	32
British Amer. Tobacco pf. ..	18	18	Lever Bros. "C" pf. ..	21	20
British Aluminium ..	34	34	Lyons, J. .. ..	4	4
British Oil & Cake ..	33	33	Marconi .. ..	31	31
Brunner, Mond ..	1	1	Maypole Dairy dfd. ..	10	15
Castner-Kellner ..	3	3	Pears, A. & F. ..	17	17
Eastern Telegraph ..	159	159	Underground Inc. Bds. ..	7	7
Eastmans .. ..	13	13			
Canard .. ..	43	43	Coats .. ..	5	6
Furness, Withy ..	70	72	Courtaulds .. ..	7	7
P. & O. dfd. .. ..	34	34	English Sewing Cotton ..	60	62
Royal Mail .. ..	123	124	Fine Cotton Spinners ..	34	35
			Harrods Stores ..	2	2
Anglo Argentine 1st Pf. ..	3	3	Dennis Bros. .. ..	35	36
Brazil Traction ..	42	43	National Steam Car ..	16	16
Datraeq .. ..	32	33	Rolls-Royce .. ..	2	2
Anglo-Egyptian "B" ..	38	39	Shell .. ..	6	6
Burmah .. ..	7	7	Spies (10/-) .. ..	6	7
Lobitos .. ..	1	1	Trinidad Leaseholds ..	35	35
Mexican Eagle pf. ..	3	3	Ural Caspian .. ..	1	1
North Caucasian ..	2	2	Venezuelan .. ..	2	2
Roumanian Cons. ..	8	8			
Allagar 2/- .. ..	27	27	Pataling 2/- .. ..	35	35
Anglo-Dutch .. ..	28	29	Perak 2/- .. ..	6	6
Anglo-Java Rub. 2/- ..	59	59	Port Dickson 2/- ..	34	34
Anglo-Malay 2/- ..	12	12	Rub. Estates Krian 2/- ..	34	34
Ayer Kuning £1 .. ..	42	42	Rubber Trust £1 ..	23	23
Brit. N. Borneo Trust £1	16	16	Sampang (Java) 2/- ..	23	23
Bukit Cich 2/- .. ..	4	4	Seaport £1 .. ..	24	24
Bukit Mertajam 2/- ..	4	4	Sengat 2/- .. ..	2	2
Bukit Sembawang 2/- ..	27	27	Seremban 2/- .. ..	31	31
Carey United £1 .. ..	35	35	Sialang £1 .. ..	58	59
Chersonese .. ..	31	31	Singapore Para 2/- ..	37	37
Cheviot 2/- .. ..	51	51	Singapore United 2/- ..	27	27
Dalkeith 2/- .. ..	23	23	Straits Bertam 2/- ..	59	59
Grand Central £1 ..	22	23	Sumatra Para 2/- ..	73	73
Highlands £1 .. ..	50	50	Sungei Bahru £1 ..	30	31
Java Investment £1 ..	23	23	Taipei 2/- .. ..	3	3
Johore Rubber Lands £1	28	28	Tanjong £1 .. ..	78	79
Kamunin 2/- .. ..	37	37	Tanjong Malim £1 ..	26	26
Kinta Kellas 2/- ..	37	37	Tebrau £1 .. ..	56	57
Labu 2/- .. ..	81	81	Telagoredo £1 ..	35	35
Langen Java £1 ..	36	36	Tempeh 2/- .. ..	25	25
Linggi 2/- .. ..	23	23	United Serdang 2/- ..	93	93
London Asiatic 2/- ..	83	83	Val d'Or 2/- .. ..	33	33
Malayalam £1 .. ..	36	36	Vallambrosa 2/- ..	19	19
Merlimau 2/- .. ..	51	51			
Bechuanaland Exp. ..	71	71	Kyshtim .. ..	1	1
Brakpan .. ..	44	44	Mashonaland Agency ..	6	6
Broken Hill Prop. (8/-)	70	70	Meyer & Charlton ..	4	4
Cam & Motor .. ..	11	11	Modder "B" .. ..	7	7
Central Mining (£12)	6	6	Do. Deep .. ..	7	7
Chartered .. ..	15	15	Mysore .. ..	2	2
City Deep .. ..	3	3	Nigerian Tin .. ..	3	3
Cons. Gold Fields ..	32	32	Pahang (3/-) .. ..	12	12
Cons. Langlaagte ..	17	17	Rand Mines (5/-) ..	2	2
Crown Mines (10/-) ..	1	1	Renong .. ..	2	2
De Beers dfd. (£2 10/-)	14	14	Rio Tinto (£5) .. ..	6	6
East Pool (5/-) .. ..	29	29	Russo-Asiatic .. ..	2	2
East Rand .. ..	21	21	South Crofty (5/-) ..	2	2
Geeduld .. ..	1	1	Spring Mines .. ..	3	3
Geveer (10/-) .. ..	23	23	Tanganika .. ..	3	3
Gov. Areas Moc ..	38	38	Tanayik .. ..	1	1
Gt. Boulder (2/-) ..	11	11	Van Ryn Deep .. ..	3	3

business. We have reached the end of the half-year, and a great many stocks, such as Home Rails and a whole host of

others, are what is called "full of dividend," and the entire amount of the interest is seldom added to the price until almost the last moment—that is, apart from any extraneous conditions that may affect the market. Other things being equal, prices will generally put on a fraction at the end of the half-year, but it is a hopeful sign that dealings have been on a larger scale for some considerable time past, and it is always cheering to find the Stock Exchange (which often has special sources of information) taking a hopeful view of the outlook.

In the beginning of the week the tone of the market was decidedly more cheerful than it has been for some time past, mainly owing to the Italian victory. This encouraged business in nearly every section of the "House," and dealings were larger than we have experienced recently, the daily record rising to as much as 3,600 markings. The Funds have shown consistent strength, and substantial fractions have been added to quotations. Colonials were not very conspicuous until towards the end, when the New South Wales issue, which before it was announced was a somewhat depressing influence, rather helped to draw attention to this section. Foreign stocks have been fairly well supported, and Mexicans and Russians have been prominent with smart advances, the former owing to the improved economic conditions which are now said to prevail, and the latter because it is felt that a more stable Government must before long emerge from the present chaos.

Home Railways have been in quite respectable demand, no doubt owing to the approach of the dividend period, and although no changes of importance can be expected in the half-yearly distributions, the fact that the stocks have now almost a full six months' interest in the price makes them look attractive. Nearly everything advanced, and the strength was maintained right up to the end. Americans are of little interest in these days, but one or two railways advanced, and there was a good deal of support forthcoming for International Mercantile Marine. Canadian Pacifics have been well maintained, and Grand Trunks showed strength in anticipation of a favourable settlement with the Government, but they closed substantially below the best. Argentine Railways also started well, but afterwards became irregular, and mostly shed a fraction after the first spurt. The position in Argentina, however, seems to be improving, and the country's trade is certainly on a basis which justifies optimistic views.

Bank shares generally have shown strength wherever quotations were tested, and quite a number of the leading issues have gained  $\frac{1}{2}$  to 1. In the Brewery section the tone has been rather irregular. Watney, Combe deferred fell rather sharply, but picked up a little at the finish, while the others which had been moving upwards reacted on an absence of active support. On balance the changes are not very impressive. Egyptian securities were firm, and Land shares were strong under the lead of Hudson's Bays, which advanced smartly. Iron and Steel things have been almost consistently good, with prices advancing concurrently with an increase in business. Explosive and other shares in which deals and bonuses are pending naturally received the greatest attention, but most of the other active shares also gained moderate fractions. Shipping shares were in demand, and P. and O. deferred, Royal Mail, and most of the others improved their position. Among Industrials, Textiles were prominent, and Associated Cements, Coats, English Sewing Cotton, and a few of the other prominent shares were in active demand. Of course, the market is stimulated by the numerous bonus schemes which have been announced in the past few weeks, and of which the stream does not seem to be by any means yet dried up.

Oil shares have been active and strong, with Burmahs taking the lead under the impression that a handsome distribution of the reserves must be announced before very long. Most of the more speculative issues also advanced, and, although there was some disappointment with the Lobitos report to begin with, the price subsequently recovered when it was seen that the falling off in profits is due to purely temporary causes and not to any depreciation in the productiveness of the oilfield. Rubber shares have benefited by the recovery in the price of the raw material, and, especially towards the end, the tone was much stronger than it has been of late. Nearly all the changes have been in favour of holders, and some quite notable gains have been recorded. At the same time, the outlook is still regarded with some uneasiness, and the immediate prospects of the industry are by no means clear.

## LONDON PRODUCE MARKETS.

Although no appreciable expansion was noticeable in the volume of business passing this week, prices were firm in most instances, with a rising tendency.

**SUGAR.**—Official prices remained unaltered, with fair allocations of British refined goods.

**COFFEE.**—The terminal market remains idle and nominal, but spot parcels met with fair support and realised steady prices, especially mild liquoring grades. At public sale, East India, bold greyish, sold at 126s.; Uganda, bold common greenish, 84s. to 89s.; fair brown to good pale, 92s. to 96s.; peaberry, 83s. to 92s.; Nairobi, small good greenish, 106s.; middling, 115s.; good bold, 118s. to 119s.

**COCOA.**—Business continues restricted by paucity of offers, there being a steady inquiry at graded prices.

**SPICE.**—Pepper again dearer with a good demand. Fair-black Singapore, spot, sold, 1s. 9 $\frac{1}{2}$ d.; Tellicherry, 1s. 10 $\frac{1}{2}$ d.; and white Muntok, 3s. 3d. Cloves quiet, and rather easier. Fair Zanzibar, spot, 2s. 4 $\frac{1}{2}$ d. Pimento firm with sales at 5 $\frac{1}{2}$ d.; and broken Cassia, 85s. Tapioca firm to dealer. Fair flake, spot, sold, 8d.; Penang, fair seed pearl, 82s. 6d.; and medium ditto, 80s. Fair small sago, spot, 82s. 6d. per cwt.

**RICE** in steady support, also beans at regulation values.

**SHELLAC.**—Tone steady, with sales at 340s. basis, fair free second orange, spot.

**RUBBER.**—Sellers showed rather more reserve, and tendency of prices firmer, but irregular. Plantation, standard crepe, spot, sold, 2s. 2 $\frac{1}{2}$ d., 2s. 2 $\frac{1}{2}$ d., 2s. 3d., and 2s. 1 $\frac{1}{2}$ d.; July-December,

## CURRENT PRICES OF CHIEF ARTICLES. WEEK ENDING JUNE 28, 1918.

	Last Week.	This Week.		Last Week.	This Week.
<b>Sugar</b> —per cwt., duty 25 $\frac{1}{8}$ , 98% polarisation	£ s. d.	£ s. d.	<b>Wool</b> —per lb.	£ s. d.	£ s. d.
Tate's Cubes ..	3 4 9	3 4 9	Australian	nom.	nom.
Crushed ..	2 17 9	2 17 9	Scoured Merino	nom.	nom.
Granulated ..	2 17 9	2 17 9	Scoured Cr'ssbr'd	nom.	nom.
Lyle's granulated	2 17 9	2 17 9	Greasy Merino ..	nom.	nom.
Foreign granu- lated, first marks	nom.	nom.	Greasy Crossbred	nom.	nom.
f.o.b., spot	nom.	nom.	New Zealand	nom.	nom.
German Cubef.o.b.	nom.	nom.	(scoured) Merino	nom.	nom.
French Cube	nom.	nom.	Greasy Crossbred	nom.	nom.
prompt	nom.	nom.	Cape snow white	nom.	nom.
Crystallised, West India ..	2 17 9	2 17 9	<b>Indiarubber</b> p. lb.		
Beet, 88% f.o.b.	nom.	nom.	Plantation, Spot	0 2 2 $\frac{1}{2}$	0 2 2 $\frac{1}{2}$
<b>Tea</b> —per lb., duty	s. d.	s. d.	Crepe ..		
1/2 lb.			<b>Coal</b> —per ton		
Indian Pekoe ..	1 4	1 4	Durham, best ..	nom.	nom.
Broken ..	1 4	1 4	Seconds ..	nom.	nom.
Orange ..	1 4	1 4	East Hartlepool ..	nom.	nom.
Broken ..	1 4	1 4	Seconds ..	nom.	nom.
Pekoe Souchong	1 4	1 4	Steamers, best ..	32 6	32 6
Ceylon Pekoe ..	1 4	1 4	Seconds ..	28 6	28 6
Broken ..	1 4	1 4	<b>Lead</b> —per ton.	£ s. d.	£ s. d.
Orange ..	1 4	1 4	English Pig. ..	nom.	nom.
Broken ..	1 4	1 4	Foreign soft, net	£29 $\frac{1}{2}$ -£28 $\frac{1}{2}$	£29 $\frac{1}{2}$ -£28 $\frac{1}{2}$
Pekoe Souchong	1 4	1 4	<b>Quicksilver</b> —per bottle first-hand	nom.	nom.
<b>Cocoa</b> —per cwt., duty 6d. per lb.	s. d. s. d.	s. d. s. d.	<b>Tin</b> —per ton		
Trinidad—per cwt.	86 0 90 0	86 0 90 0	English Ingots ..	£330	£331-£332
Grenada ..	79 0 85 0	79 0 85 0	Do, bars ..	£331	£332-£333
West Africa ..	55 0 65 0	55 0 65 0	Standard cash ..	£328-£329	£331-£332
Ceylon Plantation	85 0 100 0	85 0 100 0	Tin Plates, per box	nom.	nom.
Guayaquil ..	up to 90 0	up to 90 0	<b>Copper</b> —per ton		
<b>Coffee</b> —per cwt., duty 42 $\frac{1}{2}$ per cwt.			English, Tough, per ton	nom.	nom.
East India ..	110 0 135 0	110 0 135 0	Best Selected ..	£119-£123	£119-£123
Jamaica ..	80 0 160 0	80 0 160 0	Sheets ..	£149	£149
Costa Rica ..	110 0 137 0	110 0 137 0	Standard ..	£110-£110 $\frac{1}{2}$	£110-£110 $\frac{1}{2}$
<b>Provisions</b> —			<b>Jute</b> —per ton.		
Butter, per cwt.			Native firsts for shipment	nom.	nom.
Australian finest	252	Government	<b>Oils</b> —		
Argentine ..	252	price.	Linseed, per ton ..	£75	£75
Irish Creameries	nom.	nom.	Rape, crude ..	£66	£66
Dutch ditto ..	nom.	nom.	Cott'n Seed, crude	£60	£60
Russian finest ..	nom.	nom.	Petroleum Oil, per 8 lbs.	1/10 $\frac{1}{2}$	1/10 $\frac{1}{2}$
Paris baskets ..	nom.	nom.	Water White ..	1/11 $\frac{1}{2}$	1/11 $\frac{1}{2}$
Danish finest ..	nom.	nom.	Oil Seeds, Linseed	—	—
Brittany rolls— doz. lb. ..	nom.	nom.	Calcutta—per ton	£37 10	£37 10
<b>Bacon</b> —per cwt.			Spot	£37 10	£37 10
Irish ..	188	188	<b>Rape</b> ..	£29-10 $\frac{1}{2}$ 30	£29-10 $\frac{1}{2}$ 30
Continental ..	172	nom.	<b>Iron</b> —per ton		
Canadian ..	169/-172/-	174/-200/-	Cleveland Cash ..	nom.	nom.
American ..	169/-180/-	174/-200/-	<b>Tobacco</b> —duty, unmanufactured		
<b>Hams</b> —per cwt.			3/4-10 $\frac{1}{4}$ per lb.		
Irish ..	nom.	nom.	Virginia leaf ..	1 6-2 6	1 6-2 6
Canadian ..	162/-165/-	167/-170/-	Kentucky leaf ..	1 0-1 6	1 0-1 6
American ..	125/-165/-	119/-170/-	Latakia ..	nom.	nom.
<b>Cheese</b> —per cwt.			Havana ..	1 6-6 6	1 6-6 6
Dutch ..	nom.	nom.	Cigars, duty 15 $\frac{1}{2}$ per lb. ..	2/ upds.	2/ upds.
Canadian ..	nom.	nom.	<b>Turpentine</b> —		
English Cheddar	102/8-149/4	102/8-149/4	American Spot ..	118/	116/
Wilt's loaf ..	nom.	nom.	<b>Copra</b> —per ton		
New Zealand ..	nom.	nom.	Malabar ..	46 0 0	46 0 0
<b>Rice</b> —per cwt.	s. d.	s. d.	Ceylon ..	46 0 0	46 0 0
Japan ..	41 3	41 3	F.M.S. Singapore	45 10 0	45 10 0
Rangoon 2 stars ..	26 3	26 3	F.M. Straits ..	45 10 0	45 10 0
<b>Eggs</b> —per 120.					
English ..	41 0-43 0	42 0-44 0			
Irish ..	37 6-38 0	37 0-38 0			
Danish ..	nom.	nom.			
<b>Spelter</b> —					
G.O.B. as to posi- tion ..	£54-£50	£54-£50			
<b>Flour</b> —per sack.					
G. R. ex Mill ..	44/3	44/3			

2s. 3d. to 2s. 3 $\frac{1}{2}$ d.; October-December, 2s. 3 $\frac{1}{2}$ d. to 2s. 4d. Ribbed smoked sheet, spot and July, 2s. 1 $\frac{1}{2}$ d. to 2s. 1 $\frac{1}{2}$ d., 2s. 2d., and 2s. 1 $\frac{1}{2}$ d. Fine hard Para, spot, 3s. 1 $\frac{1}{2}$ d.; soft fine, 3s. 1 $\frac{1}{2}$ d., buyers, and ball value, 1s. 8d. per lb.

**CORN** (Mark Lane).—There was a fair attendance at market this week, but business moved quietly owing to paucity of offers, while confined to pressing wants, prices remaining at a steady level for all descriptions. Wheat: Native rules at 77s. 9d. per 504 lbs. Imported descriptions largely nominal. No. 1 Northern Manitoba quoted 82s. 4 $\frac{1}{2}$ d.; No. 2 ditto, also hard winter, 80s. 9d.; Australian, 83s. 6d. to 85s. 6d.; Indian, 87s. to 88s.; and La Plata, 82s. 7 $\frac{1}{2}$ d. per 496 lbs., all landed terms. Flour: G.R., 44s. 3d. per sack, ex mill, while imported grades were—

nominal. Barley: Native, 62s. 9d. to 63s. 9d.; Californian, 93s. to 95s., ex quay, 448 lbs.; Canadian, 81s. to 85s.; and American malting, 82s. 6d. per 400 lbs., landed. Oats: Native, 48s. 6d. per 336 lbs.; American white clipped No. 2, 61s. 9d. to 62s. 6d.; Canada Western No. 2, 63s. 6d., ex quay terms, 320 lbs. Maize: Yellow South African, 79s. 6d.; American mixed, 81s. 3d. to 81s. 6d., landed.

**COTTON** (from our Manchester correspondent).—The firm tone in the market has been maintained during the past week, but the difficulties in arranging transactions do not diminish. Demand has again been in excess of supply. With so few spindles and looms running, and the greater portion of the output required for war purposes, very little fresh business is sought after by spinners and manufacturers, but for anything wanted very full rates have had to be paid. Delivery, rather than price, however, has been the stumbling block. Good reports continue to be received with reference to the new American cotton crop, and the prospects for a good yield are distinctly healthy. Operations in piece goods have been largely confined to heavy materials for the Government, and fine strong cloths for aircraft purposes, although a moderate turnover has transpired for the minor outlets of Java, Singapore, and South America. No new development can be recorded with regard to trade for India and China, and many manufacturers who previously made standard goods for those markets have now turned their machinery on to other work. Fancies have been in active request for the home trade. The tendency of prices in American and Egyptian yarns has again been against buyers, and spinners remain in a very strong position. Steady buying has occurred in counts suitable for aeroplane cloths. Extraordinarily high prices have been paid for certain descriptions for early delivery, and it seems as though the top in values has not yet been reached. It is recognised in many quarters that this high level of values is dangerous.

### DIVIDENDS ANNOUNCED.

Anaconda Copper Mining Co.—\$2 per share, payable August 26. A year ago the same with an additional special dividend of 50 cents per share.

Anglo-American Oil.—Final 3s. per share, free of income-tax, making total of 30 per cent. for 1917. Previous year dividend was 25 per cent.

W. and T. Avery.—Final, 10 per cent. on ordinary shares for year ended March 31, 1918, making 15 per cent. for year.

Australian Agricultural Co.—5s. per share, free of tax, making with interim paid in March 9s. 6d. per share, free of tax, for 1917, same as for 1916.

Barclay, Perkins and Co.—12s. per share on preference capital. This is equivalent to 6 per cent. on original preference capital, and will pay arrears up to December 31, 1914. A year ago 10 per cent. (equal to 4 per cent. on original preference capital), which paid arrears up to June 30, 1913.

Brakpan.—Interim, 20 per cent. (4s. per share), against 22½ per cent.

Braunston (Malay) Rubber Estates.—Interim, 5 per cent. (less tax), same as a year ago.

Cassel Coal.—Interim, 5 per cent. (1s. per share).

Clarke, Chapman and Co.—Interim, 2s. per share, less tax at 5s. 9d. in the £, to be paid July 10.

City and Suburban Gold Mining and Estate Co.—No. 37 of 17½ per cent. (1s. 6d. per share), against 5s. a year ago. This is subject to deduction of income-tax from British shareholders at a rate to be announced later.

Devon Estates (Malacca).—Second quarterly, 2½ per cent., payable on June 28.

Distillers Co.—Final on ordinary shares of 12s. per share, free of tax, making 10 per cent. for year; reserve funds, £60,000; forward, £65,357.

Deebook Dredging.—No. 3 of 1s. per share, less tax, payable on July 18.

Eastern Telegraph.—Quarterly interim, 1½ per cent. on ordinary stock, free of tax; the same.

Geduld Proprietary Mines.—No. 8, of 5 per cent. (1s. per share), same as a year ago.

Goldfields American Development Co.—Interim, at rate of 5 per cent. per annum, less tax, for year ending January 31. This is company's first dividend.

Government Gold Mining Areas (Modderfontein) Consolidated.—Interim, 12½ per cent. (2s. 6d. per share).

Gopeng Consolidated.—9d. per share, less tax, against 8d., payable on July 6.

Henderson's Transvaal Estates.—6 per cent., less tax, for year ended March 31, calculated on amounts for time being paid up, or credited as paid up, on shares.

Johannesburg Consolidated Investment Co.—5 per cent., free of tax, for year ending June 30; the same.

John Knight.—Usual interim on ordinary shares at rate of 6 per cent. per annum for half-year ended May 31, payable on July 15.

Johore Rubber Lands (1913).—Final for 1917 of 5 per cent., less tax, making 10 per cent. for year, against 15 per cent.

Langlaagte Estate and Gold Mining Co.—Interim 5 per cent. (1s. per share); the same.

Leeuwpoort (African Farms) Tin Mines.—10 per cent., payable to all shareholders registered June 29, against 5 per cent.

Modderfontein Deep Levels.—No. 7 of 47½ per cent. (9s. 6d. per share), against 40 per cent. a year ago.

C. and E. Morton.—At rate of 6 per cent. per annum on participating preference and ordinary shares, for half-year to June 30.

Minerals Separation.—Interim at rate of 5s. per share, or 25 per cent., less tax, for year ending December 31, payable on July 25. Previous distribution was 50 per cent. in January last.

New Unified Main Reef Gold Mining Co.—Interim 5 per cent. (1s. per share), against 7½ per cent.

Parke's Drug Stores.—Interim on ordinary shares for half-year ended March 31 at rate of 6 per cent. per annum, free of tax; the same.

Philadelphia Co.—Quarterly 1½ per cent. on common stock, payable July 31.

Rand Selection Corporation.—Interim 12½ per cent. (2s. 6d. per share), same as a year ago.

Rohilkund and Kumaon Railway Co.—Interim for half-year ended March 31 of 3 per cent., together with bonus of 1 per cent., or 4 per cent. in all, on ordinary stock, to be paid less tax at rate of 3s. 9d. in the £ on July 29, same as a year ago.

Segamat (Johore) Rubber Estates.—Final for 1917 of 5 per cent., less tax, making 15 per cent. for year, against 20 per cent. for 1916.

Talisman Consolidated.—Further 1s. per share, payable on July 22, same as preceding distribution.

Telegraph Construction and Maintenance Co.—Interim 5 per cent. (12s. per share), free of tax, same as a year ago.

Van den Berghs.—Interim 10 per cent. (actual) on ordinary shares. Warrants will be despatched on July 13.

Van Ryn Deep.—Interim 22½ per cent. (4s. 6d. per share), against 20 per cent.

Victoria Falls and Transvaal Power Co.—On preference shares, final 4 per cent., less tax, making 10 per cent. for 1917; and 3 per cent., less tax, for year ending December 31, 1918. On ordinary shares 5 per cent., less tax, for 1917, same as for 1916.

Vryheid (Natal) Railway, Coal, and Iron Co.—5 per cent. for year ended January 31, 1918; £20,000 to reserve, £28,563 forward.

Welsbach Light Co.—After allowing for excess profits duty, which is likely to be considerable, 10 per cent., less tax, for year ended March 31. Previous year 5 per cent. was paid.

World Marine and General Insurance Co.—Interim 2s. a share, being at rate of 5 per cent., free of tax.

Witwatersrand Gold Mining Co.—Interim 10 per cent. (2s. per share), against 20 per cent.

### OILFIELDS PRODUCTION.

Anglo-Egyptian Oilfields.—Week ended June 16:—Gemsah, 22 tons (against 21 tons); Hurghada, 4,068 tons (against 4,633 tons).

Baku Russian Petroleum.—Gross crude oil for week ended May 25 was 51,550 pounds.

United British Oilfields of Trinidad.—1,022 tons for week ended June 19.

### Answers to Correspondents.

**\* A Key to these Answers will be posted early each week for a subscription of ONE GUINEA per annum, 11s. for six months, or 5s. 9d. for three months.**

**Deposits against futuro queries may be lodged with the Publisher.**

**A Holder.**—Our opinion may not be worth much as a guide, but looking at the present difficulties and the properties as well we think it would be prudent to sell where profits yet exist, or where losses are not serious, for the probability is that for some time to come prices will tend to sag. But the industry is not worn out yet by any means.

**Small Investor.**—Yes, the company owns a good, well-managed property, and has substantial reserves.

**H. P. M.**—The shares of the Home company, although the premium is high. The others have a very uncertain after-the-war future.

**Scotus.**—All stand fairly high, but "Oils" seem the best from an investment point of view. You must not forget working costs are likely to be heavy for a long time to come, but this company's particular product should always command a ready sale.

**Northgate.**—It is handicapped by high cost of fuel, but it serves a good district, with possibilities of expansion. The shares are a reasonable purchase at the price you mention.

**B. J. W.**—None of your holdings are likely to pay dividends for some time. They have still difficulties to overcome, though the outlook is distinctly brighter. There are naturally risks attaching to the suggested purchase, but not unreasonable ones. You might make a fair profit, and in the meantime dividends are being paid. The company is in strong hands.

**Dora.**—The stock is a fair speculative holding, but if you only bought to make a moderate profit, sell. There can hardly be a continued rise.

**T. J. F.**—It is quite a fair offer, so you might accept.

**A. C. D.**—You are not allowed to take more than £500 nominal of the War Certificates for one account, but you could divide the money if you so desire. The dividends on the 5 per cent. War Bonds can be reinvested automatically by instructing the Bank of England to do so.

## Tea, Oil and Rubber.

Conditions have not greatly altered in the Rubber market, but a more cheerful feeling has prevailed. Both in the Stock Exchange and in Mincing Lane quotations have improved, and the price of the commodity, after recovering to 2s. 2½d., closes only a fraction under that figure. Share dealings have not been particularly active, but buyers have been more in evidence, although it is still true that holders who have large profits on paper show a marked inclination to turn part of them into cash. The better feeling recently is probably mainly due to the further information received with regard to the restriction of imports into the United States. The limit of 25,000 tons for the three months to the end of July does not necessarily mean that only 100,000 tons (against last year's 157,000 tons) will be allowed for 12 months; the position will be reviewed at the end of each quarter. But it is officially estimated that the stocks in the country amount to over 87,000 tons, and a great deal of this will have to be cleared off before increased shipping facilities will be granted. To what extent these constitute bull or bear points everyone may decide according to his own predisposition.

It has been confidently anticipated for some time that the Burmah Oil Co., Ltd., would this year capitalise some portion of its enormous reserves, and the dividend announcement just made confirms the market view. It is proposed to create 952,500 new shares, and to issue them as a bonus in the proportion of one new for every two existing ordinary shares. That represents a bonus of from £2 10s. to £3 per share on the present market valuation, but the company is in such an enormously strong position that it can afford to do things in that handsome manner without being seriously inconvenienced. The dividend and bonus of 25 per cent. now declared make 32½ per cent. for the year against 30 per cent., and £300,000 is placed to reserves, while £1,384,000 is carried forward, subject to excess duty estimated at £1,250,000. It is a wonderful record, but we shall go into the figures more closely when the complete accounts are available.

**LOBITOS OILFIELDS, LTD.**—Last year the production amounted to 91,548 tons, an increase of 4,340 tons, while the nett operating income was £12,600 higher at £122,000. However, £13,000 more at £67,000 is written off for depreciation, and Peruvian taxes required £3,000 more at £12,760, with the result that the nett oil profits are £3,000 down at £42,200. That is satisfactory enough, but the income from steamers was only £7,100, a decrease of £38,000, and there was a loss on working of £4,200, as against a profit of £30,000. Interest produced £7,000 more, and income-tax absorbed £8,000 less, so the total nett profit of £24,650 is only about half the amount earned in 1916. Consequently the dividend has to be cut down from 10 per cent. to 5 per cent., and £10,000, or £5,000 less, is placed to reserve, leaving £34,700 to be carried forward, practically the same as the amount brought in. The shipping business will revive when conditions are more favourable, and, meantime, it is satisfactory that the oilfield continues to yield so handsomely. In addition to £117,000 in War Loans, the company has £20,400 cash in hand, and the financial position looks thoroughly sound.

**SIALANG RUBBER ESTATES, LTD.**—Year to January 31. Capital £200,000 in £1 shares. Reserves, £87,600. Output, 1,387,000 lbs., increase 155,000 lbs.; average price 2s. 5.50d., against 2s. 6.15d.; all-in cost 1s. 3.61d., against 1s. 1.76d. The crop was harvested from 4,294 acres out of a total of 6,290 planted, and the average yield was 323 lbs. per acre, which can be considerably increased when desired, but for the current year the output is not to exceed 1,067,000 lbs. Nett profits amounted to £84,100, a decrease of £2,400, but £4,600 more was brought in after paying £40,600, against £14,000, for excess duty. The final dividend is 8 per cent., making 16 per cent. for the year, against 18 per cent., and after again placing £5,000 to development reserve, £52,000, or £4,200 more, is carried forward subject to excess duty, which is estimated at £42,000. During the year 325 acres were planted, and there are still 600 acres available for cultivation in addition to 2,500 acres of building sites, waste lands, &c.

**MALAYALAM RUBBER AND PRODUCE CO., LTD.**—Year to December 31. Capital £500,000 in £1 shares; reserve, £40,000. Output of rubber 1,354,000 lbs., increase 337,000 lbs.; average price, 2s. 0.42d. against 2s. 6.39d.; cost f.o.b. 11.73d. against 1s. 1.01d. Gross proceeds £162,000, an increase of £21,000. Output of tea 1,478,000 lbs., increase 9,000 lbs.; average price, 6.62d. against 9.23d.; cost f.o.b., 6.72d. against 6.89d. Gross proceeds £54,300, a decrease of £22,400. It will be seen that the tea was marketed at an actual loss, and the nett profits for the year are £16,000 down at £59,160, but £10,000 more was brought in. The dividend, however, is reduced from 10 per cent. to 8 per cent., and after again placing £15,000 to development reserve the carry forward is £4,000 higher at £20,520, subject to excess duty, which is estimated at £2,000. For the current year the restricted rubber output is estimated at 1,500,000 lbs., and tea at 1,800,000 lbs., and there is reason to hope that the results in this case will be more favourable next time.

## ABRIDGED PROSPECTUS.

The LIST for both CONVERSION and CASH Applications will be CLOSED on or before THURSDAY, the 11th July, 1918.

## NEW SOUTH WALES GOVERNMENT 5½% CONVERSION LOAN (Second Issue) 1922-1932

Issue of £3,000,000.

Offer of Conversion to Holders of outstanding £5,131,477 New South Wales Government 3½% Inscribed Stock maturing 1st September, 1918.

Price £100 per cent.

Interest payable 1st May and 1st November.

Interest payment of £1 2s. per cent. payable 1st November, 1918.

Principal repayable at par on the 1st November, 1932, the Government having the option of redemption in whole or in part, at par, on or after 1st November, 1922, on giving three months' notice.

The Government of New South Wales having complied with the requirements of the Colonial Stock Act, 1900, as announced in the "London Gazette" of the 29th March, 1918, Trustees may invest in this Inscribed Stock subject to the restrictions set forth in the Trustee Act, 1893.

### THE LONDON COUNTY WESTMINSTER AND PARR'S BANK LIMITED.

Notifies that the Government of New South Wales offers to the holders of £5,131,477 New South Wales Government 3½ per cent. Inscribed Stock due 1st September, 1918 (to an amount sufficient to make up with the cash applications the total of £3,000,000), conversion, in whole or in part, into an equal amount of New South Wales Government 5½ per cent. Inscribed Stock, 1922-1932, on the following terms:—

Holders to receive on completion of conversion a cash payment of £1 12s. 5d. per cent. (less tax), being the difference between £1 13s., the interest on the 3½ per cent. Stock, and 2s. 7d., the interest on the instalments, to 1st September, 1918. An interest payment of £1 2s. per cent. will be made 1st November, 1918.

Holders of the 3½ per cent. Stock exercising the option to convert will receive preferential allotment, and must lodge the prescribed form of assent with the Bank of England, E.C.2.

The Treasury has been consulted under the notification of the 18th January, 1915, and raises no objection to the issue.

New South Wales Debentures and Stock domiciled in London are not, and will not be, subject to Income Tax in New South Wales, or to death duties in that State.

The stock will be inscribed in accordance with the provisions of the "Colonial Stock Act, 1877," 40 and 41 Vict., cap. 59, in the books of the New South Wales Government 5½ per cent. Stock, 1922-1932, kept by the London County Westminster and Parr's Bank Limited, Lothbury, and will be transferable at that Bank free of stamp duty. Interest thereon will be payable by Dividend Warrants, which will be transmitted by post at the Stockholder's risk.

### THE LONDON COUNTY WESTMINSTER AND PARR'S BANK LIMITED

is authorised to offer, for subscription in cash, New South Wales Government 5½ per cent. Debentures, 1922-1932 (convertible into Inscribed Stock at any time up to the 14th September, 1918), to an amount sufficient to make up with the 3½ per cent. Stock converted the total of £3,000,000, at £100 per cent., payable as follows:—

£5 per cent. on application.  
£95 " " 26th August, 1918,  
£100

The debentures, which will be issued in denominations of £100, £500 and £1,000, will be payable to Bearer, and the interest thereon will be paid half-yearly at the London County Westminster and Parr's Bank Limited, 41, Lothbury, E.C. 2, by Coupons due 1st May and 1st November.

The revenues of the State of New South Wales alone are liable in respect of this Stock and the dividends thereon, and the Consolidated Fund of the United Kingdom and the Commissioners of His Majesty's Treasury are not directly or indirectly liable or responsible for the payment of the Stock or of the Dividends thereon, or for any matter relating thereto.—40 and 41 Vict., cap. 59, sec. 19.

Cash applications on the form prescribed will be received at the London County Westminster and Parr's Bank, Limited, Lothbury, and must be for multiples of £100, and be accompanied by a deposit of £5 per cent. on the nominal amount applied for.

Payment in full may be made on the 22nd July, 1918, or on any subsequent day, under discount at the rate of 4 per cent. per annum.

Script Certificates to Bearer in respect of Cash applications may be obtained on or after the 6th August, 1918; a Coupon for £1 2s. per cent., being interest on instalments, payable 1st November, 1918, will be attached thereto. The Certificates when fully paid will be exchangeable for the definitive Bonds when received from the State, or they may be converted into Inscribed Stock without charge on or before the 14th September, 1918, in which case the Coupon must be surrendered, and the amount will be paid by Dividend Warrant.

Due notice will be given when the Debentures are ready for delivery.

Prospectuses can be obtained at the London County Westminster and Parr's Bank Limited, 41, Lothbury, E.C.2; 21, Lombard-street, E.C.3; 4, Bartholomew-lane, E.C.2, or at any of the Branches of the Bank; at the Ulster Bank Limited, Belfast, and Branches of that Bank, and of Messrs. R. Nisvis n and Co., Bank Buildings, Princes-street, E.C.2.

Forms for conversion can be obtained at the Bank of England, E.C.2.

London County Westminster and Parr's Bank Limited,

Head Office,  
41, Lothbury, London, E.C.2,  
28th June, 1918.

### THIS FORM MAY BE USED.

No..... 46.

### FORM OF APPLICATION FOR

### NEW SOUTH WALES GOVERNMENT 5½% DEBENTURES (Second Issue), 1922-1932.

Convertible into 5½ per Cent. Inscribed Stock at any time up to the 14th September, 1918, without charge

To the LONDON COUNTY WESTMINSTER AND PARR'S BANK LIMITED.

Gentlemen,—I/we hereby apply for £..... of the New South Wales Government 5½ per Cent. Loan, 1922-1932 (Second Issue), according to the Prospectus of the 28th June, 1918, and undertake to pay £100 for every £100 of Debentures, and to accept the same or any less amount that may be allotted to me/us, and to pay for the same in conformity with the terms of the said Prospectus.

I/we enclose the required deposit of £....., being 5 per cent. on the NOMINAL AMOUNT applied for.

NAME.....

(Mr., Mrs., or Miss)

ADDRESS.....

....., 1918.

N.B.—Applications must be for multiples of £100, and must be accompanied by the amount of Deposit thereon.

## COMPANY MEETINGS.

## THE CENTRAL MINING AND INVESTMENT CORPORATION, LTD.

The 13th ordinary general meeting of the Central Mining and Investment Corporation, Ltd., was held in the board room at No. 1, London Wall Buildings, E.C., on Thursday, June 27, 1918. Sir Lionel Phillips, Bart., presided.

The Secretary, Mr. J. L. Siddall, having read the notice convening the meeting, and also the auditors' report, the Chairman addressed the meeting as follows:—

Gentlemen,—Before I address you, I desire to apologise for the absence of our French colleagues. All three of them, unfortunately, are prevented from coming, two of them because they occupy very important Government posts, and the third being in the French Army. I also have to express regret that my colleague Major Ffennell is not able to come for the same reason, namely, his military duties.

This is the fourth year that I have presided at your annual meeting to review the position and give you an account of our stewardship. Every year we have all hoped that the war would be over before the next gathering, but in that we have been disappointed, and, although we feel confident as to the final result, the time of its achievement is still indefinite. Neither the length of this most terrible of all wars nor its ravages could ever have been pictured by the most highly imaginative person, nor is it in human power to gauge its far-reaching consequences even now. I am building my address on this foundation because, while, on the one hand, the sacrifice of life is an ever-present horror, it is necessary, on the other, in reviewing financial affairs in such times to keep in mind the appalling and inestimable material destruction involved. Restoration and reconstruction after the conflict will tax all the thought, skill and industry of at least a generation.

It behoves us to conserve our resources, to put a modest value upon our assets, and to lend all that we possibly can to the State. Those are the principles upon which the board has shaped its policy, and in consequence you will not find any startling changes in our balance-sheet.

Capital account is unchanged. Amount due to creditors, £3,500,000, has diminished by £290,000, a small change holding the total sum in view. Approximately that amount was invested by the companies with which we are associated during last year in 5 per cent. War Loan, and, as our own holding in Government securities of longer currency than Treasury bills has risen by £207,000 to £1,190,000, the decrease of £430,000 in Treasury bills is more than made up. These figures show our desire to assist as far as we can. But there is, of course, a limit as to the extent to which we can tie up the funds at our disposal, for, like all other banking businesses, we are bound to keep large amounts in a liquid state. Due regard for our commitments must regulate our financial dispositions.

Investment securities, debtors, loans and cash amount to £4,357,000, and, after deducting all liabilities, you will observe that the readily realisable working capital has been further added to during the year. When stable conditions return these funds will be available for more active use. Meanwhile, I think we are well advised to pursue a conservative policy of a preparatory kind, which does not mean that we are not investigating new business or not taking limited risks in anticipation of the happy day when confidence and general conditions may justify a bolder course of action.

Our large shareholdings in South Africa and similar investments elsewhere constitute our permanent, if fluctuating, stock-in-trade. They include interests not yet revenue producing which gradually mature and supplement or take the place of others that drop out. The total revenue derived from these holdings, taking full account of the amortisation of wasting assets, brings us, I am glad to say, a steady yield commensurate with their character.

At the beginning of the year under review gold production in the Transvaal had reached high-water mark, and general prosperity prevailed in South Africa. In England there was an abundance of money, either on deposit with banks or in circulation, a condition which, owing to the continued activity of war industries, prevails to-day, though, very properly, funds available for permanent investment are now to a greater extent diverted to the various War Loan and War Bond issues. These circumstances had, for a short time, a favourable effect on the prices of many of your holdings, but business became restricted very soon and the stock-market weaker, a tendency which has since been much accentuated owing to the difficulties, which have steadily grown, in carrying on work at the mines. On broad lines these are the features which had had an influence on our transactions, and the present outlook, which must be described as serious as far as the gold mining industry is concerned, has had a close bearing upon the final preparation of our accounts. Before striking our balance we, therefore, reduced the stock prices of your holdings. Notwithstanding this, the net profit of £349,090 is only a little below that of the previous year, and represents rather more than 10 per cent. on the issued capital of the corporation.

We maintained the 1916 rate of dividend. On the ruling market price this is equivalent to a return of over 9½ per cent. less tax. To meet the wishes of the majority of shareholders, we resolved to distribute half-yearly, in place of annual dividends, an arrangement of which investors approve.

The sum of £150,000 has been carried to the reserve fund, raising it to £300,000.

The balance of the year's profit has gone to swell the carry forward, which will be found in next year's accounts at a round £100,000.

It may be convenient at this point to make a few general observations upon the position at the mines under our supervision, especially those in which we have important holdings, but, before doing so, I will refer to our enterprise in Trinidad, as it will be necessary to speak upon the mines at greater length. I indicated last year the progressive character of the operations of Trinidad Leaseholds, Ltd. The output, which at that time was 6,000 tons monthly, has now increased to roughly 14,000 tons, including about 3,500 tons from the Barrackpore field, acquired by the absorption of the Trinidad Oil and Transport Co., Ltd. The topping plant was completed towards the end of June last year, and has proved very satisfactory. The company is now producing fuel oil of a high grade, as well as petrol. We took up the 100,000 shares held under option. Our confidence in the future of this property is steadily becoming firmly established.

We hold, as you are aware, larger investments in South Africa than in other directions, and although it is fitting for me to say a word or two upon certain mines on the Witwatersrand field, it would serve no useful purpose to make any detailed review, which, of course, is available to shareholders through the medium of the annual reports and the speeches delivered by the chairmen of the various companies. Two outstanding unfavourable facts, which I need not reiterate in dealing with individual properties, are increased cost of working and shortage of native labour supply. All the companies have suffered under these heads. There has been during the year, and there still is, a certain amount of labour unrest, which I trust may shortly disappear, because the circumstances do not permit the payment of increased wages.

The situation on the Rand during the early part of this year has been accentuated by abnormal floods, which, though important in their effect on working cost and delay, which reduced profits, may be reasonably regarded as merely of temporary significance. Allowances to the men who have come over to fight constitute an item of somewhat greater moment. Not a dissentient voice has been raised—and it is unthinkable that it should have been—against this heavy charge. The companies have behaved generously to their employees, who themselves made heavy pecuniary sacrifices to offer their blood in the cause of freedom and civilisation. Many of the gallant South Africans who have fallen come from the mines of the Rand—all honour to their memory. Increased cost arises also from the higher freight, insurance and refining charges upon the raw gold. But the most important addition to our cost is attributable to the great advance in wages and in the price of commodities.

On the whole, I think I may say, speaking of our administration, that the mines of the Central Rand have held their own in the matter of value of ore developed, and that those of the Far Eastern Rand have still further strengthened their position. The value of the ore reserves of last year compared with those of its predecessor discloses on the whole a healthy position. Taking the tonnage milled in 1917 (i.e., after sorting) the value was estimated at 30.18s. per ton, against an estimated value of the ore reserves, calculated at the end of 1917, of 33.28s. per ton. The difference between the grade crushed in the mills and that of the ore reserves is partly explained by the treatment of ore from reclamation and development. Excluding the six additional mines which came under our aegis, I find that the value of the ore reserves of the 15 other producing companies with which we are associated rose by 1.18s. per ton in 1917. It is right to mention, however, that the increases are due rather to the elimination of blocks rendered unpayable by the increased cost of working than to any marked general increase in value. There is, on the average about 3½ years' ore supply developed.

The most disappointing property with which we are connected is the East Rand Proprietary Mines, Ltd. Last year's results were most unfortunate. The reserves of ore mainly counted upon to supply the mill for a number of years during the exploitation of the southern area are proving totally inadequate for the purpose. There are two specific reasons: In the first place, the increase of working costs; in the second place, the more erratic distribution of values than was anticipated. The mines situated in this particular region have, especially in recent years, manifested characteristics which are not entirely common to the Central Rand or to the Far Eastern Rand. On the Central Rand, although there are considerable local differences in the value of the ore, the gold is fairly evenly distributed on the whole. In the Far Eastern Rand the gold is much more concentrated in distinctive channels, the general result being that, though there are considerable areas of unpayable ground, the enriched portion of the beds is well defined. The general effect upon the company of which I am speaking, in combining some of the characteristics of both sections of the Rand, is that the winning of the payable ore becomes more and more difficult as the known areas of payability become exhausted. This once very prosperous company has in consequence fallen into the parlous state in which we find it to-day. The directors have, I know, given the utmost thought to the situation, and have had the advantage of advice from some of the most highly qualified engineers and geologists of the Rand. I greatly fear, unless some unforeseen change occurs, which it is impossible to predict to-day, we must prepare ourselves for a comparatively early suspension of operations.

Crown Mines, Ltd.: Although the profits have been much

reduced by general circumstances affecting all the mines, I am, nevertheless, glad to say that the outlook of this property is distinctly encouraging, and with the return of normal times I anticipate better results. You will see upon reference to the consulting engineer's report that the value of the ore reserves has considerably improved. This is due, however, as I have pointed out in my general remarks, rather to the exclusion of blocks which under existing conditions will not pay to work than to any great change in ore recently exposed. At the same time, assays of reef in the lower levels are giving us very satisfactory values. You will remember that last year I drew your attention to what I termed a phenomenally high value which had been obtained in a borehole in the centre of the property immediately south of the great dyke. It is of particular interest now to note that immediately above this point on the north side of the dyke the presence of high-grade ore has been recently corroborated on the 18th level by assay results over a continuous stretch of 60 ft., averaging 1,209 in. dwts., and by the intersection of the reef in a cross-cut off the 10th level haulage drive assaying 2,967 in. dwts. These results, following as they do the high-grade blocks developed immediately above on the 15th and 16th levels, are a hopeful sign of good values in this section of the property. We cannot, of course, look into the future, and in a mine of this magnitude it takes a great deal of development to make any very material change in the value of the total ore reserves, so that I do not think I ought to let my optimism go any further. It will interest shareholders to know, however, that to the eastward the dyke takes a much flatter dip than was expected. This gives the northern portion of the mine now being worked a longer life than was anticipated, and removes the urgency for opening up the southern area.

Village Deep is at the moment giving us a little concern. The low-grade patch of ore to which I referred last year has, unfortunately, extended in length. As it is necessary to drive through this area to reach the better sections of ground on either side, it has had a depressing effect upon the value of the ore reserves. I take comfort in the fact that latterly the values in this section have improved, and I am, therefore, hoping to be able to tell you next year that the outlook is more promising. The profits for some months were affected by floods in the lower levels, and, judging by the returns which we have got during the past few months, I am afraid the earnings of the present year will be disappointing.

City Deep, Ltd.: The ore reserves fully maintained their value. The deeper developments in the central section of the property are very promising, and the outlook is assured for several years to come. In the western part of the mine lower grade ore has been developed, but in view of the disclosures in neighbouring mines better values are to be anticipated in this section. A new shaft to meet the far distant needs of the mine is about to be sunk.

Nourse Mines, Ltd.: The ore reserves have remained constant as to quantity and value. The development of the main reef leader in the lower levels continues good, but the profits are restricted by the smaller tonnage milled.

Rose Deep, Ltd.: This mine has done very well during the year. The profit has not only improved, but the grade of the ore reserves has been slightly increased, and the costs reduced. The completion of the plant for the extensive sand-filling operations now in progress has been very beneficial. Recent operations show a reduction in the monthly crushings owing to the effect of the abnormal rainfall.

Modder B. Gold Mines: The profit per ton milled by this successful company shows an increase over the previous year. The ore reserves maintain their value and the position is a strong one. From causes already referred to, the tonnage dealt with during the present year shows a decrease compared with the average of 1917. The enlarged plant should be available within a month or two.

New Modderfontein Gold Mining Co., Ltd.: The ore reserves at this mine are most extensive and particularly good in value, and, in fact, the outlook is so satisfactory that I think I need hardly dwell upon it. The new reduction plant is being gradually brought into operation, and last month a record output and profit were secured. The remaining portions of the new winder for the circular shaft have now arrived in South Africa, and the completed new plant should soon be ready.

Modderfontein East, Ltd.: The consulting engineer, Mr. Stuart Martin, has laid out the mine to give knowledge of the nature and value of the ore-bodies throughout the western side of the property at a comparatively early date.

We have further added to our interest in the Far Eastern Rand by taking, jointly with the Rand Mines, Ltd., a share in the West Springs Mine, the lease of which was recently granted by the Government to the Anglo-American Corporation. Our holdings in some of the producing deep level mines of the locality have also been increased.

The dividends paid by the gold mining companies of the Witwatersrand fell from £7,095,066 in 1916 to £6,556,188 in 1917, a reduction of, roughly, £540,000, or 7.6 per cent. The dividends paid by 15 of the companies under our administration fell during the same period from £3,637,247 to £3,430,179, or 5.8 per cent. I have excluded from this calculation the six additional companies which came under our wing during that period. The companies with which we are associated suffered less relatively than those of the entire field. But dividends, though closely indicative of results, are not an absolutely correct standard of measurement, because other factors, such as reserve funds, drawn upon or added to, and non-recurrent wind-

falls or outlays, though unimportant in their effect, would have to be analysed to obtain precise arithmetical accuracy. The dividends so far declared during the current year are lower than those of 1917, and the outlook is not free from anxiety. In framing our balance-sheet, therefore, we have taken adverse factors into earnest consideration, and have maintained in our assessment of values a conservative policy.

The position of the corporation in relation to the gold mining industry of the Witwatersrand is shown in our consulting engineer's report. Briefly, the companies with which we are associated milled 45.7 per cent. of the total tonnage, produced 47.8 per cent. of the gold won, earned 46.4 per cent. of the working profit, and distributed 54.9 per cent. of the dividends paid. (Applause.) Their working costs averaged 20.25 shillings per ton, against 19.18 shillings for all the mines. That might be regarded superficially as a point against us. May I say, in justice to our very efficient and zealous staff, that I believe our properties are at least as capably and economically managed as any others. To arrive at the relative working costs of respective administrations would involve an investigation of an extremely technical character, touching depth of workings, nature of rock, proportion of sand-filling, or other safety measures, and, above all, the system of book-keeping. While it is unfortunately true that a number of the older mines are being exhausted, there is considerable hope of maintaining the gold supply, if not quite at the highest point, at least at a very high level, for many years to come, because of the favourable developments and extension of operations in the Far Eastern Rand. But, apart from actual exhaustion of mines, there is the fact that, owing to the rise in working costs, one of the main causes of which I will deal with directly, there is the danger of the output being restricted. A large number of mines on the Rand will shortly have to be closed down unless some relief can be given to them. Fourteen mines are barely paying expenses. They employ 6,000 white men and 48,000 natives. Their working costs amount to £6,600,000 per annum, largely spent in South Africa. They furnish the world with about £7,000,000 of gold.

The health conditions at the mines, thanks in no small measure to the great services rendered by Dr. Lister, have been very good, and, in view of our having apparently conquered the most serious cause of mortality among the natives, namely, pneumonia, it is to be regretted that a proposal to try another experiment with tropical labour was not agreed to, because the disease which rendered the prohibition of their employment entirely proper years ago does not appear any longer to be a source of danger. If it could be shown that the employment of such labour had no disadvantages from the health standpoint, there would appear to be in that direction a complete remedy for the deficient supply. (Hear, hear.) Among the great countries of the world, South Africa is probably today the least advanced in development. Industrial expansion and material prosperity there still, to no small extent, upon the gold output, and that, in turn, depends upon an adequate labour force. A contraction of the gold production, injurious as it would be to the commerce of the world, would particularly hit South Africa. Just as its nutritive effect has been gradual and cumulative, so the consequences of decline would not be instantaneous but slow and insidious.

A comprehensive discussion upon the labour question in South Africa would be out of place here, and I am fully alive to the wide field for divergency of view from the broader political aspect of the matter. But I am impelled to repeat a warning, often uttered before, that the neglect to make use of all the native labour that is required by, and can be secured for, the gold mining industry, so far from resulting in the employment of more white men, has exactly the opposite effect. Whether white men will in time overcome their abhorrence of manual labour in a country where it is regarded as "Kaffir work" I cannot say, but years of effort to make them do so have not had any appreciable success. The terms demanded by the white man for his services out there put his employment as a mere manual labourer out of the question. Probably as the industries of the country grow there will be many directions in the intermediate classes of labour between the completely unskilled and the fully skilled, where the white men may find a place, but I am certain that place is not ordinarily in the mines. In my view, the provision of enough native labour to work as many mines as possible is the best method of developing the whole country, and of establishing other industries catering for their needs and flourishing upon the internal wealth thus created. Such industries might, perhaps, be built up—arbitrarily and advisedly—solely upon white labour, as it is not advisable on sociological grounds that the white man and the black man should work side by side on equal terms. (Hear, hear.)

Those who have seen population grow out of single industries on spaces practically uninhabited before have had unique instruction upon one aspect of production—its remarkable wealth-building power. The diamond fields are in an arid, almost desert region. At a time when the annual output of tough diamonds realised, say, £4,000,000, after deducting the amount spent overseas for stores, plant and distributed profits, the balance divided among the white inhabitants would not have provided them with the income of very modest wage-earners. There was no other source of support worth mentioning. Similarly on the gold fields the country was almost uninhabited. Trade was so insignificant as to be negligible. I remember once making a calculation, the figures of which are no longer at my disposal, but their import is quite clearly

stamped on my memory. Deducting from the gold output of the time the amount of money sent overseas, and dividing the whole of the balance among the white population would not have given them the means of livelihood, let alone enough to live at the comparatively high rate then prevailing, and, at the time, there was no great amount of money being supplied from external sources for development.

The fact is that new wealth due to the exploitation of resources has a power of sustenance altogether greater than its nominal value. It may be compared to coal, the theoretical energy of which is so vastly greater than that we derive from it. In other words, the actual amount of real value in what we get for what we spend is infinitesimal, and, if the truth were known, the actual cost of our keep may not so greatly exceed that of the beast in the field as we flatteringly imagine. Newly created wealth does duty over and over again by the process of circulation like the blood in our bodies. By our complex system of invented wants we effect endless changes in elementary products, but consume relatively little. Hence, every ounce of gold that is extracted performs functions quite disproportionate to its assessed value. What applies to gold applies to all other minerals and, in another degree, to produce of the vegetable kingdom as well. If we could only learn to appreciate this fundamental truth, we should pay more attention to what we can develop out of our own soil and avoid importing, as far as possible, similar substances from other soils, even though they appear to be nominally cheaper.

In considering the chief cause of higher working costs on the Witwatersrand gold fields we are confronted with a situation that appears anomalous in some respects. The war has had a very serious effect upon the gold mining industry of the world. A country like Western Australia has suffered even more grievously than we. Why have wages and stores risen? Largely because they are paid for in a paper currency that, owing to inflation, has depreciated. If there had been enough gold to pay for the balance of external trade in the precious metal exchanges would have remained normal, and the creation of paper money, to transfer the predominant part of internal trade from the ordinary channels into the hands of the Government, would not have caused the great depreciation that we have witnessed in its value. We are in a vicious circle. A rise in commodities involves a rise in wages and *vice versa*, and thus the snowball of national debt goes on growing from the double cause of expenditure and rising prices. Every thoughtful economist looks at the future with grave misgiving. Debts incurred upon commodities at a high cost must some day be paid for in commodities. The higher their price, the less in quantity needed to square the account. On these premises the greater the inflation and the higher the value of commodities the easier the extinction of debt. Unhappily, the reverse of this reasoning may have to be faced. A time may come when the supply of commodities will exceed the demand, and depress prices. We live in a competitive world, and shall hence have to meet our obligations in commodities at the cheapest rate at which they can be supplied from any part of the globe. For the extinction of external debt there is only one substitute for commodities—gold. And, again, sufficient commodities for the repayment of huge debts can only be produced, or for that matter absorbed, in the course of many years, and the deferment in the payment of debt during that period can only be secured, at fair rates, by credit based upon gold.

We have all read a good deal of specious argument on the subject of the gold standard and its abolition, but the fact remains that, although reputation for national probity is of great worth and permits delay in settling debts, no amount of confidence in the integrity of a debtor and no amount of sophistry about "liquid wealth" in the shape of raw materials and an industrious population will pay debts. Hard cash, goods, or services of a valuable character are the only considerations acceptable to the creditor. These are the reasons why the gold output has been, and still is, of such vital consequence.

The British Empire produced last year £56,139,030 out of the total world output of £87,983,130, or 63.8 per cent. The standard price for fine gold here is roughly 85s. per oz. Its varying value is not expressed in a rise or fall in the value of the metal, which fluctuates infinitesimally, but in the rise and fall in the price of commodities and in exchange rates between different centres. Rates of exchange have little to do with the wealth of a country. They mainly represent the state and tendency of trade balances. The movement of a relatively small amount of gold has a surprisingly large effect upon rates of exchange.

It is not my intention to grapple with the abstruse subtleties of the currency question. The consideration of that problem was entrusted to a Committee at the beginning of the present year, under the chairmanship of Lord Cunliffe—until recently Governor of the Bank of England—with a number of distinguished gentlemen, two of whom are connected with the Treasury, eight of whom (including the chairman) are bankers, three members of great financial houses and one a professor of political economy. It is a body whose conclusions will undoubtedly be treated with respect. The currency question, however, certainly deeply concerns the gold-producing countries of the Empire, and it is rather surprising, therefore, that no representation of their interests was given upon the Committee. The interests of the gold producer and those of the banker or merchant are not always identical. In a recent letter from Mr. Samuel Evans, the managing director of the Crown Mines, who

has given a great deal of very able thought to the question, this aspect is presented in the following terms:—

"The business of bankers," he says, "is to deal in money, money in all forms, and, consistent with the maintenance of confidence, the more money—not only gold, but also paper—there is to deal in, the more profit they can make for their shareholders. The annual reports of the leading English banks show that, on the whole, 1917 was one of the most prosperous years they have ever had, due largely, I take it, to the fact that, owing partly to the inflation of the currency by means of the printing press, they had more money to handle than in normal years."

I think my correspondent may not have given full weight to ruling rates of interest in his review of banking prosperity. It is certainly in the interest of the banks, in one sense, that there should be an ample supply of paper currency and of stocks and securities which bear interest, with limited obligations in regard to gold cover. But, apart from the fact that most bankers will take a broader view, there is a limit to the representation of wealth in such a form, because inflated currency means high prices, and high prices mean in turn less safety for advances upon securities and materials. Copper, for instance, at a market value of £50 per ton, is better security than copper at £100 per ton. The financial stability of the world is undoubtedly best protected by the backing of as much gold as possible against paper securities and emergencies. It is not necessary, however, for me to pursue this branch of the subject for the purpose of showing—as I think I shall be able to—that gold, during the war period at least, has been of greater value than the consideration paid for it. (Hear, hear.)

I want to get a clear field to start with. Do not let us mix up the purely domestic question of cost of working, or whether certain low-grade mines should be subsidised or closed down. Those are matters for the exclusive consideration of the people of gold-producing countries. If gold was of such a value that it paid to buy it for more than the normal price, I could understand a special bonus per ounce being given to the Government concerned for distribution among those working material not sufficiently productive to cover the entire working cost. Or a Government faced with this problem might deem it in the interest of the State to subsidise needy mines for the purpose of giving employment to the people. Such considerations are purely of local concern.

The value of our gold in the world's markets is another matter, and takes no cognisance of the yield or cost of working the mines. The subject is complex and delicate. I desire to deal with it fairly and in no partial spirit. When war broke out an agreement was made with the Bank of England to purchase the output in South Africa at the standard rate, subject to certain charges. At the time, the terms appeared, as I am sure they were intended to be, entirely fair to the producers. In the early days of the war the immense purchases of material from abroad and the diminishing export trade manifested themselves in adverse exchange rates, and, as the effect was brought to my notice by a representative of some of the gold-producing companies, I directed the attention of the Government to the matter. This was at the end of August, 1915; I did not pursue the subject then for a variety of reasons, which it could serve no useful purpose to enter into now. Very shortly after that the Bank of England, at the instance of the British Government, made certain modifications in the first agreement which involved higher charges to the mines, but stated "it was not desired to make profit or loss on realisation." Without laying too much stress on the matter, I feel bound to note that the producers were not given much opportunity of expressing their views upon the subject. A definite offer was made which left no opening for negotiation. I confess, however, that no one could then foresee either the duration of the war or its effects upon the finances of the world. Everyone knows, moreover, and gratefully acknowledges, that but for the British Navy the gold mining industry would have come to a standstill. Since the agreement was made we have steadily watched the increasing losses to which the gold mining industry has been subjected from a variety of causes, but we contend mainly on account of the adverse exchanges. In recent times I have again taken this matter up, and I believe it is now receiving serious consideration, as a result of which I trust that an expert inquiry may be instituted so that the equities of the case may receive the consideration to which they are entitled. (Hear, hear.)

With the solitary exception of gold all commodities have risen, at least in the ratio of their increased cost of production. Fine gold (if we exclude the small amount now permitted to be used for trade purposes, which has risen to something like 115s. per oz.), has remained stationary at the standard price of 85s. per fine oz. That the raw gold from South Africa is worth more than the price paid for it in paper currency is not a difficult matter to demonstrate in general terms. It is extremely difficult to assemble the data required to prove the amount of the increased value. That is the problem that awaits solution. If we assessed its value according to the rates of exchange it must be admitted that the Exchequer made a very profitable bargain. But the rates of exchange are not the true measure of its value, because it was used partly to regulate those rates, and without our gold the adverse exchanges would have been still higher. We must, however, not lose sight of the fact that our gold can only be disposed of in markets able to consume it on the one hand and give commodities or credits for it on the other. We could not, therefore, if we had had a free market during the war, have hoped always to ship our gold to the particular country among our Allies or neutrals that at any moment needed it most.

Surely here is a case for investigation, and, if my contention be upheld, adjustment. (Hear, hear.) Just as we may acknowledge without reservation that the bargain was made in the utmost good faith, so we may reasonably expect, being of opinion the British Government has made a large direct or indirect profit out of the transaction, that they will cause an inquiry. Of one thing we may rest assured. The nation would not desire to profit at the expense of producers of any commodity in any part of the Empire. To support my view in broad terms only a simple illustration is required; if we could have paid for our commodities in our own gold, instead of depreciated paper, we should have obtained due compensation in value for part of the increase in our working costs. Theoretically, we could have distributed the commodities bought with our gold at its par value among our workmen (who would not then have needed higher wages to the same extent) and among our shareholders, who would have had higher dividends. Impoverishment or enrichment of the ore treated, taxation, supply and demand, allowances to men serving, &c., would, of course, have influenced the profits, but those factors do not affect the question under review.

Gold held in reserve earns no interest, and therefore is a charge, but it is like all other stock-in-trade, of which hundreds of millions must always be inert in every country, and it is the easiest form in which real wealth may be stored as security for negotiable paper. It is, in fact, an easy form of compressing into very limited compass the actual representation of a given amount of accumulated material and fruits of industry. My distinguished friend Mr. Hennen Jennings, in his admirable paper, "The Gold Industry and the Gold Standard," considers gold coins as "storage cells of human energy." Stock-taking in such a commodity offers no difficulty.

When peace is restored, and trade once more flows into its natural channels, it may be assumed that gradually rates of exchange will approximate to pre-war normal conditions, but there will be an intervening period, and perhaps a long one, before that happy stage can be reached. Meanwhile, the restoration of our position in this country would appear to require as much gold as we can possibly attract to our Mint. As far as gold producers are concerned they would, of course, have to take their chance if there is to be a free market for gold, and they might find themselves not unhappily placed under such conditions, but, if the control now reigning is to continue, especially in peace times, then the situation calls for authoritative review and a settlement the fairness of which is unimpeachable. If the Government holds the view expressed in the *Times* money article of the 10th inst.—

"It would, of course, not be possible to allow the mines to realise their gold in whatever market they pleased. That would mean that this country would lose control of the output, which it could not afford to do,"

it is imperative to discover not only how far it would be equitable to make good any losses suffered by the producers of gold during the war, but to think out a basis which would satisfy oversea producers and their Governments in the disposal of their output, either for a given number of years or indefinitely in the London market. While it may be admitted, on the one hand, that no country can afford, except in a case of momentary emergency, to pay more than £1 in value for £1 in gold, the consideration given must be worth £1, and that has not been the case during the war, which is the chief reason for the cost of getting gold being higher than it was in pre-war days. Given full value is paid for the product, then I cannot imagine any system which would justify the subsidising of gold mines whose yield does not exceed the cost of extraction. The stress in some countries might be so great after the war that they would actually be ready, in order to secure a certain amount of gold to enable them to revive external trade, to forfeit a certain amount of material and labour for this purpose, which is the real effect of a bounty. Such a course of action could not be regarded as sound, and would only be resorted to for the attaining of some specific and probably temporary object. A meeting will be held next week of the chief representatives of gold production in the Empire with a view to formulating and submitting their case to the Government. I can only give you to-day, as I have done, my individual opinions.

Death has deprived us of two old friends since I last met you. Mr. Georges Rouliot, one of our able directors in France, with whom I was personally associated for many years, died suddenly, and Mr. William Holmes, who was legal adviser to my old firm and subsequently to the corporation, whose intellect remained clear and acute to the end, has been taken from us. Mr. Andrew Moir, so long and loyally associated with us, has retired to enjoy more restfully his remaining days, which I trust may be prolonged, but I am sure they will be devoted nevertheless to the good objects he has always pursued. Monsieur Maurice de Verneuil, for many years Syndic des Agents de Change in Paris, has joined our board. Colonel Pollen, long connected with us in various directions, is also adding his sound counsel to our deliberations. Lastly, we have elected as a colleague Mr. E. A. Wallers, so long and favourably linked with our organisation, who has carved out for himself a distinguished position in South African business life. (Hear, hear.) I shall have pleasure presently in moving a resolution to give effect to these changes, which, I think, add much strength to our board.

Sir Harry Ross Skinner has taken up his abode in South Africa as one of our resident directors, and the benefit of his wise mind and genial manners is already manifest in various directions.

Lastly, may I thank our hard-working staff at home and

abroad for their able and consistently conscientious support.

I beg to move: "That the report of the directors and the statement of accounts to December 31, 1917, now laid before the meeting, be and the same are hereby received and adopted."

Sir R. Sothern Holland, Bart., seconded the resolution.

The Chairman invited discussion, but no shareholder rising to speak, the resolution was then put to the meeting and carried unanimously.

The Chairman next moved the re-election of the retiring directors:—M. Maurice de Verneuil, Lieut.-Col. S. H. Pollen, C.M.G., Mr. E. A. Wallers, C.B.E., Sir R. Sothern Holland, and Major R. W. Ffennell.

Mr. W. Mosenthal having seconded the proposition, it was unanimously agreed to.

On the motion of Mr. J. P. Glass, seconded by Mr. F. J. Dormer, the auditors (Messrs. Cooper Brothers and Co.) were reappointed.

Mr. Gerald Williams said he was certain his fellow-shareholders would wish to join with him in a very hearty vote of thanks to the chairman for the able way in which he had exposed the situation of the various companies, and for the very able address he had given them on the general situation of gold. He took a very great interest in this question, and he rose to voice the feeling which, he was sure, was shared by all present, of gratitude to Sir Lionel for his painstaking and eloquent address, also to the directors generally for the able way in which they had looked after the shareholders' interests. (Hear, hear.)

Mr. F. A. Robinson seconded the motion, which was carried with acclamation.

The Chairman: Mr. Williams, Mr. Robinson and Gentlemen,—Allow me to thank you very much on my own behalf and that of my colleagues for the kind vote which you have passed. We have certainly had an anxious year, and we see, of course, anxious times in front of us; but we are not alone in that condition, and all I can say is that we shall try to act with the same prudence that has actuated us in the past; so that there may come a time when I shall hope to have the pleasure of congratulating the shareholders upon very much larger profits than we are able to show to-day. As to the subject of gold, which, of course, is an extremely complex one, I have, after a great deal of thought, prepared the remarks which have been delivered to-day, and I hope they may be productive of some good not only to the particular gold mines with which we are associated, but to the gold mines throughout the British Empire, and in the end to the service of this country—(hear, hear)—because, as the *Times* suggested, you cannot expect to control the output, especially in times of peace, unless it be done with the sanction of the people who produce the gold and with the sanction of the Government of the people who do so. (Hear, hear.) I thank you very much.

The proceedings then terminated.

## BRITISH CYANIDES.

The annual ordinary general meeting of the British Cyanides Co., Ltd., was held on Wednesday, at the Cannon Street Hotel, E.C., Mr. C. F. Rowsell (chairman of the company) presiding.

The Secretary (Mr. F. Street) having read the notice convening the meeting, the report of the auditors (Messrs. Howard, Button, Hamp and Co.) was read by a representative of the firm.

The Chairman said: Before dealing with the accounts I should like to express, on behalf of myself and my colleagues, our deep regret at the loss of our two colleagues, Mr. A. M. Chance and Mr. Gordon Salamon. Mr. A. M. Chance was our first chairman, and took the deepest interest in your company's prosperity up to the very end. Mr. Gordon Salamon, you will remember, was our technical director; he was a man of considerable scientific attainments and business ability, and in the early and difficult years of this company's career his advice was invaluable. Before dealing with the position of the company generally, I will first refer in some detail to the accounts, and I will first turn to the profit and loss account. You will see our gross profit on trading for the year was £67,478 3s. 4d., as against £41,881 1s. last year; our manufacturing and general expenses amount to £28,479 2s. 1d., as against £21,882 1s. 11d.; depreciation, £2,959 19s. 1d., against £3,224 2s. 1d.; and the result is that we are able to carry forward to the balance-sheet a profit of £36,725 2s. 6d., as against £16,040 10s. last year, which shows the very rapid increase in the earning power of the company which has arisen during the year under review. Our dividend, at the rate of 14 per cent., shows an increase of 2 per cent., but it is hardly necessary to remind you of the bearing of excess profits on this point. Coming now to the balance-sheet, our issued capital now amounts to £167,316 12s., and, in pursuance of the resolutions passed by the company, all these shares are now ordinary shares, as against the issued capital last year of £134,575, consisting of 55,000 ordinary and 79,575 preference shares. The reasons for this amalgamation of the ordinary and preference shares I dealt with fully at our special meeting on the subject. On the liability side of our account we also have an overdraft at the bank of £39,370, as compared with an overdraft last year of £22,529 8s. 9d.; our sundry creditors are £39,275 1s. 7d., as against £14,740 16s. 2d. last year; our reserve account remains at £10,000. Coming now to the assets side of the account, our leasehold works and buildings, &c., stand at £85,830 19s. 2d., as against £73,743 6s. 9d. last year. I think you may rest fully assured that this figure of £85,830 is fully represented by assets, especially in view of the very great increase which has taken place in the value of plant

and materials at the present time. The next item is our new freehold works, buildings, plant, and machinery, which amounts to £28,428 15s. 5d., as against £30,436 3s. last year. This asset, again, is thoroughly sound, and here particularly one has to recognise that, if this plant had had to be erected during the war, its cost would have been enormously increased. We have set out in detail our investments in allied companies—namely, 10,000 shares in the Oldbury S.C. Syndicate, which, as you know, is the syndicate which was formed for the exploitation of the barium process; 26,499 shares in the British Potash Co., about which I shall have more to say later on; 3,000 shares in the National Research Syndicate and Fred Danks, Ltd. Our investment in Fred Danks, Ltd., you will see, cost us £31,722 for the purchase of 30,000 shares, and we have made them a loan of £5,000, and in addition we have guaranteed an overdraft of £30,000 on their behalf. The next items may be described as working capital items—namely, investments in War Loan and War Savings Certificates, amounting to £36,877 1s. 9d.; stocks of materials, boats, tank wagons, &c., £39,165 14s. 10d.; and I may say that this item, again is taken on a thoroughly conservative basis; book debts, £17,775 11s. 3d., making a total of £93,818 7s. 10d. This should be compared with the liabilities to which I have referred already—namely, overdraft at bankers, £39,370 6s. 1d.; sundry creditors, £39,275 1s. 7d.; and the guaranteed overdraft on account of Fred Danks, Ltd., £30,000; making a total of £108,645 7s. 8d. I think the figures of the balance-sheet indicate very clearly the greatly increased prosperity of your company, and I am glad to say that this prosperity is based upon a very largely increased output from our works, and, while it discloses a thoroughly sound position, it does, at the same time, indicate very clearly that the increasing demands of our business require further additions to our cash resources, and it is for this reason that we are recommending you to-day to increase the capital by creating 100,000 5 per cent. cumulative preference shares and 50,000 ordinary shares, with an immediate issue of 50,000 preference and 25,000 ordinary shares; it perhaps would be convenient if I were to deal with this new issue at this stage before turning to my general statement as to the position of the company. Your board gave very close consideration to the question of the future finance of this company, and in doing so they recognised, as I think you, too, will do when you have listened to the further information which I have to place before you, and to our managing director's remarks, that it was inevitable that this company, if it is to continue its successful career, must very greatly enlarge its sphere of activity, and for this purpose will require from time to time further resources of capital. We, therefore, gave the question our special consideration before placing our scheme before you, as we wish to make it one which will develop our financial resources as our financial requirements demand such development. In our opinion this will be best carried through by the creation of the preference issue, in addition to our ordinary shares, because we feel that a preference issue such as we have suggested—namely, 5 per cent. cumulative, free of tax—would appeal to a different class of shareholders to that to which our ordinary shares appeal. There is a very large class of investor in this country which prefers a share which gives them a definite clean income with no spice of speculation, and in the preference shares which we are creating I think they will have the ideal share, because we shall earn many times over the amount required to maintain the dividend on the preference shares. At the same time there is another class, probably larger, which prefers a speculative element, and while we confidently believe that the progress which this company has shown during the past years will continue, it is not possible for a company of this character to avoid, after periods of exceptional prosperity, quieter and less profitable times; therefore, the ordinary share of a company of this character is bound to have a certain speculative quality, which, as I have said, is attractive to a very large class of investor. I, therefore, feel considerable confidence in recommending the shareholders to adopt the principle which we have suggested for further increases of capital in this company. Of course, the creation of these shares will require the sanction of the company in special meetings. We have not at present called those meetings, as we have not yet received Treasury sanction for the issue, but we have applied for it, and have very little doubt that it will be granted.

Now, gentlemen, since I last had the pleasure of addressing you, there has been a considerable change in the situation of this company. Up to the time when I last met you at our annual general meeting this company was, to all intents and purposes, a private company—that is to say, it was owned by a few shareholders who had backed it from the start, and who had continued to increase their interest in the company from time to time as further capital was required. During the year, in view of the very substantial progress we have made, and of what we consider the inevitable requirements of further capital, we decided, with the consent of our chief shareholders, to introduce our shares upon the London market, and we thus became a public company. I think, therefore, that this would be an opportunity to say a few words as to the past history of your company in its relation to the future which we anticipate for it. This company was formed a good many years ago to exploit an invention for the production of cyanide from gas liquor. I have been personally associated with the company from the beginning, and for some years now as its chairman, and I have, therefore, followed it through all its trials and difficulties, and it seems to me that in our effort to overcome the many difficulties connected with the economic and

competitive production of cyanide from gas liquor we have accomplished something more than success in that particular business. What I refer to is this: We have first trained our managing director, Mr. Kenneth Chance, and, in the many trials through which he had to go as quite a young man in overcoming the difficulties I have referred to, he has attained that self-reliance which enables him to handle without fear and with considerable optimism the many difficult problems with which he is confronted from day to day under our new conditions. We have also trained in Mr. A. Doherty, our general manager, a man who has been associated with us from the start, and a devoted servant of the company, who again stands undefeated before what sometimes appear to be insurmountable difficulties. In our research department the work of Mr. Rossiter and his assistants has solved many delicate problems during those past years, with the result that we have to-day, for our size, a research department of an exceptionally valuable character. In Mr. Fullagar, our mechanical engineer, we have developed a man capable of producing a factory such as the new potash factory, which is admitted on all hands to be an extraordinarily efficient and up-to-date production. This does not surprise me when I recollect the many alterations and changes due to new businesses and new developments which have been in Mr. Fullagar's hands in the course of the development of our business to its present stage. And, finally, we have in Mr. Bishop, whom I may describe as our business head at the works, an admirable servant who has shown his ability in many ways. These gentlemen to-day form our general staff, and under their supervision the work of the British Cyanides and its allied companies is carried on. I think I should not conclude these remarks as to our personnel without referring to the remarkable group of foremen who have gradually been accumulated during the past years. I believe that for devotion to the company and for the excellence of their work they are second to none. I hope you will not think that in passing the staff through this somewhat eulogistic survey I have somewhat overstepped the bounds of modesty, but I do feel that at this moment, when we are entering upon a new career, I believe, of usefulness to the State, it is only fair that the shareholders should know something of the personnel on which they may rely for the success of our efforts. Now, gentlemen, there is no doubt whatever that it was this staff to which I have referred, together with the extremely fortunate fact that we had at our disposal the new works, which enabled us to grapple so successfully with the problem of supplying the country's needs with many of the refined chemicals which up to the war had been monopolised by Germany. Personally I regret that one of the inevitable results of this was to put in the background temporarily our barium process, in which our technical advisers retain the fullest confidence. At the same time, there is no doubt whatever that we cannot undertake to develop that new process at the same time as we undertake to develop the many new processes necessary to meet the requirements I have mentioned. The choice had to be made, and I think the right choice was made, and from the opening of the war we turned our attention to the development of these new products. That we have been successful in this effort is shown by the figures contained in your balance-sheet, but, gentlemen, while those figures are highly satisfactory we have always had in view, with every product which we undertook, the time when competition would again have to be met, and the closest possible study has been made of the cost of production so as to enable us to form a fairly sound judgment as to whether or not we shall be in the position after the war to continue the manufacture of these products in the face of competition. I am glad to say, and I think I am correct in stating, that in the great majority of instances we are firmly convinced that we shall be able to meet every difficulty of fair competition. Now, gentlemen, it may seem that with all these new matters in hand we should hardly have had either the time or energy to tackle another problem, which, while it directly interests your company, is nevertheless a new problem of a very important character. I refer to the development of the potash industry in this country. No doubt you will have all taken the opportunity of reading the addresses of Mr. Leigh and Mr. Chance on the origin and development of this industry, and you are aware that this company, in association with the North Lincolnshire Iron Co. and others, have combined with the Government to form a company to develop the potash industry on the lines indicated in those two addresses. I am glad to say that, notwithstanding the great demands upon our managing director and the general staff, they have by careful organisation been enabled to undertake, in conjunction with the Government Potash Branch, the development of this most important and vital product without interfering with the progress of your company's other work, and I cannot help remarking at this moment that it is really wonderful that, while all these new developments have been taking place, the whole of our old works has practically been reorganised and rearranged and brought up to modern lines of efficiency. Now, gentlemen, there was one grave difficulty with which this company was faced, and which I recognised on every visit to our works, and that was that we were getting daily more and more cramped for space, and I must say that I looked on many occasions with envious eyes on a large open space of land which adjoined our new works. I found on inquiry that this land belonged to Fred Danks, Ltd. Now, our managing director looked with longing eyes on this ground much more frequently than I did, with the result that one day he found himself in the happy position of being able to tell me that he thought it was possible to secure the ground. The news was almost too

good to be true, and I said at once, "Only on absolutely impossible terms, I suppose?" He said, "No. I think it means that we have got to buy Fred Danks, Ltd., lock, stock and barrel." Well, gentlemen, this was a nice little proposition, because it meant something like £60,000 to £70,000, and not many years ago that would have seemed to us an impossible proposition. It did not take us, however, very long to decide that, subject to very close examination of the position of Fred Danks, Ltd., we would buy the business as proposed, and I think that you will approve of the decision to which the board has come, because by means of it we have entirely freed ourselves from this grave difficulty, and we have now at our disposal ample space for our extension in the most convenient spot possible. The land is situated on the banks of the canal, it faces the new British Potash Works on the one side and adjoins our new works on the other side, and the railway siding runs direct into the factory of Fred Danks, Ltd. We are taking steps to improve the canal wharves, and I think it will add greatly to the efficiency of our works in general. In addition to this, I do not think it is likely to turn out at all an unsatisfactory purchase from the purely business point of view, although it is not, of course, on this ground that the board decided to purchase it. I think, gentlemen, that you will agree that the position at which we have arrived certainly shows considerable enterprise on the part of this company, and has shown conclusively that we are alive to our responsibilities to the State in using to the fullest extent those qualities which we have acquired during the strenuous early years of the company's existence, and that leads me to a further point, on which I should like to feel that the shareholders are entirely at one with the board. In the course of the developments which we have undertaken we have naturally been brought into contact with many of the great chemical industrial firms who are working to-day. Now, while it is our desire to work harmoniously and as closely as possible with all our friends in the chemical industry, and to develop the chemical industries of this country to the highest possible point by pooling as far as possible the knowledge which is acquired by all, it is very clearly the opinion of your board that we have stood alone during the period of difficulty and stress, and that we have accordingly earned the right to stand alone in the future, and it is our intention, if we are spared for that purpose, to do all that is in our power to place your company in the forefront of the chemical industries, and become recognised as one of the live and increasing factors in the chemical trade. Now, gentlemen, before closing there is one subject which I have very deeply at heart, and which is referred to towards the end of our report—the consultative committee. The formation of this committee has, I think, been fully explained to you, and I am glad to say that we are feeling increasingly the benefit of the formation of that committee. I am exceedingly pleased to-day to welcome two representatives of the committee at this meeting, and I hope that they will convey to their colleagues on the committee and to the whole of the workmen the great appreciation of the board, and I am sure I may include the shareholders in this word of appreciation, of the excellent work which has been carried out by them during the past year. Personally, I have the greatest hope that further developments on the lines of the consultative committee will more and more tend to increase the tie of friendship which exists between the board, its managing director and the whole of our workmen. I am sure that the shareholders will be pleased to learn that one of the side issues to which the company propose to devote their attention, as soon as it is possible to do so, is the development on generous lines of a satisfactory scheme for recreation, under the direction of the consultative committee.

Mr. Kenneth M. Chance (managing director), in seconding the motion, said that the company had just successfully passed one of those crises which materially influenced the history of any industrial concern. The latest of the six fundamental difficulties with which they had been faced had been solved during the financial year under review by the acquisition of the firm of Fred Danks, Ltd. During the past year the requirements of Government departments had been urgent and insistent for the production by this company of new chemical compounds, and a largely increased production of some of those compounds the manufacture of which had been undertaken by the company during the last two or three years. The new factory which was completed just before the outbreak of war had enabled them to take up these new developments, but the plant and the buildings at their disposal are already overcrowded, and they had no space available for further extension without jeopardising the safety of the company's existence by occupying with plant and buildings the land given up to the storage of coal. They had now room to expand where before they were terribly cramped, and the work which had been done during the past few years in the laboratory and factories of the company had given almost unlimited opportunities for expansion. In practically all the new products which they were making and had in view their ultimate aim was to capture and hold trade which was formerly monopolised by Germany. So far as he was aware the manufacture of permanganate of potash had never previously been carried out on a large scale in this country, and the manufacture of red prussiate of potash was confined to Germany for many years prior to the war. The company was now making the latter chemical on a scale sufficient not only to meet the requirements of this country, but to permit of export to our colonies and Allies, and they were already making permanganate of potash in large and increasing quantities, while the standard of purity which they had reached in these chemi-

cals was at least as high as, if not higher than, anything reached by the Germans. In the manufacture of pure carbonate of potash they were told that their product possessed qualifications which were superior to any hitherto purchased from Germany. They were making other chemicals, of course, and up to the present research work in the laboratory had kept well ahead of developments in the factory, so that they had new processes waiting for them to take up for the manufacture of still more products whose secrets had hitherto been jealously guarded by Germany. The alterations to plant at their Tat Bank factory, for which the shareholders provided funds a year ago, involved taking out the whole power system on which that factory depended, and replacing it with absolutely modern plant, with the result that they were now producing largely increased quantities of chemicals at that factory, and at the same time were saving coal to the extent of some thousands of tons per annum. It reflected great credit on the staff at Oldbury that he was able to state that not only was production not curtailed while this fundamental alteration was taking place (contemporaneously with the work of building the Potash Co.'s factory), but that the value of the goods turned out during the four months when the boilers were being taken out and replaced, slightly exceeded the value of the output in any previous six months in the history of the company. Its influence on output was further shown by the fact that during the first five months of this year, 1918, the increase in value of output over that of the same period of 1917 had been equal to the total value of the output of the company during the first five months of 1915, and to that of the first seven months of 1913 and 1914. These figures were, of course, inflated by the high values at present ruling, both for raw materials and for finished products, but it was the intention of the board to adhere to their policy of reducing prices so soon as their output and cost of production of each article permitted of their doing so, and he hoped that during the coming year a considerable reduction might be made in the market prices of several articles manufactured exclusively by this company. It was at least satisfactory to be able to report the fact that yellow prussiate of potash, of which they were the only makers in this country, was singled out for exceptional comment in the annual review for 1917 in the *Chemical Trades Journal* as being the one chemical whose price had been substantially reduced during that year. The object of the board would be to meet the national demands for war purposes while the war continued, and thereafter to meet any competition that might have to be faced, and that could only be done by increasing production and reducing in every possible way the cost of manufacture.

After some congratulatory remarks from shareholders, and a brief discussion as to the issue of preference shares, the resolution was carried unanimously, and the dividends recommended were declared.

### TREDEGAR IRON AND COAL COMPANY, LIMITED.

The forty-fifth annual general meeting of the Tredegar Iron and Coal Co., Ltd., was held on Friday at the company's offices, 60, Fenchurch Street, E.C., the Rt. Hon. Lord Aberconway (chairman) presiding.

The Secretary (Mr. H. O. Monkley) read the notice convening the meeting and the auditors' report.

The Chairman: In dealing with the company's operations, said he thought he might say with truth that the year was one of the most difficult ever experienced in the South Wales coal trade. They had had great scarcity of tonnage, and railway facilities were so restricted that, although there was a very large home demand for coal, it could not be conveyed nor the empties returned in a manner to make good the shortage of shipping. In fact, they were hit on both sides at once. He was glad to say, however, that during the last few weeks there had been a marked improvement in the supply of tonnage, loading was going on very briskly, and there were now sufficient steamers to provide full work for their collieries. In spite of all difficulties the combined output of their collieries for the year showed a decrease of slightly over 3 per cent. only compared with that of the previous twelve months, and this was really due to the effect of the stoppages to which he had referred, some of which he was sorry to say were brought about by strikes of workmen who in every case ceased work without notice and in disregard of the machinery for dealing with disputes which had been set up by the Conciliation Board. A further advance in wages was conceded by the Controller of coal mines last autumn in the form of a war wage of 1s. 6d. per day to all employees at the collieries of sixteen years of age and over, and of 9d. per day to those below that age. Within the last few days the Controller had met a further demand from the men for an increased flat rate by offering them a sum which they appeared to be unwilling to accept, but he thought they might take it for certain that something would be given in the way of an increased wage during the next few weeks. In order to meet the additional burden thus thrown on the collieries the Controller had authorised an extra 2s. 6d. per ton last autumn on the price of coal of all classes, except coal exported to allied countries. The result was that Welsh coal was placed at a considerable disadvantage in price compared with coal from other parts of the country, because nearly the whole of our foreign output from South Wales was for France or Italy. While from the Humber ports and North-East Coast shipments were made to neutrals at very high figures, they in South Wales were compelled to ship very large

quantities at a price relatively less than what they could have got at home. Within the last few days, however, the difficulty had been met. In addition to another 2s. 6d. per ton which had been authorised by the Coal Controller for home markets, he had authorised 5s. for coal sent to France and Italy, with the result that Welsh coal would stand for the present on the same footing as coal from other parts of the country. The men engaged at the company's engineering works and steel mill had received advances in the form of war wage or war bonus of approximately 10s. 6d. per man per week. With regard to the general position of the control of coal mines, the agreement to which he referred last year, which was then simply an agreement between the Coal Controller and the representatives of the different colliery districts, had now been given legislative effect to by Act of Parliament. On the whole he thought the trade had no reason to complain of the incidence of the tax. They felt bound to pay what they could for carrying on the war so long as they had no undue interference with the details of their business, and he thought that speaking generally that had not occurred, and they rather welcomed in many ways the control which had been established. With regard to the question of excess profits, the board were applying for a substituted standard for Oakdale and Markham Collieries on the ground that both these concerns were in a state of development during the pre-war or standard period, and he hoped the result of that would be to give them a little more advantage from these investments. Of course, their costs had gone up substantially, not merely in respect of wages, but in stores. Then they had suffered from the loss of men. Up to the end of the financial year 2,591 of their men had joined the Forces, while the members of their official staff who had joined up numbered 52. He regretted to say that no fewer than 174 of their men had lost their lives during the war. They continued to pay allowances to the dependents of those men who joined the Forces prior to July, 1915, and the total amount so paid was £45,145. As the result of the new comb-out by the Government 75,000 more men would be taken from among those engaged in the coal-mining industry, and this company's quota would number 410. It was contemplated dealing with the company's large stocks of raw small coal at Oakdale and Markham by means of a washery, and they had practically secured the permission of the Coal Controller to erect one. For some time the board had been considering the formation of a pension scheme for the benefit of the official and clerical staff and the officials at the collieries and works, as they had always felt that those men who had devoted their lives to their services, and in many cases got less pay than the colliers, ought to be provided with a retiring pension. The schemes which it had been decided to put in operation provided substantial annuities to the officials on their retirement at sixty-five years of age, with an option of retiring at sixty years. With regard to the Gellygroes property which was taken over by them last year, they were carrying out certain exploratory work in one of the upper seams, and this work was proceeding satisfactorily. They had to go slowly at present, but in the course of a few years he thought they would have a colliery there which would provide a satisfactory addition, and he hoped a profitable addition, to their output. In conclusion, he moved the adoption of the report and accounts.

Col. A. K. Wyllie, C.B., seconded the motion, which was carried unanimously.

### SCOTTISH EQUITABLE LIFE ASSURANCE SOCIETY.

The 87th annual general meeting was held in Edinburgh on Monday, the 24th inst., Mr. Thomas Bennet Clark, C.A., the senior ordinary director, in the chair.

The Chairman, in moving the adoption of the report, remarked that it was of double interest, as it showed not only the transactions of the past year, but also the financial position of the society at the end of a quinquennial period which had been profoundly affected by financial disturbances due to the war. As to new business, the directors were able to present a very gratifying report. The new assurances amounted to £813,570; deducting re-assurances the nett amount was larger than for many years past, and about £50,000 in excess of the previous year, while the new premiums exceeded last year's amount by about 20 per cent.

The premium income was £460,000, or £14,000 in excess of last year's figures. The income from interest, dividends, &c., had increased by £15,000, chiefly owing to the higher rates of interest obtainable on investments; but, on the other hand, there was an increase in the amount of income-tax from £44,806 to £55,782.

The claims by death were within the expectation, although losses among the members by the casualties of war had entailed claims to the amount of £37,000. The endowment claims were slightly less than those of the previous year, and not a few of the members who lived to receive their policy moneys had employed them, or part of them, in effecting new assurances with the society. Surrenders were £12,000 less than last year, and rather below the level of pre-war times. Annuity payments were a trifle less than last year. Commission and expenses of management (including the extra expenses of the quinquennial investigation) were a trifle higher, being 13 per cent., as compared with 12.9 per cent. last year.

In the balance-sheet the most arresting item was the large amount now invested in War Loan securities—£2,148,000. In pursuance of what they believed to be sound financial policy,

as well as a patriotic duty, the directors had continued to subscribe to the various Government war issues practically the whole of the money coming into their hands from repayments and realisations of securities, as well as from ordinary surplus revenue. The holding in war securities now amounted to no less than 35 per cent. of the total assets of the society.

Speaking of the quinquennial investigation, the chairman remarked that at the time of the last investigation, five years ago, everything was promising. They were able to declare a bonus at the rate of 30s. per cent. per annum on the sums assured and existing bonuses, a rate which the society had hardly ever exceeded, and the prospects were then so good that they entertained no misgiving as to their ability to maintain a similar rate in the future. All the elements that contribute to profit-making were in favour of that anticipation. Investments had been written down to what were then considered bed-rock values, the rate of mortality was low, the expenses were only about two-thirds of the rate provided for in the calculations, and the nett rate of interest, after deducting tax, was about one-third more than the rate anticipated in valuing the liabilities. Then a year later came the war, and the whole aspect of things was at once changed. It became evident that they would have to reckon with an increased mortality among the members, as many of them would volunteer or be called upon for active service; that the expenses of the war would inevitably lead to a higher rate of income-tax, which would counter-balance the advantage to be expected from higher rates of interest; and that there would be a great shrinkage in the value of their investments. All these things had happened in larger measure than could have been foreseen at the outset, when no one anticipated so long and costly a war as this has proved.

War claims had amounted to £125,000, and allowing for all the extra premiums received, and the accumulated reserve on those particular policies, the nett loss under this head was about £75,000. Sums that were carried to suspense account after the war began, as a provision against loss on investments, were more than swallowed up by shortages upon securities sold at the reduced market prices, and there had been lost under this head £73,000. Those realisations were effected largely with a view to helping the Government in its war finance, and they had proved fortunate in so far that, if they had not been carried out when they were, the loss would have been substantially greater. Finally, at the close of the quinquennium the directors found, on a careful revision of the remaining investments—as sound a list of securities they think, as may be found anywhere—that these had depreciated in value by no less than £444,000. All these things had tended to wipe out profits, and it was not surprising in the circumstances that the directors had to announce that on this occasion there could be no division of profits to follow the investigation. But for the untoward circumstances arising out of the war, instead of merely carrying forward £64,000 in reserve as the report stated, they would have had a surplus of ten times that amount, much more than sufficient to provide the 30s. bonus on which expectation had been fixed before the war.

While the interests of the society and its present members had been the primary consideration in the course followed throughout this investigation, the situation now created was very favourable for new insurers. They would join the society at a time when investment values were at a low ebb, and when everything had been put in order for profit-earning, so that their prospects were of the best.

The adoption of the report was seconded by Mr. George Readman, advocate, and unanimously agreed to.

Mr. Thomas Bennet Clark and Brigadier-General R. G. Gordon Gilmour were re-elected ordinary directors, and Mr. J. Hamilton Buchanan, C.A., was re-elected auditor of the society.

### ANTOFAGASTA (CHILI) AND BOLIVIA RAILWAY.

The annual general meeting of the Antofagasta (Chili) and Bolivia Company, Ltd., was held on Tuesday at Winchester House, E.C., under the presidency of the Hon. Charles N. Lawrence (the chairman of the company).

The London Manager and Secretary (Mr. A. W. Bolden) having read the notice and the auditors' report,

The Chairman said that he once again had the pleasure to announce that the gross receipts of the company had beaten all former records, the previous highest having been those of 1916. From the combined undertaking of their railway and waterworks the gross receipts for the year 1917 were £2,239,384, or £386,729 in excess of those of the previous year, but out of the £386,729 they had only secured £139,553 as increased profit, the ratio of working expenses to gross receipts having been 55.91 per cent., against 54.24 per cent. for the previous year. So far as nitrate tonnage carried was concerned, it was interesting, he thought, to remark that the company were 7,907 tons short of the previous year's total, the figures being 1,047,445 tons in 1917 and 1,055,352 tons in 1916. It was even more interesting to remark that of the total nitrate of soda exported from Chile last year the company carried over their own line and that of the Aguas Blancas Railway combined, as nearly as possible 45 per cent. Minerals had also continued to do very well. Generally speaking, he thought that the net results of the year's working might be looked upon as satisfactory, taking all the difficult circumstances into account, but the financial results were by no means better than they should be, when

bearing in mind that their traffic might be said to be of a mining character, and the future had to be regarded in the shape of providing for amortisation of prior charges at least. The nitrate and other companies which the company served worked, he believed, on that basis, and therefore they who carried those companies' products equally considered that the tariffs should be based not only upon a fair return on the capital invested in the business, but on an amount which should provide for the amortisation of that capital. He wished to emphasise that remark. It was true that, so far as the company was concerned, the directors hoped there were other fields of development, and they looked also to Bolivia; in fact, that was the reason why they went into the business of the Bolivia Railway Company; but, all the same, he was convinced that his arguments were sound and equitable until they could see more clearly what the future had in store for them. The prosperity of the two countries in which the company operated, but especially in Chile, had grown considerably in the last 18 months, and their trade balances must be very much in their favour. Exchange in both countries was high, and, while it was difficult to attempt any forecast, one was bound to feel that while present conditions continued they would be of benefit to those two countries. The company had made a net addition to the renewal funds in the past year of £98,807, and in building up that fund as they were doing the directors thought that the stockholders would be in entire agreement, because it would help the board at the proper time to face the acquisition of new rolling stock and generally improve the line, to meet new developments which might arise, besides providing for any unascertained wear and tear of the company's property. The reserve fund got another £150,000, bringing it up to £1,400,000, and it was the directors' intention to invest just as much as they possibly could outside the business, in order to have cash resources to fall back upon should occasion demand. The staff benevolent fund received a further contribution of £25,000, which, with interest on investments, made this fund just over £45,000. Despite the fact that they could have paid larger dividends in respect of the years 1915 and 1916 than they did, the directors wisely decided to conserve the company's resources, but with the results of 1917 before them, they concluded that the business thoroughly warranted some increased distribution to the proprietors. The question was how this could best be done. While being anxious to give some increase in the dividend, they came to the conclusion that this could not entirely be done in cash, in order not to deplete unduly the company's cash funds. They therefore decided to pay the deferred stockholders a final dividend of 7½ per cent., making with the interim dividend 10 per cent., in cash, and the preferred 5 per cent. in cash, which had already been met by the two payments of 2½ per cent. each made in July and January last. According to the company's articles, after those payments were made, the deferred and preferred stockholders shared equally in any further distribution, and, therefore, the directors concluded that it would be equitable and acceptable to the proprietors to give to the two classes an equal amount in 2 per cent. of deferred stock as a bonus instead of paying any further cash. The balance-sheet showed the position of the company generally to be thoroughly sound, for at December 31 last they possessed in cash and liquid assets £1,700,000, against the liability for the £629,000 of two-year notes. The company's relations with the Republics of Chile and Bolivia were excellent in every respect. The results of the working for 1918 were satisfactory. The traffics to date showed an increase of £172,855. He concluded by moving the adoption of the report and accounts and the payment of the final dividend recommended on the deferred ordinary stock.

Sir Robert Harvey seconded the motion, which was carried unanimously.

### CEYLON (PARA) RUBBER CO., LTD.

The 15th ordinary general meeting of the Ceylon (Para) Rubber Co., Ltd., was held on Friday at the Council Room of the Rubber Growers' Association, 38, Eastcheap, London, E.C. Mr. R. B. Magor (chairman of the company) presided.

The Chairman, in moving the adoption of the report, said: It is satisfactory to find that the estates continue to give an increasing yield, the total quantity manufactured being 196,000 lbs. over that of the previous year, equal to an increase of 22 per cent. With the exception of a small shipment of 10,000 lbs. rubber (which is held up on the way home owing to enemy action), the whole of the crop has been brought to market, notwithstanding the shortage of freight available for transport to this and other markets, and the average realised, including 208,423 lbs. sold in Colombo, is equivalent to 2s. 3½d. per lb., or 3½d. per lb. less than the 1916 average. At this lower average price the proceeds of the larger crop only exceed those of the previous year by £6,725. On the other side expenditure continues on an increasing scale, accounted for to a great extent, of course, by freight and other charges on the larger crop and by adverse exchange, but also to the higher rates prevailing in all directions. The Ceylon expenditure includes the upkeep of about 500 acres of young rubber and various non-recurring items that I need not explain in detail. Suffice it to say that the estates are now well found in machinery and buildings, as in all other respects. The season was generally favourable for production, and the yields from the various seasons' plantings, 1905-17, have been progressive, the average returns per acre from the united tapping area of 2,743 acres being 388 lbs., against 316 lbs. in 1916. The maximum yield was obtained from the 1905 rubber, which

yielded 461 lbs. per acre, indicating that when all areas are in full bearing we may expect at least a similar average return. The cultivation of the estates has been fully maintained, and the reports of Mr. Williamson, the visiting agent, on both properties are entirely satisfactory, all works being well up to date and the supply of labour ample for all requirements. Pests and diseases have not been so active as in past years, due in some measure to more favourable climatic conditions and also to constant attention and treatment. The plantings during recent years are in every way satisfactory, and the general growth of the young rubber indicates that these areas will in time equal the earlier plantings. Fifty-eight acres were opened during the season. To return to the accounts before you. The nett result is a profit of £47,221, or 67½ per cent. on the capital. Excess profits duty probably absorbs £23,500, or 33½ per cent. Transferred to reserve £3,000, or 4½ per cent. Increase to amount carried forward last year £3,221, or 4¾ per cent. Proposed final dividend of 12½ per cent., making a total of 25 per cent., £17,500, or 25 per cent. It may not be out of place here to draw your attention to the total amount of excess profits duty for the past three years, viz., £66,162, equal to 94 per cent. on the capital of the company. This is an exceptionally heavy impost levied on the basis of yield from about one-third only of the present area. If the shareholders at this meeting decide to adopt the recommendation of the directors to declare a dividend of 12½ per cent. the financial position of the company, as compared with last year, will be improved to the extent of £6,311. The balance-sheet now shows an unexpended balance of £8,000. This places the company in a fairly strong position to meet possible difficulties that may arise in disposing of this year's crop. The crop to May 31 is approximately 290,000 lbs., of which 168,686 lbs. have been sold in Colombo at Rs. 1.19 per lb., and 41,860 lbs. shipped to this market, or a total of 210,546 lbs. disposed of. The price realised at present rate of exchange, freight, &c., is equivalent to 2s. 1d. per lb. on this market. The situation so far, therefore, gives no cause for undue anxiety, although I do not underrate the possibility of critical times for the industry within the year. At the same time, I do not take quite such an alarmist view as that expressed in some quarters. I admit that circumstances are exceptionally complicated as they are by the tonnage question, and I am afraid the difficulties in the way of moving the current season's crop may be greater than any we have yet experienced. The action of the United States Government in temporarily restricting imports of rubber for the three months May-July adds a further complication to the situation that we are called on to face, and is doubtless one of the immediate consequences of the shortage of freight space all over the world.

Mr. W. Forsythe seconded the motion, which was carried unanimously.

### LANADRON RUBBER ESTATES.

The tenth ordinary general meeting of the Lanadron Rubber Estates, Ltd., was held on Thursday in the Council Room of the Rubber Growers' Association (Incorporated), 38, Eastcheap, E.C., Mr. Frank Wilson Barker (chairman of the company) presiding.

Mr. J. McInnes, on behalf of the secretaries (Messrs. Harrisons and Crosfield, Ltd.), having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said the total acreage planted with rubber at the end of the year was 5,205 acres. Of this the average area in bearing was 4,596 acres, as against 4,255 acres in 1916. The average number of trees in tapping was 425,659, as against 403,272. The average yield per tree was 3.29 lbs., as against 3.18 lbs., and the average yield per acre was 306 lbs., as compared with 301 lbs. last year. The labour force increased from 1,879 to 2,216, and the satisfactory point here is that Tamils have been coming in more freely of late, enabling us to reduce our requirements of the more expensive Chinese. Pests and diseases, though, of course, always requiring close attention, have been kept well in check. The rubber crop for the year amounted to 1,401,373 lbs., an increase on last year's output of 119,215 lbs., but short of the estimate for the year by 208,627 lbs. The failure to reach the estimate may be put down largely to unusually wet weather, and also to heavier thinning out than had been contemplated as possible when the estimate was made. I need hardly say that the quicker thinning out can be accomplished the better for the future of the estate, though the effect for a time is, of course, to reduce output. The average price obtained for our product of 2s. 4.02d. per lb., London equivalent, may be considered satisfactory, but the cost of production f.o.b. at 1s. 3.96d. cannot be so considered. It has been enhanced by extra work on thinning out, cultivation, etc., but after making allowance for such items it is too high, and strong representations have been made on the subject to our managers and our agents in the East. The difference between f.o.b. and "all in" cost has, you will notice, increased from 2.64d. to 4.57d. per lb., but that is an increase over which we have no control. The cost of administration is considerably reduced, but the cost for war risk insurance has increased from .48d. to 2.12d. per lb. This year we have had to charge against revenue the sum of £4,500, equal to 3d. per lb., to balance our income-tax account, caused by the fact that, with reduced dividends, the amount recovered from shareholders on the dividends paid is not sufficient by that amount to meet the tax at which we have been assessed, which is, as

you know, based on a three years' average. In considering costs I would request you to bear in mind that we have charged upkeep, replacements—in fact, all estate expenditure, except new machinery or new buildings—to revenue. The nett result, after allowing for tax reserve and writing off rather more generously for depreciation than we have hitherto done, is a profit of £39,318 1s. 6d., or rather over 13½ per cent. on our capital, and under ordinary conditions, with no excess profits duty to pay for the year, we might have been justified in paying a small final dividend, but the conditions are not ordinary, and with the immediate future so uncertain I am sure you will agree with us that, disappointing as it is to get no final dividend, it would be unwise to part with funds at this juncture. The figures dealing with the rubber position so far as it can be estimated at present have been quoted so often at meetings that have preceded this one that I need not give them. Whatever may be done, I am afraid we rubber shareholders are condemned to a lean time for the present. All things considered, we have not suffered very much during the first three years of war, and must endeavour not to grumble if we have to suffer for a while now. All that is required is patience. I am convinced that, when peace is reached and ample tonnage is once more available, we shall come into our own again, and that the demand for our product which will then arise will banish the bogey of over-production for many years to come.

Mr. George Croll seconded the resolution, which was carried unanimously.

### THE MANILA RAILWAY CO. (1906).

The adjourned ninth and tenth general meetings and the eleventh ordinary general meeting of the Manila Railway Co. (1906), Ltd., were held on Friday at Winchester House, Old Broad Street, E.C., Mr. C. J. Cater Scott, the chairman of the company, presiding.

The Secretary (Mr. J. Mackenzie) having read the notice of the meeting and the report of the auditors for each year,

The Chairman, in moving the adoption of the report and accounts, said that the delay in presenting those for 1915 and 1916, which had arisen from no fault of the London office, had rather complicated matters, but they would all realise that the transfer of the ownership of their property in Manila to the Philippine Government had given rise to many problems and the matter had been further complicated because they had not found a desire on the part of the Philippine Government to expedite matters but rather a strong desire to delay the business, with the object, as he believed, of seeing whether by delaying things something might not turn up which would enable the Government to make further claims on the company. As it was, they had raised claims with respect to contractors' taxes and income-tax, both of which would be burdens if at all on the American company, and those matters were still outstanding. As to the results of 1915, to pay their full debenture interest they had had to reduce their carry forward from £94,400 to £57,000. In 1916, the year in which the agreement for the sale was completed, it had only been necessary to draw £9,000 from the carry forward to pay their debenture interest in full. The deficiency of £1,450,000 appearing in the accounts for 1916 was more apparent than real, because it consisted almost exclusively of paper arrears of interest which had been funded and of common stock for which the company had received nothing. That deficiency would have to be dealt with at a subsequent date, but he hoped that the board would be able to formulate a plan to reduce the capital in some way so that they might assure to the holders of the capital an improving income with the eventual return of at least 10s. in the £1 on the whole amount of the preferential capital. The accounts for 1917 showed that the interest received from America was £211,827, and after paying all debenture interest and expenses they were left with a balance of £7,350. The revenue of 1917 was interesting, because it enabled them to form some idea as to what revenue the company could expect in the future. Taking exchange at 4.86 they might expect from the American company £206,200, while the trustees of the "A" and "B" debentures had in cash £130,000 for redeeming "B" bonds, which, it redeemed at 50 per cent., would represent a saving in interest of £9,100 a year. The company had in hand £30,000, which would enable them to redeem "B" debentures, representing a further saving of £2,800 a year, giving them a total income of £218,100, from which would have to be deducted their expenses of £3,500 a year. The interest on the bonds would absorb £200,000 a year, leaving a surplus for the shareholders which would represent about ½ per cent. on the preference capital. The position of the company would, however, improve very materially in time, because in 1939 the 4 per cent. debentures on the Southern line and their own 5 per cent. debentures would mature, realising £250,000. In that year also a further amount of 4 per cent. Southern bonds, at present held by the trustees of the "A" and "B" debentures, would be paid off, and would produce rather over £500,000, so that after 1939 they might look forward to an income of anything between £33,000 and £36,000, while in 1956, when the remaining securities of the American company and the English company matured, it was the calculation of the board that there would be a surplus for the shareholders of £1,050,000, or 10s. in the £1 on the preference stock. Roughly, it looked as if after this year there would be a dividend on the preference stock of some 10s. or 15s. per cent., gradually increasing to 30s., and possibly to £2, with the ultimate return of capital to which he had alluded.

Sir John F. F. Horner, K.C.V.O., seconded the motion, which was carried unanimously.

### LEDDBURY RUBBER ESTATES.

The ninth ordinary general meeting of Ledbury Rubber Estates, Ltd., was held on Friday at the registered office of the company, 1-4, Great Tower Street, E.C., Mr. Frank Wilson Barker, chairman of the company, presiding.

Mr. J. McInnes, on behalf of Messrs. Harrisons and Crossfield, Ltd., the secretaries, having read the notice convening the meeting and the report of the auditors,

The Chairman said:—A further 110 acres were felled at Kinrara Estate, of which 55 acres were planted before the end of the year, and the balance will be finished this year. It is not contemplated to undertake further extensions until the general position is clearer. As you will see from the acreage statement appended to the report, we now have 2,221 acres planted with rubber. Of this the average area in bearing was 1,877 acres, as against 1,572 acres in 1916. The average number of trees in tapping was 162,285, as against 146,621. The average yield per tree was 4.26 lbs., as against 4.39 lbs., and the average yield per acre was 368 lbs., as compared with 409 lbs. last year. The decrease in the yields per tree and per acre have been caused by the bringing in of new trees and the thinning out in the older areas. Thinning out has been steadily proceeded with during the year, and though the first effect is to reduce output, there is no doubt that the ultimate effect is to increase the yield of the trees left standing. The labour position was fairly satisfactory, and on Sione eminently so. Ledbury could have done with a few more Tamils, and Kinrara had to continue the partial use of Chinese tappers whom we should like to do without. Pests and diseases have given no trouble at Ledbury and Sione, but at Kinrara there have been a good many cases of Brown Bast disease, which, needless to say, are receiving careful attention. The rubber crop for the year amounted to 691,496 lbs., an increase on last year's output of 48,605 lbs., but short of the original estimate for the year by 73,504 lbs. The average price obtained for our rubber was 2s. 3.32d. per lb., as against 2s. 7.85d. in the previous year. Cost of production has advanced from 9.15d. to 11.20d. per lb., due to the expenditure incurred on the extension at Kinrara which we have charged to revenue, and to small advances under nearly every heading in the accounts, caused by the advance in the cost of materials. Administration expenses are considerably reduced, but advances in marine insurance, war risk insurance, and other items over which we have no control cause the "all in" cost to be 1s. 3.90d., as compared with 11.74d. for the previous year. The nett result after writing off rather more fully for depreciation than we have hitherto done, is a profit of £34,761 18s. 5d., or, say, 32 per cent. on our capital. At first sight it would look as if we might have given you a more generous final dividend, but I think you all recognise that the times ahead of us are so uncertain that it behoves us to keep a fair amount of cash in hand with which to meet the financial strain which may come upon us.

As you are probably aware, the Rubber Growers' Association have approached the Government with a view to their enabling the plantation industry to overcome some of the difficulties which have arisen as the outcome of the situation created by the American restrictions, and I hope that some action may be taken on the lines of the suggestions put forward. It is impossible to foresee what may happen in the immediate future, but I feel justified in expressing the opinion that when we return to normal conditions the rubber plantation industry has a great future before it.

Mr. George Croll seconded the motion, which was unanimously adopted.

### GREAT BOULDER PROPRIETARY GOLD MINES.

The annual general meeting of the Great Boulder Proprietary Gold Mines, Ltd., was held on Tuesday at Cannon Street Hotel, Sir George P. Doolette, J.P. (the chairman), presiding.

The Chairman, in moving the adoption of the report and accounts, congratulated the shareholders upon the success of the past year's work. It was true that in some respects the figures were not up to the returns of previous years, but, all things considered, they were eminently satisfactory, showing, as they did, a recovered nett value of £255,026. The profits, after deduction of Australian taxes, were £229,850, against £249,130 for 1916. As the Australian taxes had increased by £9,332, the decrease in actual mining profit was not a very large one, and was principally accounted for by the rise in mine expenditure of £15,646, but against this could be set off the increased net gold receipts of £6,136. The manager was able to put through the mill a larger tonnage than last year—a fact which, in face of the want of labour over the whole field and its inferior quality, as well as the mine stoppages they had been subjected to, was, he considered, a very satisfactory result. Like the demands of labour, there seemed to be no finality of taxation in Australia. It was conceded that gold production was of the greatest importance to the Empire, gold being the standard of all values, and he submitted that it was the duty of all Governments in countries where gold was produced to protect the industry from undue demands which tended to reduce the output. The ore reserves amounted to 387,511 tons, having a money value of £1,175,000, against 429,677 tons, of a value of £1,370,000, in the previous year. The decrease in tonnage of reserves was 53,166 tons, but as 182,265 tons were put through the mill, it showed that the management last year developed fresh reserves to the extent of 130,100 tons. If they could continue at this rate it would mean that the reserve

would last at least another seven years at the present rate of output. In dealing with the financial position of the company, he congratulated the shareholders upon receiving their 100th dividend, amounting in all to £5,400,350—the total output of gold being £11,377,950, or more than one-third of the whole output in Western Australia since 1894. In paying their 100th dividend, they had had to strain the finances of the company somewhat, as during the past year the claims upon them in respect of Imperial and Federal taxes had been very excessive, and had exhausted their treasury to an undue extent. After mature consideration, the directors had decided to pass the September dividend, and pay the next dividend at the end of the year, and then he sincerely hoped that, despite the claims which would be made upon them in the coming year for Imperial and Federal taxes, the returns for the year would justify their continuing the dividends at the present rate.

Mr. John Waddington, J.P., seconded the resolution, which was carried unanimously.

## What Balance Sheets Tell.

**DEMERRARA RAILWAY CO.**—In the December half-year gross receipts were £2,000 higher at £35,650, but expenses advanced £7,500 to £30,250. However, with a larger amount brought in, and by withdrawing £3,300 against £950 from the renewal fund, the nett revenue balance is only £1,800 less at £16,000. The ordinary stock gets a dividend of 1 per cent. (against nil), making 3 per cent. for the year, and by placing only £1,500 to reserves against £3,600, the carry forward is reduced £1,300 to £2,000. It seems doubtful whether the directors were justified in paying a dividend, but the conditions were unfavourable owing to bad weather and the increased cost of labour and materials, so it is presumably expected that things will be better in the current year.

**AGRICULTURAL BANK OF EGYPT.**—Receipts in the year to January 31 amounted to £1,255,000, an increase of £50,000, but £144,000 less at £20,000 had to be written off for depreciation of investments, and other debit items also were smaller, with the result that the balance at profit and loss is £220,000 larger at £583,000. Cash has fallen £740,000 to £785,000, advances £320,000 to £447,000, loans £380,000 to £4,460,000, and instalments overdue £485,000 to £595,000, but investments have increased £1,900,000 to £5,214,000, and the total of the balance-sheet is just about the same at £12,800,000. The bank serves an extremely useful purpose, and it is pleasant to see that it makes splendid progress.

**NATIONAL BANK OF AUSTRALASIA, LTD.**—In the half-year to March 31 Government deposits increased £140,000 to £1,807,000, and other deposits £1,230,000 to £12,015,000. Cash and investments are up a million at £7,086,000, and another million has been added to bills discounted and advances, raising the amount to £10,134,000, and the total of the balance-sheet to £17,610,000. Gross profits were practically unchanged at £207,000, and the nett profit, including a larger balance brought in, is £2,600 up at £100,740. After again placing £30,000 to reserves, and repeating the dividend of 7 per cent. per annum, the balance forward is increased by £2,500 to £18,300.

**CITY OF LONDON REAL PROPERTY CO., LTD.**—Although many branches of City business have suffered severely owing to the war, this company continues to do well, and in the year to April 12 the nett revenue, including the amount brought forward, was £10,000 higher at £185,000. After placing £40,000, or £10,000 more, to reserve, the dividend of 13 per cent. is repeated, and the balance forward is practically the same at £41,330. Several additional premises have been purchased, while the freehold of 29, Gracechurch Street, has been sold, and the company has exercised its option to take up £75,000 new capital of the London Offices Co., Ltd. Assets are now valued at £3,255,000, an increase of nearly £100,000.

**INVESTMENT TRUST CORPORATION, LTD.**—Income fell off £12,000 to £205,460 in the year to April 30, but there was a saving on income-tax, and, with a larger amount brought in, the nett profit is only £1,000 smaller at £159,240. It is therefore quite easy to repeat the dividend of 12½ per cent. on the deferred stock, and as last year £6,000 was transferred to income-tax adjustment account, the carry forward is increased by £5,000 to £48,800. Investments at £4,700,000 show a slight decrease, but the changes in the balance-sheet do not call for remark.

**AMERICAN FREEHOLD-LAND MORTGAGE CO., OF LONDON, LTD.**—In the year to March 31 the total income was £92,360, a decrease of £6,700, but this may be regarded as very satisfactory in view of the higher income-tax deducted and the restrictions imposed by the Treasury on the company's business. Nett profit, including the amount brought in, was practically unchanged at £45,470, and the dividend of 10 per cent. and bonus of 5 per cent. are repeated, while £500 more at £5,000 is placed to reserve, and the carry forward is slightly reduced at £4,550. During the year, debentures and mortgages for £100,000 were redeemed, against £39,000 in the previous twelve months.

**PARK GATE IRON AND STEEL CO., LTD.**—Although the profits for the year to March 31 are returned at £100,800, or £3,000 less than in the previous 12 months, they must actually have been considerably higher as war taxation would absorb more, and £40,000 against £30,000 is written off for depreciation. A year ago there was a bonus distribution of one share in four out of reserves, and the dividend is maintained at 15 per cent., but it absorbs £75,000 against £60,000. The amount placed to

reserve is reduced from £40,000 to £25,000, and as a larger sum was brought in the carry forward is a little larger at £10,200. During the year £80,700, or £42,000 more, was expended on properties and plant; otherwise nothing in the balance-sheet calls for notice.

**METERS, LTD., MANCHESTER.**—In the year to March 31 gross profits amounted to £32,930, an increase of £3,000, and after paying all expenses, and charging £5,100 against £3,650 for repairs and renewals the nett profit is £4,400 higher at £21,300. The final dividend is therefore raised from 5 per cent. to 6 per cent., making 8 per cent. for the year, against 7 per cent. The appropriation to reserve is doubled at £4,000, and the balance forward is increased by £1,200 to £5,200. With the present addition the reserve will amount to £112,000, and although the investments (£125,000 in gilt-edged securities) show a depreciation of £17,000, the position is quite comfortable.

**R AND J. HILL, LTD.**—In the year to March 31 the nett profit amounted to £46,000, an increase of £18,500. A year ago a dividend of 5 per cent. was paid (the first since 1906), and 6 per cent. is now declared, while reserve gets double at £10,000, and £12,000 more at £26,760 is carried forward, subject to excess duty, which amounted to £7,300 for 1916. Government restrictions on clearances of tobacco from bond for home consumption have been in operation during the year, and have resulted in the output being insufficient to meet the demand. Unfortunate consumers have to suffer, but the manufacturers have little to complain about.

**JOHN SHIELDS AND CO., LTD.**—Profits for the year to February 28 are struck before instead of after providing for excess duty, and they show a reduction of £2,000 at £18,920, but this is more than offset by the larger amount brought in. Last year £2,000 was placed to special reserve, and three years' arrears on the "A" shares were paid off. Consequently the amount available for the "B" shares is now £16,400, against £10,000, and the dividend is raised from 2 per cent. to 10 per cent., while the carry forward is £800 up at £9,400. It will be seen that the fortunes of the company have improved greatly in the past two years.

**HENRY CLAY AND BOCK AND CO., LTD.**—The year 1916, it may be recalled, was an exceptionally prosperous one, and the directors were able to pay off seven years of preference dividend amounting to £95,000. For 1917 the nett profits were £26,000 smaller at £44,500, and with £24,000 less brought in the amount available is down £50,000 at £68,500. After paying the preference dividend for the year the carry forward is increased by £31,000 to £54,900, and once more there is nothing for the £160,000 of ordinary capital. Much better things were expected when the company passed under American control.

**NESTLE AND ANGLO-SWISS CONDENSED MILK CO.**—As might have been expected, last year proved a very prosperous one for this company, and the nett profit amounted to 20,187,000 frs., an increase of 2,600,000 frs. So the directors can afford to be generous to the shareholders, and, in addition to the statutory dividend of 20 frs., or 5 per cent., they pay a supplementary dividend of 80 frs., as against 75 frs. Owing to the new shares being now fully paid, these dividends absorb 15,000,000 frs., or 3,125,000 frs. more. The special reserve gets 300,000 frs. less at 2,000,000 frs., and last year's jubilee appropriation of 500,000 frs. for widows and orphans has not to be repeated, so that the carry forward is only slightly reduced at 10,000 frs. The company has an immense business, as may be gathered from the fact that the balance-sheet now totals at 246,480,000 frs., an increase of 48,000,000 frs. Reserves amount to 31,000,000 frs., in addition to a sinking fund of 6,500,000 frs. for the amortisation of debentures.

## BOOKS RECEIVED.

*The Incorporated Accountants' Students' Society*, Victoria. Money and its Purchasing Power. By Mr. J. R. Butchart. March, 1918.

The directors of the London and Lancashire Life and General Assurance Association, Ltd., desire it to be known that there is no truth in the rumour that they contemplate amalgamation with any other company.

It has been stated, says the *Vossische Zeitung*, by the Bessarabian Minister in the Rumanian Cabinet, M. Inuletz, that, in consequence of the long drought, the harvest in Bessarabia will be extremely bad.

The Baltimore and Ohio Railroad is selling \$10,500,000 of short term notes at about par, to meet obligations maturing July 1. The company is authorised also to issue \$20,000,000 of 5 per cent bonds, which will be sold at not less than 80, to pay for improvements.

A land agent writes to the *Times* to show how the profit of an estate has been made to disappear by taxation. In the first exhibit for 1913 there is a profit of £84 16s. 6d.; in the second, which is for 1918, there is a loss of 2s. 6d.; and for 1919 an estimated loss of £17 12s. 6d., or 1s. 4d. per acre. Throughout the rent paid is £200, or 15s. per acre. That rent alone appears to point to imperfect cultivation, and the land agent's figures therefore prove nothing as to the capacity of the land to provide for all the nation's essential food wants.

## INDIAN RAILWAYS.

NAME.	GROSS TRAFFIC FOR WEEK.			GROSS TRAFFIC TO DATE		
	Week ending	Amount	In. or dec. on last year.	Wks. Amount	In. or dec. on last year.	Rs.
Assam Bengal ..	May 4	1,40,081	— 5,724	1	6,36,855	— 7,545
Barsi ..	" 11	52,100	— 2,600	1	92,000	— 26,800
Bengal & N.-W. ..	Apl. 27	4,89,660	+ 44,295	1	18,88,450	+ 1,33,810
Bengal Nagpur ..	May 11	11,93,000	+ 66,000	1	66,77,000	+ 3,97,272
Bombay, Baroda ..	June 15	16,99,000	— 57,000	1	1,91,66,000	+ 11,71,000
Burma ..	Apl. 27	5,69,499	+ 30,410	1	20,07,010	+ 68,967
Delhi Umballa ..	June 15	74,600	— 17,587	1	9,25,085	+ 69,969
East Indian ..	" 15	27,26,000	+ 3,43,000	1	2,80,51,000	+ 19,24,000
Gt. Indian Penin. ..	" 15	22,85,800	— 87,900	1	2,51,84,400	+ 12,75,997
Lucknow-Bareilly ..	Apl. 27	93,945	+ 9,135	1	2,71,605	+ 74,298
Madras and S. ..	May 11	11,25,000	— 49,817	1	65,10,000	+ 1,27,301
Mahratta ..	Apl. 27	1,68,269	+ 34,832	1	4,33,653	+ 37,314
Nizam's Gd. (Broad) ..	" 20	86,991	— 5,449	1	2,49,586	— 7,566
Robilank and ..	May 11	50,309	— 5,168	1	2,11,045	+ 18,973
Kumaon ..	" 27	6,63,647	— 21,740	1	39,09,820	— 1,26,159
South Indian ..	May 11	6,63,647	— 21,740	1	39,09,820	— 1,26,159

† April 1. † October 1.

## TRAMWAY AND OMNIBUS.—HOME.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks. Amount	In. or dec. on last year.	Rs.
Dublin United ..	Apr. 5	7,817	+ 1,914	1	99,454	+ 19,435
Hastings and Dist. ..	May 27	1,508	+ 223	1	23,207	+ 3,654
Ile of Thanet ..	" 25	413	+ 91	1	6,525	+ 2,161
Lancashire United ..	June 19	2,842	+ 357	1	68,800	+ 18,500
Provincial ..	" 1	3,244	+ 137	1	88,402	+ 16,462
Yorks. (Wat. Rng.) ..	May 19	3,007	+ 1,104	1	48,863	+ 11,358

\* From Oct. 1.

† From Jan. 1.

## TRAMWAY AND OMNIBUS.—FOREIGN AND COLONIAL.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks. Amount	In. or dec. on last year.	Rs.
Alabama Power ..	Apr. 1	138,191	+ 31,575	2	265,020	+ 51,718
Anglo-Argentine ..	June 24	50,966	— 1,330	1	1,380,958	+ 93,534
Auckland Electric ..	Apr. 12	23,209	+ 2,031	2	224,466	+ 9,880
Brazilian Traction ..	May 1	4,091,000	+ 38,000	4	175,179	+ 14,059
Brisbane Elec. Inv. ..	May 1	37,610	+ 4,270	5	1,25,554	+ 19,153
British Columbia ..	Apr. 1	129,997	+ 32,909	10	429,380	+ 3,322
B.A. Lacroze ..	May 1	41,315	+ 720	11	213,042	+ 8,945
Burmah Electric ..	" b	Rs. 27,014	+ Rs. 3,945	*	Rs. 154,256	+ Rs. 15,039
Calcutta ..	June 8	Rs. 72,232	+ Rs. 7,744	*	Rs. 154,256	+ Rs. 15,039
Carthagenia and ..	May 8	Rs. 72,232	+ Rs. 7,744	*	Rs. 154,256	+ Rs. 15,039
Herreras ..	May 8	Rs. 72,232	+ Rs. 7,744	*	Rs. 154,256	+ Rs. 15,039
Coroiba Light ..	May 8	Rs. 72,232	+ Rs. 7,744	*	Rs. 154,256	+ Rs. 15,039
P. & T. ..	Feb. 1	12,972	+ 1,076	11	147,938	+ 435
Hongkong ..	Apr. 27	13,039	+ 938	*	229,677	+ 5,295
La Plata ..	May 8	5,105	+ 978	5	25,077	+ 3,786
Lima ..	Apr. 1	20,292	+ 1,603	4	82,153	+ 14,574
Madras Electric ..	June 15	Rs. 39,261	+ Rs. 7,119	*	Rs. 443,140	+ Rs. 67,212
Manila Electric ..	Mar. 1	69,103	+ 29,996	3	196,324	+ 4,027
Mexico ..	Nov. 1	215,256	+ 108,609	3	3,193,106	+ 197,227
Rangoon ..	May 1	5,719	+ 982	*	28,887	+ 3,345
Singapore Electric ..	Apr. 1	13,742	+ 8,139	*	242,897	+ 76,796
Toronto ..	Apr. 1	500,728	+ 20,885	4	1,943,368	+ 23,000
United of Monte V. ..	May 1	32,301	+ 3,585	7	131,900	+ 23,700
Vera Cruz ..	Mar. 1	47,700	+ 4,400	4	282,595	+ 39,493
Winnipeg ..	Apr. 1	665,739	+ 5,676	4	282,595	+ 39,493

b 28 days. \* From Jan. 1. † Net. a From July 1. c Two weeks.

## FOREIGN RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks. Amount	In. or dec. on last year.	Rs.
Alcoy and Gandia ..	June 22	Ps. 7,90	— 4,600	1	231,000	— Ps. 40,870
Antofagasta (Chili) ..	" 23	56,895	+ 15,495	1	1,44,435	+ 188,350
Arauco ..	May 1	13,000	+ 2,000	1	65,000	+ 10,000
Argentine N.E. ..	June 22	9,100	+ 1,200	1	446,700	+ 70,798
Bilbao R. and Canta ..	May 1	4,149	+ 133	5	22,151	+ 3,052
Bolivar ..	" *	12,000	— 670	11	125,894	+ 14,079
Brazil ..	Apl. *	M5,325,000	+ M15,597,64	*	M198,11,000	+ M4,059,530
Brazil Gt. Southern ..	Dec. *	4,66,912	+ M2,712	*	M58,439	+ M74,769
B. Ayres & Pacific ..	June 22	165,000	+ 9,000	5	5,061,000	+ 717,000
Do. Central ..	Apl. *	36,405	+ 10,302	10	289,099	+ 46,182
Do. Gt. South'n ..	June 23	127,000	+ 29,600	5	5,678,705	+ 21,451
Do. Western ..	" 23	72,000	+ 30,000	5	2,860,000	+ 329,000
Central Argentine ..	" 22	140,000	+ 54,000	5	6,020,200	+ 867,100
C. Ur'g'ay of Mte V. ..	" 22	20,539	+ 7,13	11	951,534	+ 276,917
Do. East'n Ex. ..	" 22	5,444	+ 2,329	1	264,915	+ 8,990
Do. North'n Ex. ..	" 22	3,950	+ 1,727	1	175,015	+ 46,387
Do. West'n Ex. ..	" 22	2,440	+ 312	1	112,749	+ 20,246
Coroba Central ..	" 22	45,000	+ 11,815	1	1,656,000	+ 124,360
Costa Rica ..	Apl. 20	3,399	+ 2,585	1	121,652	+ 101,276
Cuban Central ..	June 22	19,087	+ 4,877	1	1,090,454	+ 181,215
Dorada Extension ..	May 1	9,500	+ 100	5	42,900	+ 2,800
Egyptian Delta ..	June 10	7,830	+ 2,452	1	54,897	+ 15,652
Entre Rios ..	" 23	18,900	+ 4,800	1	833,900	+ 206,900
French Sante Fé ..	Mar. 1	155,760	+ 45,129	1	—	—
Gt. South. of Spain ..	June 8	Ps. 24,077	+ Ps. 61,401	*	Ps. 678,873	+ Ps. 513,275
Gt. West. of Brazil ..	" 22	13,700	+ 2,100	1	422,200	+ 109,850
Havana Central ..	" 1	10,456	+ 2,323	1	435,321	+ 94,181
Inter. of C. Amer. ..	May 6	29,384	+ 555	1	141,164	+ 22,775
La Guaira and Car. ..	" 22	5,500	+ 2,350	1	29,750	+ 13,000
Leopoldina ..	June 22	31,943	+ 1,362	1	797,592	+ 197,792
Midland Uruguay ..	May 1	11,702	+ 1,655	1	144,761	+ 1,739
Mogiana ..	Mar. 1	M1,717,000	+ M197,350	*	M7,294,000	+ M121,408
N.W. of Uruguay ..	May 1	20,500	+ 6,235	1	282,433	+ 12,004
Nitrate ..	June 15	35,102	+ 6,104	1	347,983	+ 31,097
Paraguay Central ..	" 22	3,380	+ 1	1	150,020	+ 15,910
Paulista ..	Apl. *	M2,107,000	+ M255,580	*	M9,859,000	+ M24,9104
Peruvian Corps ..	May *	S1,022,120	+ S119,340	*	S114,24,560	+ S1201,888
Salvador ..	June 15	2,000	+ 980	1	108,684	+ 909
State of Bahia S.W. ..	Apl. *	M40,000	+ M2,000	*	M277,000	+ M55,000
S. Paulo (Brazilian) ..	June 23	24,623	+ 1,041	1	732,638	+ 175,122
Sorocabana ..	Apl. *	M2,169,000	+ M718,123	*	M7,744,000	+ M142,253
Taitai ..	May 1	23,168	+ 29	11	273,128	+ 61,067
United of Havana ..	June 22	40,238	+ 13,740	1	2,973,462	+ 737,508
West'n of Havana ..	" 22	7,624	+ 12	1	472,140	+ 118,951
Zafra and Huella ..	May *	13,913	+ 2,369	5	64,563	+ 12,323

\* Months. † Jan. 1. † From July 1. c Net. b 15 days. a 10 days.

## COLONIAL RAILWAYS.

NAME.	Week ending	Amount	In. or dec. on last year.	Wks. Amount	In. or dec. on last year.	Rs.
Alcoy ..	Feb. *c	33,620	— 28,673	5	250,219	— 25,441
Canadian Northern ..	June 21	916,300	+ 84,900	1	4,103,000	+ 110,300
Canadian Pacific ..	" 21	2,849,000	+ 90,000	1	67,754,000	+ 923,000
Gr. Trk. Main Line ..	" 21	270,461	+ 32,4	1	4,967,263	+ 315,401
Gr. Trk. Western ..	" 21	49,613	+ 7,284	1	927,334	+ 37,334
Detroit G. H. & M. ..	" 21	13,212	+ 8,589	1	290,820	+ 32,360
Gr Trk Pao Prairie Sc ..	" 21	18,551	+ 8,156	1	557,108	+ 74,952
Mashonaland ..	Jan. *	52,822	+ 3,300	4	886,399	+ 3,322
Mid. of Westn. Aus. ..	Apr. *	8,531	— 650	10	79,259	+ 1,651
New Cape Central ..	May 4	2,473	+ 770	1	42,678	+ 7,764
Rhodesia ..	Mar. *c	71,999	+ 16,358	6	570,464	+ 16,108

\* Months. † July 1. † Jan. 1. c From Oct. 1.

## MONTHLY STATEMENTS.

NAME.	NETT EARNINGS FOR MONTH.			NETT EARNINGS TO DATE.		
	Month.	Amount.	In. or Dec. on last year.	Mo. Amount.	In. or Dec. on last year.	Dols.
Atchison T. & S. Fé ..	Apr.	4,701,000	— 1,600,000	4	14,232,000	— 1,695,000
Atlantic Coast Line ..	Jan.	1,075,000	— 212,000	12	12,014,000	+ 607,000
Baltimore & Ohio ..	Apr.	1,796,000	— 671,000	4	4,050,000	—
Canadian Northern ..	May	380,900	— 673,500	11	3,412,300	— 5,904,500
Canadian Pacific ..	Apr.	3,455,000	— 720,000	4	8,207,000	— 4,323,000
Chesapeake & Ohio ..	"	1,681,000	+ 327,000	4	4,074,000	— 1,069,000
Chicago & N.W. ..	Jan.	6,785,000	+ 2,797,000	12	27,015,000	+ 3,634,000
Chicago Burl. & Q. ..	Dec.	1,585,000	— 2,276,000	12	32,867,000	— 6,332,000
Chicago G.W. ..	Feb.	151,000	— 36,000	2	142,000	— 357,000
Chicago Mil. & S.P. ..	Apr.	725,000	— 1,217,000	4	2,144,000	— 4,807,000
Chicago, Rock I. & P. ..	"	1,602,000	+ 164,000	4	4,716,000	— 1,108,000
Colorado & Southern ..	Dec.	—	— 11,000	11	5,320,000	+ 370,000
Cuba ..	Mar.	488,046	— 110,194	9	2,530,288	+ 377,997
Delaware & Hud. ..	Jan.	3,600	— 720,000	12	5,686,000	— 2,124,000
Denver & Rio Gran. ..	Apr.	695,000	— 92,000	4	2,354,000	— 472,000
Erie ..	Mar.	1,100,000	— 761,000	3	2,977,000	—
Gr. Tr. Main Line ..	Apr.	144,600	— 51,550	4	1,263,750	— 1,846,600
Grand Trunk Westn ..	"	b 28,350	+ 17,250	4	b 138,250	— 1,11,750
Detroit G. H. & Mil. ..	"	b 6,600	+ 1,100	4	b 4,800	— 1,11,750
Gt. Northern ..	"	1,165,000	+ 1,401,000	12	22,987,000	— 6,179,000
Illinois Central ..	"	1,860,000	+ 463,000	4	4,576,000	— 1,321,000
Kansas City Southn. ..	"	487,000	+ 96,000	4	1,679,000	— 159,000
Lehigh Valley ..	Jan.	b 985,000	— 1,346,000	12	9,403,000	— 2,876,000
Louisville & Nashvl. ..	Mar.	2,393,000	+ 554,000	3	4,962,000	— 784,000
Minn. S.P. (Soj) ..	Dec.	612,600	— 883,000	12	9,331,000	— 3,648,000
Miss. K. & Texas ..	Mar.	776,000	+ 212,000	3	1,201,000	— 151,000
Missouri Pacific ..	Nov.	1,690,000	+ 321,000	5	9,425,000	+ 1,920,000
New York Cent. & H. ..	Mar.	3,985,000	+ 243,000	3	8,483,000	— 976,000
N.Y. N. Haven & H. ..	Dec.	1,795,000	— 1,795,000	12	23,815,000	— 2,245,000
New York Ont. & W. ..	Apr.	21,000	— 60,000	2	14,000	— 185,000
Norfolk & Western ..	"	542,000	— 833,000	2	765,000	— 2,300,000
Northern Pacific ..	"	862,000	— 694,000	2	1,644,000	— 2,139,000
Pennsylvania East ..	"	4,718,000	— 2,071,000	4	5,341,000	— 6,229,700
Phil. and Reading ..	"	244,867	— 112,050	4	2,482,530	— 4,448,250
Reading ..	"	118,928	+ 35,693	4	4,86,165	+ 150





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